

7.3 STELLENBOSCH MUNICIPALITY: HOUSING PIPELINE (ANNUAL REVIEW)*File number : 17/4/9**Report by : Director: Human Settlements and Property Management**Compiled by : Manager: New Housing and Manager: Informal Settlements**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 request Council to approve the Stellenbosch Municipality's Housing Pipeline (projects) for the next 10 financial years, for submission to the Provincial Department of Human Settlements (PDoHS).

2. BACKGROUND

During 2012/13 the current housing pipeline was developed and approved by PDoHS covering a 5 year horizon (2017/2018). Due to the housing shortage and continuous urbanization, the need to extend the pipeline to a 10 year period was identified.

Accordingly, PDoHS appointed a Professional Resource Team (PRT) to assist the municipality with the development of a future pipeline to cover a 10 year horizon and to update the previously approved pipeline of the municipality. This assistance comprised a two pronged approach namely:

- i) Revisiting the existing Human Settlements Plan (HSP) (5 year horizon); and
- ii) Compiling a draft HSP with a 10 year horizon.

Checklist: Phase 1

Review and update the first generation municipal Human Settlements (HS) Pipeline	✓
Determine the housing backlog and land need for the next ten years.	✓
Identification of potential future projects.	✓
Conduct preliminary project pre-feasibility report for the identification of new sites	✓

Produce HS project pipeline for the next 10 years.	✓
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Phase 2

The Housing officials and PRT submitted the draft pipeline to the Senior Managers of Stellenbosch Municipality and PDoHS, thereafter to Council and then to the MEC of Human Settlements for final approval.

3. DISCUSSION**3.1 Housing backlog and land need**

In determining the housing backlog the PRT relied on the Municipal Housing Waiting Lists as supplied by the Western Cape Demand Database.

Cognisance must be taken that the waiting list only reflects the individuals/households who registered themselves on a voluntary basis on the list. It does not reflect the means test (income per household) that is performed once a housing project is implemented. Therefore the figures hereunder are only indicative of the housing need and do not necessarily reflect the actual need per housing program.

Table 1: Waiting List

TOWN	Waiting list (hh) Note 3	Future growth at 1% (2024) Note 2	Urban relocation (2024)	Total Need	No of Units up to 2020 (Pipeline)	Backlog	Land Need (ha) – Note 1
KAYAMANDI, IDAS VALLEY & CLOETESVILLE							
Kayamandi – Breaking New Ground (BNG)	4 457	466		4 923			
Kayamandi - GAP	299	31		330			
Idas Valley - BNG	1 345	141		1 486			
Idas Valley - GAP	86	9		95			
Cloetesville - BNG	2 270	237		2 507			
Cloetesville - GAP	139	15		154			
TOTALS	8 596	899		9 495	2 899	6 596	165
FRANSCHHOEK							
Franschhoek - BNG	3 068	0		3 068			
Franschhoek - GAP	164	17		181			
TOTALS	3 232	17		3 249	2 200	1 049	26
KLAPMUTS							
Klapmuts - BNG	2 351	0		2 351			
Klapmuts - GAP	106	11		117			
TOTALS	2 457	11		2 468	676	1 792	45
KYLEMORE & PNIEL							
Kylemore - BNG	732	77		809			
Kylemore - GAP	43	4		47			
Pniel	193	20		213			
Pniel	36	4		40			
TOTALS	1 004	105		1 109	871	238	6
JAMESTOWN							
Jamestown - BNG	641	0		641			
Jamestown - GAP	71	7		78			
TOTALS	712	7		719	583	136	3
OTHER AREAS (STELLENBOSCH)							

Stellenbosch	4 649	486		5 135			
Stellenbosch	218	23		241			
TOTALS	4 867	509		5 376	4 306	1 070	27
Smaller towns (< 100 hh)	230	24		254			
TOTALS	21 098	1 573		22 671	11 535	10 882	272

Note 1 – land need based on a density of 40 units per hectare

Note 2 – the 1% is calculated per annum and summed over a period of 10 years

Note 3 – the information is premised on the waiting list

3.2 New projects added to pipeline

As part of the PRT brief they had to identify a maximum of 10 new projects per Municipality. Subsequently, various workshops were held with the Department and Municipal officials and a list of potential projects were identified. These were referred to Spatial Development Framework (SDF) and IDP's and initially broadly screened where-after a shortlist was compiled.

A desktop pre-feasibility was conducted on each of these sites to identify potential risks, development opportunities, constraints, alignment to policy documents and availability of services. The following new projects were identified by means of a desktop feasibility study by the PRT:

Table2: Projects identified (PRT)

KEY	TYPE	ERF / FARM NO.	TOWN / AREA	OWNERSHIP	SIZE (ha)
1	Infill Development	Ptn 3 Farm Idas Valley 1075	Idas Valley	Stellenbosch Municipality	6
2	Greenfield	Remainder Farm 527	Jamestown	Stellenbosch Municipality (Long term lease agreement in place)	27,6
3	Greenfield	Remainder Ptn 2 Farm Weltevreden	Klapmuts	Private: SAFAMCO	11,2
4	Greenfield	Ptn 4 Farm Old Bethlehem 153 Remainder Ptn 1 Farm Old Bethlehem	Kylemore	Private: Reside PROP PTY LTD Private: Reside PROP PTY LTD	18,1

Council has over the last number of years identified several areas where possible future development can be implemented in the future. (see table 2).

Table3: Projects identified by Council

KEY	TYPE	ERF / FARM NO.	TOWN / AREA	OWNERSHIP	SIZE (ha)
1	Infill Development	*Erf 7001	Cloetesville	Stellenbosch Municipality	5.8
2	Greenfield	Droëdyke: Erven	Stellenbosch	Private Government and	88.8
3	Greenfield	*Nietvoorbij	Stellenbosch	Government	30.26
4	Greenfield	*Northern Extension	Stellenbosch	Private and Stellenbosch	270
5	Infill Development	*Social Housing: Restructuring Zones	Stellenbosch	Private and Stellenbosch	---

*(pre-feasibility studies still to commence)

In accordance with the above, proposed timelines were developed for the commencement with construction.

Table 3: Proposed timelines for construction

Proposed Projects	Current project per area	2 - 3 years	3 – 5 years	5 – 10 years	More than 10 years
2053(1): Kayamandi Watergang (295 services) UISP	X				
2053(1): Kayamandi Watergang (193 Units) IRDP	X				
3251.01: Stellenbosch Jamestown (162 services & units) IRDP	X				
3110.01: Vlottenburg Longlands (144 services & units) IRDP	X				
3258: Kayamandi Town Centre Regeneration (700 Units)			X		
2053(1): ZONE O (540 services)	X	X			
3256: Franschoek Langrug Enhanced Services (1200 services) UISP	X				
2053.x Klapmuts Upgrading of informal settlement (Phase 4 of 2053:15)	X	X			
2053(20): Kylemore (171 services & 171 units) IRDP		X			
xxxx : Stellenbosch Meerlust (200 services & 200 units) IRDP			X		
3259: Kayamandi Enkanini Enhanced Services (1300 services) UISP			X		
3257: Stellenbosch Idas Valley (400 services & 400 units) IRDP / FLISP	X	X		X	

Proposed Projects	Current project per area	2 - 3 years	3 – 5 years	5 – 10 years	More than 10 years
xxxx : Stellenbosch Lamotte Old Forest Station (320 services & units) IRDP / FLISP and 106 services & GAP					
xxxx : Stellenbosch Lanquedoc (700 Services & 700 units) IRDP					
3251.03: Stellenbosch Jamestown (265 services & 265 units)		X			
3251.04: Stellenbosch Jamestown (156 services & 156 units)		X			
xxxx : Stellenbosch Jonkershoek (? Services & ? units) IRDP					
3260 : Stellenbosch Droë Dyke (4000 services & 4000 units) IRDP					X
xxxx: Ptn 3 Farm Idas Valley 1075				X	
xxxx: Remainder Farm 527, Jamestown*			X		
xxxx: Remainder Farm 527, Jamestown**				X	
xxxx: Remainder Ptn 2 Farm Weltevreden 744, Klapmuts				X	

xxxx: Ptn 4 Farm Old Bethlehem 153, Kylemore			X		
xxxx: Remainder Ptn 1 Farm Old Bethlehem 153, Kylemore			X		
xxxx: Erf 7001, Cloetesville		X			
xxxx: Nietvoorbij, Stellenbosch					X
xxxx: Northern Extension, Stellenbosch				X	
xxxx: Social Housing: Restructuring Zones, CBD Stellenbosch			X		

* assumed all planning rights received or are in the process of being obtained

** outside urban edge

Note: IRDP – Integrated Residential Development Programme
 UISP – Upgrading of Informal Settlements Programme
 FLISP – Finance Linked Individual Subsidy Programme
 CBD – Central Business District

3.2.1 Idas Valley Ptn 3 Farm 1075

The proposed project consists of the following properties:

Portion 3 Farm 1075

The site is located in Idas Valley, immediately to the west of the residential suburb of Lindida. It lies to the north-west of Stellenbosch town centre. The site has been vacant for a number of years, which lead to the area being used as breeding grounds for undesired activity in the community. No legal agricultural activities are recorded on site in the past ten years. The original vegetation found in this area is the Cape Winelands Shale Fynbos, however the site has undergone years of transformation and no natural vegetation are left intact. The Krom River passes through the southern portion of the site.



The site potential is for approximately 126 subsidy housing units.



Based on the PRT evaluation the project is **RECOMMENDED** to be added to the Municipality’s Pipeline Projects.

It is suggested that the following time period should be considered for implementation:

2 -3 years	3 – 5 years	5 – 10 years	More than 10 years
		X	

3.2.2 Jamestown Portion of Remainder Farm 527

The proposed project consists of the following properties:

Portion of Remainder Farm 527

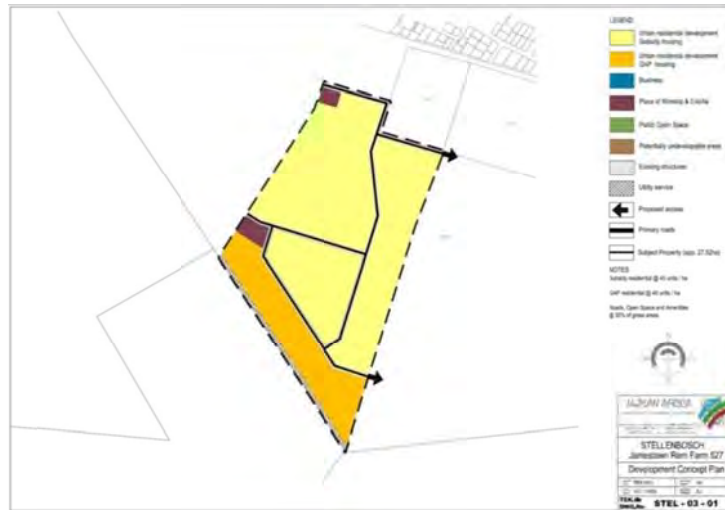
The site is situated on the slopes of the Jonkershoek Nature Reserve, to the east of the R44, linking Somerset West with Stellenbosch, and immediately south of the Jamestown Residential Area.

The 27.6ha is currently and have historically been used for agricultural purposes, mainly for the cultivation of grapes. Therefore no natural Swartland Granite Renosterveld is left on site. To the west of the site (on the existing Jamestown housing development) is a natural water course which flows into an existing dam.



The development potential is ±850 housing opportunities. Premised on the current Phase 1 project of Farm 527 these future opportunities can be summarised as follows:

GAP housing opportunities : ±400 (FLISP)
 Subsidised housing opportunities : ±450 (UISP and IRDP)
Total : ±850



Based on the PRT evaluation the project **IS RECOMMENDED TO PROCEED WITH CAUTION** prior to it being added to the Municipality’s Pipeline Projects. Portion of site falls outside of urban edge.

It is suggested that the following time period should be considered for implementation:

2 -3 years	3 – 5 years	5 – 10 years	More than 10 years
	X	X	

3.2.3 Klappmuts Remainder Ptn 2 Farm Weltevreden 744

The proposed project consists of the following properties:

Remainder Ptn 2 Farm Weltevreden 744

The proposed site is located on the Western edge of the residential area of Klappmuts, West of the R44, separating the urban area from the neighbouring agricultural landscape. The property covers an area of 10.3ha and is bordered to the East and North by the Klappmuts residential area, and to the South by a small holding.

Currently vacant, the site could have been used for grazing purposes in the past and therefore no natural occurring Swartland Alluvium Fynbos. The northern part of the site falls within a 600m buffer area due to a nearby factory. There appears to be a small watercourse on the northern part of the site but it falls within the buffer area. The closest dam is found approximately 212m south of the Southern border. No drainage lines appear to traverse the site.



The development potential is summarised as follows:

GAP Units (3 storeys)	:	72
GAP / Market units	:	300
Subsidy Units	:	200
Total	:	572

It is suggested that the following time period should be considered for implementation:

2 -3 years	3 – 5 years	5 – 10 years	More than 10 years
		X	

3.2.4 Kylemore Ptn 4 & Remainder Ptn 1 Farm Old Bethlehem 153

The proposed project consists of the following properties:

- Ptn 4 Farm Old Bethlehem 153
- Remainder Ptn 1 Farm Old Bethlehem 153

The site is located directly adjacent to the residential area of Kylemore and consists of two elongated portions of land which is separated by an access road to the site adjacent farm. The total area of the two sites is 29.4ha and was historically covered by Swartland Alluvium Fynbos to the South and Boland Granite Fynbos to the North. The Eastern border is delineated by a stream flowing from the mountain and feeds into the onsite wetland on both portions of land. There are some signs that the wetland has been disturbed due to some minor earthworks.



The development potential is summarised as follows:

GAP Units : 30
 Subsidy Units : 140
Total : 170



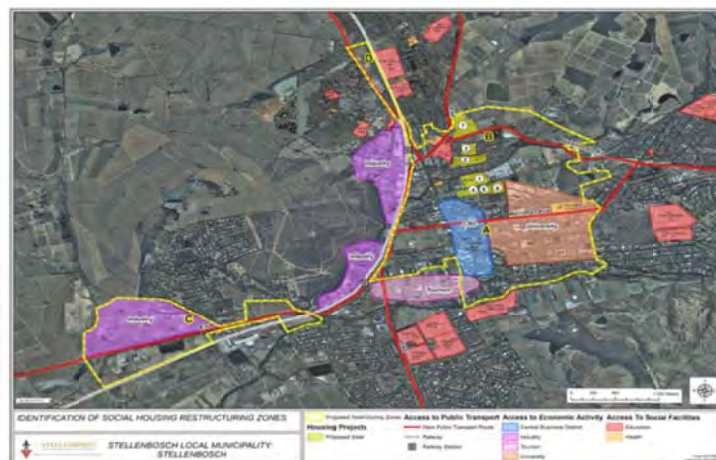
Based on the PRT the project **IS RECOMMENDED** to be added to the Municipality's Pipeline Projects.

It is suggested that the following time period should be considered for implementation:

2 -3 years	3 – 5 years	5 – 10 years	More than 10 years
		X	

3.2.5 Social Housing

This project consists of various sites which is located within the Stellenbosch Municipal area. This project is dependent on the Municipality becoming a restructuring town with restructuring zones.



The development potential is summarised as follows:

Social housing Units : 1000
 GAP Units : 0
Total : 1000

It is suggested that the following time period should be considered for implementation:

2 -3 years	3 – 5 years	5 – 10 years	More than 10 years
	X		

3.2.6 Northern Extension

This project consists of various sites which are located to the North of Kayamandi and is abutted by the R304. There are some agricultural activities on some of these properties.

The proposed project consists of the following properties:

- Ptn 8/81
- Ptn 2/72
- Ptn 2/81
- Ptn 23/183
- Ptn 36/183
- Ptn 37/183
- Remainder 182
- Remainder 183
- Remainder of 1/183
- Remainder of Ptn 1/182
- Remainder of Ptn 33/81
- Remainder of Ptn 5/83



The development potential of this site is calculated on the assumption that the average is/will be $\pm 100\text{m}^2$ and is summarised as follows:

GAP Units	: 2000
Subsidised housing opportunities	: 4000
Total	: 6000

The initial estimates indicate that the area could yield as much as 11000 mixed use opportunities.

It is suggested that the following time period should be considered for implementation:

2 -3 years	3 – 5 years	5 – 10 years	More than 10 years
		X	

3.2.7 Nietvoorbij

This site is located between Idas Valley and Cloetesville. Portions of the farm is cultivated and used as an experimental farm.



The development potential of this site is calculated on the assumption that the average is/will be $\pm 100\text{m}^2$ and is summarised as follows:

GAP Units / Social Housing*	:	500
Subsidised housing opportunities	:	200
Total	:	700

**A portion of the Nietvoorbij land will be utilised for social housing in accordance with the National Minister of Human Settlements Gazetting, that portion as a Restructuring Zone.*

The initial estimates indicate that the area could yield as much as 1200 mixed use opportunities.

It is suggested that the following time period should be considered for implementation:

2 -3 years	3 – 5 years	5 – 10 years	More than 10 years
			X

3.2.8 Cloetesville (“Soek – mekaar”) Erf 7001

The proposed project consists of the following property:

- Erf 7001,

This is located in Cloetesville. The site has been vacant for a number of years, which lead to the area being used as breeding grounds for

undesired activity in the community. The property is currently zoned public open space.



The development potential of this site is calculated on the assumption that the average is/will be $\pm 100\text{m}^2$ and is summarised as follows:

GAP Units	:	140
Subsidised housing opportunities	:	60
Total	:	200

The initial estimates indicate that the area could yield as much as ± 235 mixed use opportunities.

It is suggested that the following time period should be considered for implementation:

2 -3 years	3 – 5 years	5 – 10 years	More than 10 years
X			

3.2.9 Drodyke

This project consists of various sites which are located to the North of Kayamandi and is abutted by the R304. There are some agricultural activities on some of these properties.

The proposed project consists of the following properties:

No.	Property Description	Size (ha)	Ownership	Zoning	Inclusion in Urban Edge
1.	Portion of Remainder Farm 279	25, 3	Stellenbosch Municipality	Agricultural	
2.	Portion 1 of Farm 284	3,31	Hannekom Developers (Pty) Ltd	Agricultural	
3.	Remainder Farm 284	60, 79	JC Botha (Pty) Ltd	Agricultural	
4.	Portion 17 of the Farm 183	10, 22	RSA	Agricultural	Yes
5.	Remainder Portion 35 of the Farm 183	2, 41	RSA	Agricultural	Yes
6.	Portion 8 of Farm 283	13, 23	RSA	Agricultural	Yes
7.	Remainder Farm 283	48, 81	RSA	Agricultural	Yes
8.	Farm 281	28, 27	RSA	Agricultural	

RSA Donates the Republic of South Africa

Sub Total : Private Land	64, 11 ha
Sub Total: Municipal Land	25, 3 ha
Sub Total: State Land	102, 97 ha
TOTAL	192, 37 ha

Source: Drodyke, Stellenbosch Municipality: Status Report: February 2013



The development potential of this site is calculated on the assumption that the average is/will be $\pm 100\text{m}^2$ and is summarised as follows:

GAP Units	:	1050
Subsidised housing opportunities	:	450
Total	:	1500

The initial estimates indicate that the area could yield as much as ± 3550 mixed use opportunities.

It is suggested that the following time period should be considered for implementation:

2 -3 years	3 – 5 years	5 – 10 years	More than 10 years
			X

3.3 Review and update first generation pipeline

The following projects are supported on the current approved pipeline:

(i) 2015/16 Financial Year

	Project name	Housing program	Project phase	No of sites	No of units
1.	Kayamandi Watergang (295 services)	UISP	Construction	295	
2.	Kayamandi Watergang (193 Units)	IRDP	Construction		135
3.	Stellenbosch Jamestown (162 services)	IRDP	Construction	42	90
4.	Kayamandi Zone O (541 services)	UISP	Planning		
5.	Stellenbosch Idas Valley (220 services) (Lindida)	IRDP/FLISP	Await planning approval		
6.	Stellenbosch Idas Valley (240 services) (Erf 13300)	IRDP/FLISP	Await planning approval		
7.	Franschoek Langrug Enhanced Services (1200 services)	UISP	Planning		

8.	Stellenbosch Lamotte Old Forest Station (430 services & 430 units)	IRDP	Await planning approval		
9.	Vlottenburg Longlands (144 services)	IRDP	Planning		
10.	Kylemore (171 services & 171 units)	IRDP	Planning		
11.	Kayamandi Town Centre Regeneration (±700 units)	To be determined by feasibility study	Planning		
TOTAL				337	225

(ii) 2016/17 Financial Year

	Project name	Housing program	Project phase	No of sites	No of units
1.	Kayamandi Watergang (295 services)	UISP (Enhance site)	Toilets	295 (toilets)	300 (temporary structures)
2.	Kayamandi Watergang (193 Units)	IRDP	Construction		58
3.	Stellenbosch Jamestown (162 services)	IRDP	Construction		72
4.	Kayamandi Zone O (±541 services) Investigating possible increase of sites	UISP	Planning and Construction	50	0
5.	Stellenbosch Idas Valley (220 services) (Lindida)	IRDP/FLIS P	Await planning approval		0
6.	Stellenbosch Idas Valley (240 services) (Erf 13300)	IRDP/FLIS P	Construction	140	0
7.	Stellenbosch Jamestown (Phases 2)	IRDP	Planning Phase 2		
8.	Klapmuts (Phase 4 Of 2053:15) 219 services & units	IRDP	Construction	100	0
9.	Franschoek Langrug Enhanced Services (1200 services)	UISP	Planning and feasibility study for decanting site		
10.	Longlands, Vlottenburg (144 Services and units)	IRDP	Contractual matters to be finalised	100	
11.	Stellenbosch La Motte Old Forest Station (430 services & 430 units)	IRDP/FLIS P	Await planning approval		
12.	Kylemore (171 services & 171 units)	IRDP	Await transfer of land and planning approval		
13.	Kayamandi Enkanini Enhanced Services (1300 services)	UISP	Planning (LUPA & EIA)		
14.	Kayamandi Enkanini (Pilot project)	UISP	Construction (Electricity and upgrading of toilets)	300 electricity connections and 60 additional communal toilets	

	Project name	Housing program	Planning	No of sites	No of units
15	Erf 2, La Motte (±70 services)	IRDP	Planning		0
16	Kayamandi Town Centre Regeneration (700units)	UISP/ Institutional	Planning		
TOTAL				390	130

Note: LUPA – Land Use Planning Act
EIA – Environmental Impact Assessment

(iii) 2017/18 Financial Year

	Project name	Housing program	Planning	No of sites	No of units
1.	Kayamandi Watergang (295 services)	UISP	Construction		
2.	Kayamandi Zone O (±541 services) Investigating possible increase of sites	UISP	Construction	50	
3.	Stellenbosch Idas Valley (220 services) (Lindida)	IRDP/FLISP	Construction	62	
4.	Stellenbosch Idas Valley (240 services) (Erf 13300)	IRDP/FLISP	Construction	100	60
5.	Stellenbosch Jamestown (Phases 2)	IRDP	Planning		
6.	Franschoek Langrug Enhanced Services (1200 services)	UISP	Construction	50	
7.	Stellenbosch Lamotte Old Forest Station (430 services & 430 units)	IRDP/FLISP	Planning		
8.	Kylemore (171 services & 171 units)	IRDP	Planning		
9.	Longlands, Vlothenburg (144 Services and units)	IRDP	Construction	44	50
10.	Kayamandi Enkanini Enhanced Services (1300 services)	UISP	Planning		
11.	Klapmuts (Phase 4 of 2053:15) 219 services & units	IRDP	Construction	50	
12.	Erf 7001, Cloetesville (140 GAP & 60 BNG)	IDRP/FLISP	Planning		
13.	Kayamandi Town Centre Regeneration (700units)	UISP/ Institutional	Planning		
TOTAL				356	110

(iv) 2018/19 Financial Year

	Project name	Housing program	Planning	No of sites	No of units
1.	Kayamandi Zone O (±541 services) Investigating possible increase of sites	UISP	Construction	100	
2.	Stellenbosch Idas Valley 1075 (FLISP)	IRDP/FLISP	Planning		
3.	Stellenbosch Jamestown (Phases 2)	IRDP/FLISP	Planning		
4.	Franschoek Langrug Enhanced Services (1200 services)	UISP	Planning		
5.	Stellenbosch Lamotte Old Forest Station (430 services & 430 units)	IRDP/FLISP	Construction	100	40

6.	Klapmuts (Phase 4 Of 2053:15) 219 services & units	IRDP	Construction	69	50
7.	Longlands, Vlottenburg (144 Services and units)	IRDP	Construction	100	33
8.	Kylemore (171 services & 171 units)	IRDP	Planning		
9.	Kayamandi Enkanini Enhanced Services (1300 services)	UISP	Planning		
10.	Stellenbosch Lanquedoc (700 Services & 700 units)	IRDP	Planning		
11.	Stellenbosch Meerlust (200 services & 200 units)	IRDP	Planning		
12.	Social Housing: Restructuring Zones, CBD Stellenbosch	CRR	Planning	100	
13.	Rectification of existing units in Smartie Town	CRR	Construction		106
14.	Erf 7001, Cloeteville (140 GAP & 60 BNG)	IRDP/FLISP	Planning		
15.	Kayamandi Town Centre Regeneration (700units)	UISP/ Institutional	Construction	100	
TOTAL				569	229

(v) 2019/20 Financial Year

	Project name	Housing program	Planning	No of sites	No of units
1.	Kylemore (171 services & 171 units)	IRDP	Construction	171	171
2.	Kayamandi Zone O (±541 services) Investigating possible increase of sites	UISP	Construction	100	
3.	Longlands, Vlottenburg (144 Services and units)	IRDP	Construction		61
4.	Stellenbosch Idas Valley 1075 (FLISP)	IRDP/FLISP	Planning		
5.	Stellenbosch Jamestown 527 (288 services)	IRDP/FLISP	Planning		
6.	Stellenbosch Jamestown (Phases 2)	IRDP/FLISP	Planning		
7.	Franschhoek Langrug Enhanced Services (1200 services)	UISP	Construction	200	
8.	Stellenbosch Lamotte Old Forest Station (430 services & 430 units)	IRDP/FLISP	Construction	200	200
9.	Kayamandi Enkanini Enhanced Services (1300 services)	UISP	Construction	200	
10.	Stellenbosch Lanquedoc (700 Services & 700 units)	IRDP/FLISP	Planning		
11.	Stellenbosch Jonkershoek (? Services & ? units)	IRDP	Planning		
12.	Kayamandi Town Centre Regeneration (±700 units)	To be determined by feasibility study	Planning		
13.	Stellenbosch Meerlust (200 services & 200 units)	IRDP	Construction	50	50
14.	Erf 7001, Cloeteville (140 GAP & 60 BNG)	IRDP/FLISP	Construction	200	60
15.	Kayamandi Town	UISP/	Construction	100	

	Centre Regeneration (700units)	Institutional	n		
16.	Northern Extension, Stellenbosch (2000 GAP & 4000 BNG)	IRDP/FLISP	Planning		
TOTAL				1221	542

(vi) 2020/21 Financial Year

	Project name	Housing program	Planning	No of sites	No of units
1.	Kayamandi Zone O (±541 services) Investigating possible increase of sites	UISP	Construction	191	
2.	Franschoek Langrug Enhanced Services (1200 services)	UISP	Construction	200	
3.	Stellenbosch Idas Valley 1075 (FLISP)	IRDP/FLISP	Construction	126	126
4.	Stellenbosch Jamestown 527 (288 services)	IRDP/FLISP	Planning		
5.	Stellenbosch Jamestown (Phases 2)	IRDP/FLISP	Construction	133	133
6.	Stellenbosch Lamotte Old Forest Station (430 services & 430 units)	IRDP	Construction	130	82
7.	Kayamandi Enkanini Enhanced Services (1300 services)	UISP	Construction	200	
8.	Stellenbosch Lanquedoc (700 Services & 700 units)	IRDP/FLISP	Construction	140	300
9.	Remainder Ptn 2 Farm Weltevreden 744, Klapmuts	IRDP/FLISP	Planning		
10.	Northern Extension, Stellenbosch (2000 GAP & 4000 BNG)	IRDP/FLISP	Planning		
11.	Kayamandi Town Centre Regeneration (700units)	UISP/ Institutional	Construction	200	400
12.	Stellenbosch Meerlust (200 services & 200 units)	IRDP	Construction	150	150
TOTAL				1470	1191

(vii) 2021/22 Financial Year

	Project name	Housing program	Planning	No of sites	No of units
1.	Franschoek Langrug Enhanced Services (1200 services)	UISP		200	
2.	Kayamandi Enkanini Enhanced Services (1300 services)	UISP	Constructi on	200	
3.	Stellenbosch Jamestown 527 (288 services)	IRDP/FLIS P	Constructi on	100	100
4.	Remainder Ptn 2 Farm Weltevreden 744, Klapmuts	IRDP/FLIS P	Planning		
5.	Ptn 4 Farm Old Bethlehem 153, Kylemore (30 GAP & 140 BNG)	IRDP/FLIS P	Planning		
6.	Northern Extension, Stellenbosch (2000 GAP & 4000 BNG)	IRDP/FLIS P	Planning		
7.	Stellenbosch Droë	UISP	Planning		

	Dyke (4000 services & 4000 units)				
8.	Kayamandi Town Centre Regeneration (700units)	UISP/ Institutional	Constructi on	300	300
9.	Stellenbosch Lanquedoc (700 Services & 700 units)	IRDP/FLISP	Constructi on	560	300
TOTAL				1360	700

(viii) 2022/23 Financial Year

	Project name	Housing program	Planning	No of sites	No of units
1.	Franschoek Langrug Enhanced Services (1200 services)	UISP		200	
2.	Kayamandi Enkanini Enhanced Services (1300 services)	UISP	Construction	200	
3.	Stellenbosch Jamestown 527 (288 services)	IRDP/FLISP	Construction	188	
4.	Remainder Ptn 2 Farm Weltevreden 744, Klapmuts	IRDP/FLISP	Construction	350	100
5.	Ptn 4 Farm Old Bethlehem 153, Kylemore (30 GAP & 140 BNG)	IRDP/FLISP	Planning		
6.	Northern Extension, Stellenbosch (2000 GAP & 4000 BNG)	IRDP/FLISP	Planning		
7.	Stellenbosch Droë Dyke (4000 services & 4000 units)	UISP	Planning		
8.	Nietvoorbij	IRDP/FLISP	Planning		
TOTAL				938	100

(ix) 2023/24 Financial Year

	Project name	Housing program	Planning	No of sites	No of units
1.	Franschoek Langrug Enhanced Services (1200 services)	UISP		200	
2.	Kayamandi Enkanini Enhanced Services (1300 services)	UISP	Construction	200	
3.	Remainder Ptn 2 Farm Weltevreden 744, Klapmuts	IRDP/FLISP	Construction	150	250
4.	Ptn 4 Farm Old Bethlehem 153, Kylemore (30 GAP & 140 BNG)	IRDP/FLISP	Construction	170	170
5.	Northern Extension, Stellenbosch (2000 GAP & 4000 BNG)	IRDP/FLISP	Construction	500	
6.	Stellenbosch Droë Dyke (4000 services & 4000 units) IRDP	UISP	Construction	500	200
7.	Nietvoorbij	IRDP/FLISP	Planning		
TOTAL				1720	620

4. LEGAL IMPLICATION

The draft item provided, deals with the approved housing pipeline for Stellenbosch Municipality by the Provincial Department of Human Settlements (PDoHS). The approval for the human settlement pipeline was already granted by the Provincial Department of Human Settlements and no legal input is required in this regard. The

Municipality however has to comply with the conditions of approval. The item is thus supported.

5. FINANCIAL IMPLICATION

Human Settlement projects must be implemented within Council prioritisation; Division of Revenue Act (DORA) approved funding limits and Provincial Department of Human Settlements approvals. The item is supported in line with this comment.

6. COMMENTS FROM OTHER RELEVANT DEPARTMENTS

Property Management

The recommendations contained in the report is supported, subject to amendments of Portion of Farm 744 (Klapmuts) to the northern portion of Farm 744 (figure 1), as the southern portion has been earmarked for a school site.



Figure 1

Spatial Planning, Heritage and Environment

In principle, we support the proposed sites for the housing pipeline projects, but please note the following:

- **Idas Valley:** Please note that a portion of this property was declared as a National Heritage Site (see attached **APPENDIX 1**).
- **Vlottenburg:** Please note that a large portion of this proposed site is located outside the urban edge (see attached **APPENDIX 2**).
- **Jamestown:** Please note that a portion of this proposed site is located outside the urban edge (see attached **APPENDIX 3**).

Although the triangle in Langrug, Franschhoek is located outside the urban edge, we support this location for housing.

Engineering Services

Engineering services comments on the new areas identified are compiled in the attached spreadsheet indicating the availability of bulk

services to support the new areas with the necessary engineering services. It is important to note that certain areas identified before are still under severe pressure from an engineering services provision point of view. Areas to be specifically pointed out are:

- Longlands, Vlotenburg development where the water provision capability is still not efficient to cope with the anticipated demand due to limited reservoir capacity.
- The Idas Valley area will also be dependent on the completion of the Plankenburg main outfall sewer phase 1 and 2 implementation scheduled for end December 2019.
- The Kylemore bulk infrastructure needs upgrading and based on the current approved budget both water and sewer will be ready with sufficient capacity by end 2018.

It is therefore critical that constant communication and integrated planning between the housing department and the engineering directorate is maintained throughout in order to synchronize the implementation and proposed delivery dates of bulk engineering infrastructure and new housing projects.

Joint Comment: Director Planning and Economic Development (P & ED) and Director Human Settlements and Property Management (HS & PM)

At a meeting held on 24 May 2016 between the Director: HS & PM and the Director: P & ED it was agreed that the Stellenbosch Municipality: Housing Pipeline can serve with minor amendments before Council, as a compliance item to ensure financial planning for projects. In view thereof and to avoid policy conflicts, it was also agreed that the item on the Shaping Stellenbosch Spatial Perspective will also be amended accordingly. The Stellenbosch Municipality: Housing Pipeline will be adjusted through the SDF process in keeping with the approved urban development strategy in the following financial year and the relevant recommendations will reflect this.

It is proposed that the following changes are made to the Shaping Stellenbosch item recommendations in order to align same with Stellenbosch Municipality: Housing Pipeline.

Table 4: Proposed changes to the Shaping Stellenbosch item

Previous recommendation	Current recommendation
(a) That the Shaping Stellenbosch document be approved as a broad policy guideline for future planning of Stellenbosch Town and that all spatial planning is based on this spatial strategy;	a) That the Shaping Stellenbosch document be approved as a broad policy guideline for discussion related to future planning of Stellenbosch Town and spatial planning in general and the agreed aspects be incorporated into the new WC 024 SDF;
(b) That Stellenbosch Municipality form a partnership with Stellenbosch University via the Rector-Mayor Forum that mandates the University to	b) That Stellenbosch Municipality form a partnership with Stellenbosch University via the Rector-Mayor Forum to establish an integrated

establish a core group of senior academics and postgraduate researchers to establish an integrated transdisciplinary research programme to support the implementation of the planning policies with funds that will be raised by the University from donors;

transdisciplinary research programme to support the implementation of the planning policies;

It is proposed that all projects mentioned in this item be considered in the SDF of Council.

7. CONCLUSION

It is necessary to prioritise development projects in keeping with the above and to commit to the pipeline, to ensure efficient utilisation of the available resources and the continuous provision of a variety of housing types in a range of markets, spread equitably through the municipal area. Moreover, prioritisation also guides the allocation of Municipal resources to projects, e.g. by leading the applications for bulk infrastructure funding and budgets. The table below indicates the proposed implementation year of the projects as identified on the Housing Pipeline.

PROJECT NAMES	TOTAL UNITS / SITES	Programme	Proposed Implementation Year	Readiness
2053(1): Kayamandi Watergang (295 services) UISP	295	UISP	Roll-over 2015/16	Current project
2053(1): Kayamandi Watergang (193 Units) IRDP	193	IRDP	Roll-over 2015/16	Current Project
3251.01: Stellenbosch Jamestown (162 services & units) IRDP	162	IRDP	Roll-over 2015/16	Current project
3257: Stellenbosch Idas Valley (400 services & 400 units) IRDP / FLISP	400	IRDP/FLISP	Roll-over 2015/16	Await EIA & LUPA approval
2053(1): ZONE 0 (540 services)	540	UISP	2016/17	50% - Consultants appointed to do Planning in beginning 2015.
3256: Franschhoek Langrug Enhanced Services (1200 services) UISP	1200	UISP	2016/17	80% (LUPO and PDoHS approvals outstanding, bulk capacity still to be fully installed)
3110.01: Vlottenburg Longlands (144 services & units) IRDP	144	IRDP	2016/17	90% (Land transfer and PDoHS approval outstanding)
2053.x Klapmuts Upgrading of informal settlement (Phase 4 of 2053:15)	219	UISP	2016/17	50% - all approvals in place, but informal settlement on site.

PROJECT NAMES	TOTAL UNITS / SITES	Programme	Proposed Implementation Year	Readiness
2053(20): Kylemore (171 services & 171 units) IRDP	171	IRDP	2016/20	10% (Land transfer and all planning process outstanding)
3258: Kayamandi Town Centre Regeneration (700 Units)	700	UISP/ INSTITUTIONAL	2016/22	10% (All planning processes outstanding)
3259: Kayamandi Enkanini Enhanced Services (1300 services) UISP	1300	UISP	2017/18	5% (All planning process outstanding)
xxxx : Stellenbosch Lamotte Old Forest Station (320 services & units) IRDP/FLISP and 106 services & GAP	426	IRDP	2017/18	1% (Land not obtained and all planning processes outstanding)
Northern Extension, Stellenbosch (2000 GAP & 4000 BNG)	2000 GAP 4000 BNG	IRDP/FLISP	2017/26	1% (Land not obtained and all planning processes outstanding)
xxxx : Stellenbosch Meerlust (200 services & 200 units) IRDP	200	IRDP	2018/19	1% (Land not obtained and all planning processes outstanding)
3251.03: Stellenbosch Jamestown (265 services & 265 units)	265	IRDP	2018/19	50% - LUPA & EIA outstanding
Erf 7001, Cloeteville (140 GAP & 60 BNG)	140 GAP 60 BNG	IRDP/FLISP	2018/20	1% (All approvals outstanding)
Ptn 3 Farm Idas Valley 1075	126	IRDP/FLISP	2018/21	1% (All approvals outstanding)
Social Housing: Restructuring Zones, CBD Stellenbosch	1000 rental	IRDP/FLISP	2018/26	Application for rezoning submitted to MEC of Human Settlements
3251.04: Stellenbosch Jamestown (156 services & 156 units)	156	IRDP/FLISP	2019/20	50% - LUPA & EIA outstanding
xxxx : Stellenbosch Jonkershoek (100 Services & units) IRDP	100	IRDP	2019/20	1% (Land not obtained and all planning processes outstanding)

PROJECT NAMES	TOTAL UNITS / SITES	Programme	Proposed Implementation Year	Readiness
xxxx : Stellenbosch Lanquedoc (700 Services & 700 units) IRDP	700	IRDP	2019/20	1% (Land not obtained and all planning processes outstanding)
Remainder Farm 527, Jamestown (288 services & 100 units)*	288 services 100 units	IRDP/FLISP	2019/23	1% (Land not obtained and all planning processes outstanding)
Remainder Farm 527, Jamestown **				
Remainder Ptn 2 Farm Weltevreden 744, Klapmuts (500 services & 350 units)	500 services 350 units	IRDP/FLISP	2020/24	1% (Land not obtained and all planning processes outstanding)

3260 : Stellenbosch Droë Dyke (4000 services & 4000 units) IRDP	4000	IRDP	2021/24	1% (Land not obtained and all planning processes outstanding)
Ptn 4 Farm Old Bethlehem 153, Kylemore (30 GAP & 140 BNG)	30 GAP 140 BNG	IRDP/FLISP	2021/24	1% (Land not obtained and all planning processes outstanding)
Remainder Ptn 1 Farm Old Bethlehem 153, Kylemore				
Nietvoorbij, Stellenbosch	To be determined	IRDP/FLISP / SOCIAL HOUSING	2022 / -	1% (Land not obtained and all planning processes outstanding)

The following table is an indication of the different housing programmes/projects that can be rolled out over the next 10 financial years pending on the DORA allocation provided by the municipality.

Summary of housing opportunities from 2016 – 2026:

Housing programme	Total
Service sites	5110
In situ upgrading of informal settlements	3241
BNG	1102
GAP	1839
Institutional	400
Social Housing (rentals)	200-300
Rectification	106
TOTAL HOUSING OPPORTUNITIES	12098

In accordance with the discussion between Director: HS & PM and Director: P & ED it is proposed that all projects mentioned in this item be considered in the SDF of Council.

RECOMMENDED

- (a) that the supported projects by the Provincial Department of Human Settlements, be noted;
- (b) that all projects be considered in the SDF in Council; that the municipality arrange a special meeting with the Minister of Public Works in order to address the transfer of land in areas where municipal land for housing is limited especially areas like Kylemore, La Motte etc;
- (c) that through the necessary funding available a mega project be identified and after Council approval, presented to the Provincial Government for resources and additional funding support; and
- (d) that the housing pipeline be reviewed on an annual basis to align the project readiness with the DORA allocation.

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

**ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE
MEETING: 2016-06-01: ITEM 6.1.3****RECOMMENDED**

- (a) that the supported projects by the Provincial Department of Human Settlements, be noted;
- (b) that all projects be considered in the SDF in Council; that the municipality arrange a special meeting with the Minister of Public Works in order to address the transfer of land in areas where municipal land for housing is limited especially areas like Kylemore, La Motte etc.;
- (c) that through the necessary funding available a mega project be identified and after Council approval, presented to the Provincial Government for resources and additional funding support; and
- (d) that the housing pipeline be reviewed on an annual basis to align the project readiness with the DORA allocation.

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

MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 5.1.8

RECOMMENDED BY THE EXECUTIVE MAYOR

**KINDLY NOTE: THE RECOMMENDATION OF THE
EXECUTIVE MAYOR WILL BE
DISTRIBUTED UNDER SEPARATE
COVER IN DUE COURSE.**

APPENDIX 1

APPENDIX 2



APPENDIX 3



7.4 WRITING-OFF OF OUTSTANDING HOUSING LOANS

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

Strategic intent of item

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

1. PURPOSE OF REPORT

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

2. DISCUSSION

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

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

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

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

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

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

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

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

4. LEGAL IMPLICATION

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

5. FINANCIAL IMPLICATION

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

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

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

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

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

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

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

6. **COMMENTS FROM OTHER RELEVANT DEPARTMENTS**

Human Settlements & Property Management

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

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

Legal Department

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

7. **CONCLUSION**

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

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

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

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

RECOMMENDED

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

(CHIEF FINANCIAL OFFICER TO ACTION)

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

RECOMMENDED

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

(CHIEF FINANCIAL OFFICER TO ACTION)

MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 5.1.10

RECOMMENDED BY THE EXECUTIVE MAYOR

**KINDLY NOTE: THE RECOMMENDATION OF THE
EXECUTIVE MAYOR WILL BE
DISTRIBUTED UNDER SEPARATE
COVER IN DUE COURSE.**

APPENDIX 1

STELLENBOSCH MUNICIPALITY
OUTSTANDING HOUSING LOANS - MAY 2016

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

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

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

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

Grand Total**2 442 434.19**

7.5 REVIEW OF THE DISASTER MANAGEMENT PLAN*File number* : 17/8/4*Compiled by* : *Manager: Fire and Disaster**Report by* : *Director: Community and Protection Service**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 type="checkbox"/>
Good Governance	<input checked="" type="checkbox"/>

1. PURPOSE OF REPORT

To present a reviewed disaster plan (**APPENDIX 5**) to the Committee and Council for approval.

2. LEGAL FRAMEWORK.

The revision of the disaster management plan is done in accordance with section 53 (1) of the Disaster amendment act, act no 16 of 2015 to:

(g) regularly review and update its plan; and

(h) through appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), consult the local community on the preparation or amendment of its plan."

3. DISCUSSION

Disaster management is a continuous function and dynamic in its very nature. As a consequence government has made amendments to the act (see **APPENDIX 1**), as a counter and mitigation strategy through proclamation no. 24 (see **APPENDIX 2**) of the commencement of the Disaster amendment act, act no. 16 of 2015 in the Government Gazette.

Section 43 (1) is of special significance to this communiqué that reads;

A local municipality must establish capacity for the development of a disaster management plan and the implementation of a disaster management function:

Stellenbosch municipality does have an approved disaster plan. The disaster plan, as prescribed, is being review on an annual basis with the

main focus of testing the relevancy of and reprioritising the main risks as depicted in the plan.

Regarding the review:

- (i) Special effort was made to consult as widely as possible and to solicit input regarding the review of the plan. A resultant first Advisory meeting (see minutes **APPENDIX 3**) was held on 28 April in the Council chambers with the aim to:

Sharing advice and making recommendations on disaster related issues and to contribute to disaster risk management and planning.

- (ii) The only major change forthcoming was the reference to newly amendment act in the plan.
- (iii) The key stakeholder contact list has also been updated to reflect the new senior appointments made by Council and that the
- (iv) Power outages plan and Idasvalley dam emergency plan also added as to the existing list of contingency plans.

A Formal Quotation (see **APPENDIX 4**) has been advertised for an Ward based risk assessment: Phase 1 for the whole WC024 area, and will be conducted during the 2016/2017 financial year, in accordance with section 53 (1) (a). The results will be a key instrument and give justification for the re-prioritisation of risks that are reflected in the plan. It was therefore deemed premature to reprioritise the current risks in the plan.

4. LEGAL IMPLICATION SNR LEGAL ADVISOR EA RHODA

In accordance with the Disaster Management Act, national departments, provinces and municipalities must establish their level of capacity to deal with disaster risk reduction, response and recovery. Where necessary, and to strengthen this capacity, they must enter into mutual assistance agreements with their neighbours, the private sector, other organs of state and communities. At provincial and municipal level, co-operation and co-ordination efforts must be supported by cross-boundary mutual assistance agreements (that is, between provinces, between provinces and municipalities and between municipalities), and by creating partnerships within each sphere with the private sector and NGOs through memoranda of understanding. Mutual assistance agreements and memoranda of understanding are legal documents. Their parameters must be clearly defined and they should include details of financial arrangements, reimbursements and liability. They must also be in compliance with the national standard guideline on mutual assistance agreements developed by the Disaster Management Act mandates each municipal entity and organ of state to prepare a disaster risk management plan which must include contingency strategies and emergency procedures to be implemented in the event of a disaster. It mandates all municipalities within an applicable municipal disaster risk management framework to develop disaster risk management plans which must include contingency plans and emergency procedures to be applied in the event of a disaster.

Despite the fact that planning must focus on those hazards that pose the greatest threat, planning must also take into account other threats which are less likely to occur, or those which may not occur at all but cannot be ignored.

I advise accordingly.

5. FINANCIAL IMPLICATION

None required

6. COMMENTS FROM OTHER RELEVANT DEPARTMENTS

Integrated Development Planning and Performance Management
Strategic and Corporate Services:

The guidelines for municipalities to draft the disaster management chapter in the IDP to be taken into consideration (**APPENDIX 6**).

APPENDICES

Appendix 1: Disaster amendment act

Appendix 2: Proclamation

Appendix 3: Minutes of Advisory meeting

Appendix 4: Advertised Risk assessment Formal Quotation

Appendix 5: Revised Disaster Plan

Appendix 6: Guidelines for Municipalities to draft the Disaster Management Chapter in the Municipal IDP

RECOMMENDED

that the revised Disaster Management Plan be adopted by the Committee and approved by Council.

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

**COMMUNITY AND PROTECTION SERVICES COMMITTEE MEETING:
2016-06-08: ITEM 5.1.1**

RECOMMENDED

- (a) that the revised Disaster Management Plan be adopted by the Committee and approved by Council;
- (b) that Council take note that there is an ongoing evaluation of the contingency plans for the Ida's Valley dam's potential failure;

- (c) that the Contingency Plan (**see APPENDIX 7**) as agreed by the Director: Community and Protection Services be attached to the next Council meeting scheduled for June 2016; and
- (d) that Council note that the Power Outages Plan also forms part of the overall risk assessment.

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

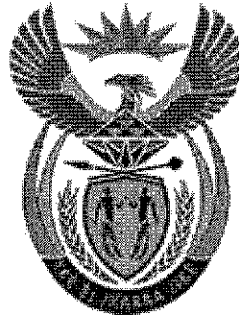
MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 5.1.11

RECOMMENDED BY THE EXECUTIVE MAYOR

**KINDLY NOTE: THE RECOMMENDATION OF THE
EXECUTIVE MAYOR WILL BE
DISTRIBUTED UNDER SEPARATE
COVER IN DUE COURSE.**

APPENDIX 1

Please note that most Acts are published in English and another South African official language. Currently we only have capacity to publish the English versions. This means that this document will only contain even numbered pages as the other language is printed on uneven numbered pages.



Government Gazette

REPUBLIC OF SOUTH AFRICA

Vol. 606 Cape Town 15 December 2015 No. 39520

THE PRESIDENCY

No. 1239

15 December 2015

It is hereby notified that the President has assented to the following Act, which is hereby published for general information:-

Act No. 16 of 2015: Disaster Management Amendment Act, 2015



AIDS HELPLINE: 0800-123-22 Prevention is the cure

GENERAL EXPLANATORY NOTE:

[] Words in bold type in square brackets indicate omissions from existing enactments.

_____ Words underlined with a solid line indicate insertions in existing enactments.

(English text signed by the President)
(Assented to 13 December 2015)

ACT

To amend the Disaster Management Act, 2002, so as to substitute and insert certain definitions; to clarify policy focus on rehabilitation and functioning of disaster management centres; to align the functions of the National Disaster Management Advisory Forum to accommodate the South African National Platform for Disaster Risk Reduction; to provide for the South African National Defence Force, South African Police Service and any other organ of state to assist the disaster management structures; to provide for an extended reporting system by organs of state on information regarding occurrences leading to the declarations of disasters, expenditure on response and recovery, actions pertaining to risk reduction and particular problems experienced in dealing with disasters; to strengthen reporting on implementation of policy and legislation relating to disaster risk reduction and management of allocated funding to municipal and provincial intergovernmental forums established in terms of the Intergovernmental Relations Framework Act, 2005; to strengthen the representation of traditional leaders in national, provincial and municipal disaster management advisory forums; to expand the contents of disaster management plans to include the conducting of disaster risk assessments for functional areas and the mapping of risks, areas and communities that are vulnerable to disasters; to provide measures to reduce the risk of disaster through adaptation to climate change and developing of early warning mechanisms; to provide for regulations on disaster management education, training and research matters and declaration and classification of disasters; and to provide for matters incidental thereto.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Amendment of section 1 of Act 57 of 2002

1. Section 1 of the Disaster Management Act, 2002 (hereinafter referred to as the principal Act), is hereby amended—

(a) by the insertion before the definition of “Department” of the following definitions:

“ ‘adaptation’ means—

(a) in relation to human systems, the process of adjustment to actual or expected climate and its effects, in order to moderate harm or exploit beneficial opportunities; and

5

10

- (b) in relation to natural systems, the process of adjustment to actual climate and its effects;
 'climate change' means a change in the state of the climate that can be identified by changes in the variability of its properties and that persists for an extended period, typically decades or longer;"; 5
- (b) by the substitution for the definition of "Department" of the following definition:
 'Department' means the principal department that supports the Cabinet member referred to in section 3;";
- (c) by the substitution for subparagraph (iii) of paragraph (a) of the definition of "disaster" of the following subparagraph: 10
 "(iii) significant disruption of the life of a community; and";
- (d) by the insertion after the definition of "disaster management" of the following definition: 15
 'disaster risk reduction' means either a policy goal or objective, and the strategic and instrumental measures employed for—
 (a) anticipating future disaster risk;
 (b) reducing existing exposure, hazard or vulnerability; and
 (c) improving resilience;";
- (e) by the insertion after the definition of "district municipality" of the following definition: 20
 'ecosystem' means a system of relationships between animals and plants and their environment;";
- (f) by the substitution for the definition of "emergency preparedness" of the following definition: 25
 'emergency preparedness' means—
 (a) a state of readiness which enables organs of state and other institutions involved in disaster management, the private sector, communities and individuals to mobilise, organise and provide relief measures to deal with an impending or current disaster or the effects of a disaster; and
 (b) the knowledge and capacities developed by governments, professional response and recovery organisations, communities and individuals to effectively anticipate, respond to and recover from the impacts of likely, imminent or current hazard events or conditions;"; 35
- (g) by the substitution for the definition of "mitigation" of the following definition:
 'mitigation', in relation to—
 (a) a disaster or disaster risk, means the lessening of the potential adverse impacts of physical hazards, including those that are human-induced, through actions that reduce hazard, exposure and vulnerability; or
 (b) climate change, means a human intervention to reduce the sources or enhance the sinks of greenhouse gases;"; 45
- (h) by the insertion after the definition of "municipal entity" of the following definition:
 'municipality' means a municipality as contemplated in section 2 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);"; 50
- (i) by the substitution for the definition of "organ of state" of the following definition:
 'organ of state' means [a national, provincial or municipal organ of state] any organ of state referred to in section 239 of the Constitution of the Republic of South Africa, 1996;"; 55
- (j) by the substitution for the definition of "post-disaster recovery and rehabilitation" of the following definition:
 'post-disaster recovery and rehabilitation' means efforts, including development, aimed at creating a situation where—

6

- (a) normality in conditions caused by a disaster is restored by the restoration, and improvement, where appropriate, of facilities, livelihoods and living conditions of disaster-affected communities, including efforts to reduce disaster risk factors;
- (b) the effects of a disaster are mitigated; or
- (c) circumstances are created that will reduce the risk of a similar disaster occurring;”;
- (k) by the insertion after the definition of “response” of the following definition:
“‘risk assessment’ means a methodology to determine the nature and extent of risk by analysing potential hazards and evaluating existing conditions of vulnerability that together could potentially harm exposed people, property, services, livelihoods and the environment on which they depend;”; and
- (l) by the substitution for the definition of “vulnerability” of the following definition:
“‘vulnerability’ means the conditions determined by physical, social, economic and environmental factors or processes, which increase the susceptibility of a community to the impact of hazards.”.

Amendment of section 5 of Act 57 of 2002

2. Section 5 of the principal Act is hereby amended—
- (a) by the substitution for subparagraph (vi) of paragraph (e) of subsection (1) of the following subparagraph:
“(vi) traditional leaders as recommended by the National House of Traditional Leaders established by section 2 of the National House of Traditional Leaders Act, 2009 (Act No. 22 of 2009);”;
- (b) by the deletion in paragraph (e) of subsection (1) of the word “and” at the end of subparagraph (xii), the insertion of the word “and” at the end of subparagraph (xiii) and the addition to that paragraph of the following subparagraph:
“(xiv) representatives of national umbrella organisations for women, children, the elderly and people with disabilities;”; and
- (c) by the addition of the following subsection:
“(4) The Forum serves as the South African National Platform for Disaster Risk Reduction.”.

Substitution of section 8 of Act 57 of 2002

3. The following section is hereby substituted for section 8 of the principal Act:

“Establishment

8. [(1)] A National Disaster Management Centre is established as an institution within the public service.

[(2) **The National Centre forms part of, and functions within, a department of state for which the Minister is responsible.**]

Amendment of section 10 of Act 57 of 2002

4. Section 10 of the principal Act is hereby amended by the substitution for subsection (2) of the following subsection:
“(2) A person appointed as the Head of the National Centre reports to the Minister and holds office [in the Department] on terms and conditions set out in a written employment contract which must include terms and conditions setting performance standards.”.

Substitution of section 11 of Act 57 of 2002

5. The following section is hereby substituted for section 11 of the principal Act:

“Acting Head

11. When the Head of the National Centre is absent or otherwise unable to perform the functions of office, or during a vacancy in the office of Head of the National Centre, the **[Director-General of the Department] Minister** may designate another person in the service of, or seconded to, the Department to act as Head of the National Centre.” 5

Amendment of section 13 of Act 57 of 2002

6. Section 13 of the principal Act is hereby amended by the substitution for subsection (2) of the following subsection: 10

“(2) An employee of an organ of state or other organisation may be seconded to the National Centre by agreement between the **[Director-General of the Department] Head of the National Centre** and that organ of state or organisation.”

Amendment of section 15 of Act 57 of 2002

15

7. Section 15 of the principal Act is hereby amended—

(a) by the insertion after paragraph (a) of subsection (2) of the following paragraph:

“(aA) in any event of a disaster, or a potential disaster, call on the South African National Defence Force, South African Police Service and any other organ of state to assist the disaster management structures;” and 20

(b) by the addition of the word “and” at the end of paragraph (b) of subsection (3) and the deletion of paragraph (c) of that subsection.

Amendment of section 22 of Act 57 of 2002

25

8. Section 22 of the principal Act is hereby amended by the substitution for paragraph (f) of the following paragraph:

“(f) acting in any other way approved by the **[Director-General of the Department] Minister**.”

Amendment of section 23 of Act 57 of 2002

30

9. Section 23 of the principal Act is hereby amended—

(a) by the deletion in subsection (1) of the word “and” at the end of paragraph (b) and the insertion after that paragraph of the following paragraph:

“(bA) inform the relevant provincial disaster management centre of the decision on the classification of the disaster made in terms of paragraph (b); and” and 35

(b) by the substitution for paragraph (a) of subsection (5) of the following paragraph:

“(a) it affects—

(i) more than one metropolitan or district municipality in the same province; or 40

(ii) a single metropolitan or district municipality in the province and that metropolitan municipality, or that district municipality with the assistance of the local municipalities within its area, is unable to deal with it effectively; [or] and 45

[(iii) a cross-boundary municipality in respect of which only one province exercises executive authority as envisaged by section 90(3)(a) of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998); and]”.

Amendment of section 24 of Act 57 of 2002

10. Section 24 of the principal Act is hereby amended—

(a) by the substitution for the heading of the following heading:

“**[Annual reports] Reporting**”; and

(b) by the addition of the following subsections:

“(4) Each organ of state must, on any occurrence leading to the declaration of a disaster, report on a quarterly basis to the National Centre on—

(a) information reflecting the type, severity, loss in terms of lives, damage to property, crop and other goods;

(b) the spatial attributes of the areas, communities and households affected by the disaster;

(c) an analysis of the impact of the disaster in accordance with gender, age, disability and cultural perspectives;

(d) a list of the measures implemented in order to restore communities and the reconstruction and rehabilitation of infrastructure in a manner that makes those communities less vulnerable to disasters and strengthens their resilience;

(e) information on the expenditure incurred on response and post-disaster recovery and rehabilitation;

(f) listing of any actions in terms of risk reduction;

(g) particular problems that were experienced in dealing with the disasters; and

(h) any other information that may be prescribed.

(5) Progress reports on the implementation of policy and legislation relating to disaster risk reduction and management in municipalities and provinces must be submitted on a quarterly basis to the municipal and provincial intergovernmental forums established in terms of the Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005).

(6) If money has been allocated to a national department, province or municipality from the national revenue for purposes of disaster mitigation, relief and post-disaster recovery and rehabilitation, whether in the form of new funding or from current institutional funds, a progress report on the spending of that money must be submitted on a quarterly basis to the municipal, provincial and national intergovernmental forums established in terms of the Intergovernmental Relations Framework Act, 2005.

(7) Expenditure and performance reports for all funds received must be compiled by each organ of state and submitted to the transferring national officers and the National Treasury in accordance with the annual Division of Revenue Act.

(8) Copies of reports referred to in subsections (4), (5) and (6) must be submitted simultaneously to the National Treasury and the relevant disaster management centres in the respective spheres of government.”.

Amendment of section 25 of Act 57 of 2002

11. Section 25 of the principal Act is hereby amended—

(a) by the substitution for subsection (1) of the following subsection:

“(1) Each national organ of state must—

(a) conduct a disaster risk assessment for its functional area;

(b) identify and map risks, areas, ecosystems, communities and households that are exposed or vulnerable to physical and human-induced threats;

(c) prepare a disaster management plan setting out—

(i) the way in which the concept and principles of disaster management are to be applied in its functional area, including expected climate change impacts and risks for the organ of state;

(ii) its role and responsibilities in terms of the national or provincial disaster management framework;

- (iii) its role and responsibilities regarding emergency response and post-disaster recovery and rehabilitation;
- (iv) its capacity to fulfil its role and responsibilities;
- (v) particulars of its disaster management strategies;
- (vi) contingency strategies and emergency procedures in the event of a disaster, including measures to finance these strategies; and
- (vii) specific measures taken to address the needs of women, children, the elderly and persons with disabilities during the disaster management process;
- (d) co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players;
- (e) provide measures and indicate how it will invest in disaster risk reduction and climate change adaptation, including ecosystem and community-based adaptation approaches;
- (f) develop early warning mechanisms and procedures for risks identified in its functional area; and
- (g) regularly review and update its plan.”;
- (b) by the insertion in subsection (3) after paragraph (a) of the following paragraph:
- “(aA) A major public entity, listed in Schedule 2 to the Public Finance Management Act, 1999 (Act No.1 of 1999), must submit its disaster management plan prepared in terms of subsection (1) to the National Centre at the same time the major public entity submits its disaster management plan to the relevant national organ of state.”;
- (c) by the substitution in subsection (3) for paragraph (b) of the following paragraph:
- “(b) If a national organ of state or major public entity fails to submit a copy of its disaster management plan or of any amendment to the plan in terms of paragraph (a) or (aA), as the case may be, the National Centre must report the failure to the Minister, who must take such steps as may be necessary to secure compliance with [that] the relevant paragraph, including reporting the failure to Parliament.”; and
- (d) by the addition to subsection (3) of the following paragraph:
- “(c) The National Centre must make available applicable disaster management plans of organs of state to relevant provincial and municipal disaster management centres.”.

Insertion of section 31A in Act 57 of 2002

12. The following section is hereby inserted in the principal Act after section 31:

“Staff of provincial disaster management centre 40

31A. The staff of a provincial disaster management centre consists of—

- (a) the head of the provincial disaster management centre; and
- (b) suitably qualified persons, designated by the Head of the department within which the provincial disaster management centre is established.”. 45

Amendment of section 37 of Act 57 of 2002

13. Section 37 of the principal Act is hereby amended—

- (a) by the substitution for subparagraph (v) of paragraph (e) of subsection (1) of the following subparagraph:
- “(v) a traditional [leaders] leader recommended by the Provincial House of Traditional Leaders established by the Premier of a province in terms of section 212 of the Constitution of the Republic of South Africa, 1996; and
- (b) by the insertion of the word “and” at the of subparagraph (xi) of paragraph (e) of subsection (1) and the addition to that paragraph of the following subparagraph: 55

“(xii) representatives of provincial umbrella organisations for women, children, the elderly and people with disabilities;”.

Amendment of section 38 of Act 57 of 2002

14. Section 38 of the principal Act is hereby amended by the substitution for subsection (1) of the following subsection: 5

“(1) Each provincial organ of state must—

- (a) conduct a disaster risk assessment for its functional area;
- (b) identify and map risks, areas, ecosystems, communities and households that are exposed or vulnerable to physical and human-induced threats;
- (c) prepare a disaster management plan setting out— 10
 - (i) the way in which the concept and principles of disaster management are to be applied in its functional area, including expected climate change impacts and risks for the organ of state;
 - (ii) its role and responsibilities in terms of the national or provincial disaster management framework; 15
 - (iii) its role and responsibilities regarding emergency response and post-disaster recovery and rehabilitation;
 - (iv) its capacity to fulfil its role and responsibilities;
 - (v) particulars of its disaster management strategies;
 - (vi) contingency strategies and emergency procedures in the event of a disaster, including measures to finance these strategies; and 20
 - (vii) specific measures taken to address the needs of women, children, the elderly and persons with disabilities during the disaster management process;
- (d) co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players; 25
- (e) provide measures and indicate how it will invest in disaster risk reduction and climate change adaptation, including ecosystem and community-based adaptation approaches;
- (f) develop early warning mechanisms and procedures for risks identified in its functional area; and 30
- (g) regularly review and update its plan.”.

Amendment of section 39 of Act 57 of 2002

15. Section 39 of the principal Act is hereby amended by the substitution for subsection (1) of the following subsection: 35

“(1) Each province must—

- (a) conduct a disaster risk assessment for its provincial area;
- (b) identify and map risks, areas, ecosystems, communities and households that are exposed or vulnerable to physical and human-induced threats;
- (c) prepare a disaster management plan for the province as a whole, setting out— 40
 - (i) the way in which the concept and principles of disaster management are to be applied in its provincial area, including expected climate change impacts and risks for the province;
 - (ii) its role and responsibilities in terms of the national and provincial disaster management framework; 45
 - (iii) its role and responsibilities regarding emergency response and post-disaster recovery and rehabilitation;
 - (iv) its capacity to fulfil its role and responsibilities;
 - (v) particulars of its disaster management strategies;
 - (vi) contingency strategies and emergency procedures in the event of a disaster, including measures to finance these strategies; and 50
 - (vii) specific measures taken to address the needs of women, children, the elderly and persons with disabilities during the disaster management process;
- (d) co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players; 55

- (e) provide measures and indicate how it will invest in disaster risk reduction and climate change adaptation, including ecosystem and community-based adaptation approaches;
- (f) develop early warning mechanisms and procedures for risks identified in the provincial area; and
- (g) regularly review and update its plan.” 5

Amendment of section 43 of Act 57 of 2002

16. Section 43 of the principal Act is hereby amended by the addition of the following subsections:

- “(3) A local municipality must establish capacity for the development and co-ordination of a disaster management plan and the implementation of a disaster management function for the municipality which forms part of the disaster management plan as approved by the relevant municipal disaster management centre. 10
- (4) A local municipality may establish a disaster management centre in consultation with the relevant district municipality in accordance with the terms set out in a service level agreement between the two parties, in alignment with national norms and standards.” 15

Insertion of section 45A in Act 57 of 2002

17. The following section is hereby inserted in the principal Act after section 45: 20

“Staff of municipal disaster management centre

- 45A.** The staff of a municipal disaster management centre consists of—
- (a) the head of the municipal disaster management centre; and
- (b) suitably qualified persons appointed in the administration of the municipality.” 25

Substitution of heading to Part 3 of Chapter 5 of Act 57 of 2002

18. The following heading is hereby substituted for the heading to Part 3 of Chapter 5 of the principal Act:

- “*Powers and duties of [municipalities and municipal entities] municipal organs of state*” 30

Amendment of section 51 of Act 57 of 2002

19. Section 51 of the principal Act is hereby amended—

- (a) by the substitution for subparagraph (iv) of paragraph (d) of subsection (1) of the following subparagraph:
- “(v) one traditional [leaders] leader elected from the traditional council or traditional councils in a municipality recognised by the Premier of a province in terms of section 212 of the Constitution of the Republic of South Africa, 1996; and 35
- (b) by the insertion of the word “and” at the of subparagraph (xi) of paragraph (e) of subsection (1) and the addition to that paragraph of the following subparagraph: 40
- “(xii) representatives of local umbrella organisations for women, children, the elderly and people with disabilities;”.

Amendment of section 52 of Act 57 of 2002

20. Section 52 of the principal Act is hereby amended— 45

- (a) by the substitution for the heading of the following heading:
- “**Preparation of disaster management plans by municipal [entities] organs of state other than municipalities**”;
- (b) by the substitution for subsection (1) of the following subsection: 50
- “(1) Each municipal organ of state other than a municipality must—

- (a) conduct a disaster risk assessment for its functional area;
- (b) identify and map risks, areas, ecosystems, communities and households that are exposed or vulnerable to physical and human-induced threats;
- (c) prepare a disaster management plan setting out—
- (i) the way in which the concept and principles of disaster management are to be applied in its functional area, including expected climate change impacts and risks for that municipal entity or administrative unit;
 - (ii) its role and responsibilities in terms of the national, provincial or municipal disaster management framework;
 - (iii) its role and responsibilities regarding emergency response and post-disaster recovery and rehabilitation;
 - (iv) its capacity to fulfil its role and responsibilities;
 - (v) particulars of its disaster management strategies;
 - (vi) contingency strategies and emergency procedures in the event of a disaster, including measures to finance these strategies; and
 - (vii) specific measures taken to address the needs of women, children, the elderly and persons with disabilities during the disaster management process;
- (d) co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players;
- (e) provide measures and indicate how it will invest in disaster risk reduction and climate change adaptation, including ecosystem and community-based adaptation approaches;
- (f) develop early warning mechanisms and procedures for risks identified in its functional area; and
- (g) regularly review and update its plan.”; and
- (c) by the substitution for subsection (2) of the following subsection:
- “(2) (a) A municipal [entity] organ of state referred to in subsection (1) must submit a copy of its disaster management plan, and of any amendment to the plan, to the [National Centre and the] relevant [provincial and] municipal disaster management [centres] centre.
- (b) If a municipal [entity] organ of state fails to submit a copy of its disaster management plan or of any amendment to the plan in terms of paragraph (a), the [National Centre or] relevant [provincial or] municipal disaster management centre must report the failure to the executive mayor or mayor, as the case may be, of the municipality concerned, who must take such steps as may be necessary to secure compliance with that paragraph, including reporting the failure to the municipal council.”.

Amendment of section 53 of Act 57 of 2002

21. Section 53 of the principal Act is hereby amended by the substitution for subsection (1) of the following subsection:

- “(1) Each municipality must—
- (a) conduct a disaster risk assessment for its municipal area;
 - (b) identify and map risks, areas, ecosystems, communities and households that are exposed or vulnerable to physical and human-induced threats;
 - (c) prepare a disaster management plan setting out—
 - (i) the way in which the concept and principles of disaster management are to be applied in its municipal area, including expected climate change impacts and risks for the municipality;
 - (ii) its role and responsibilities in terms of the national, provincial or municipal disaster management framework;
 - (iii) its role and responsibilities regarding emergency response and post-disaster recovery and rehabilitation;
 - (iv) its capacity to fulfil its role and responsibilities;

- (v) particulars of its disaster management strategies;
- (vi) contingency strategies and emergency procedures in the event of a disaster, including measures to finance these strategies; and
- (vii) specific measures taken to address the needs of women, children, the elderly and persons with disabilities during the disaster management process; 5
- (d) co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players;
- (e) provide measures and indicate how it will invest in disaster risk reduction and climate change adaptation, including ecosystem and community-based adaptation approaches; 10
- (f) develop early warning mechanisms and procedures for risks identified in the municipal area;
- (g) regularly review and update its plan; and
- (h) through appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), consult the local community on the preparation or amendment of its plan.” 15

Amendment of section 59 of Act 57 of 2002

22. Section 59 of the principal Act is hereby amended by the substitution for subsection (1) of the following subsection: 20

- “(1) The Minister may make regulations not inconsistent with this Act—
- (a) concerning any matter that—
 - (i) may or must be prescribed in terms of a provision of this Act; or
 - (ii) is necessary to prescribe for the effective carrying out of the objects of this Act; **[and]** 25
 - (b) providing for the payment, out of moneys appropriated by Parliament for this purpose, of compensation to any person, or the dependants of any person, whose death, bodily injury or disablement results from any event occurring in the course of the performance of any function entrusted to such person in terms of this Act; 30
 - (c) concerning the focus areas of the national disaster management education, training and research frameworks; and
 - (d) concerning the declaration and classification of disasters.” 35

Substitution of long title of Act 57 of 2002 35

23. The following long title is hereby substituted for the long title of the principal Act:

“ACT

To provide for—

- an integrated and co-ordinated disaster management policy that focuses on preventing or reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters and post-disaster recovery and rehabilitation; 40
- the establishment and functioning of national, provincial and municipal disaster management centres;
- disaster management volunteers; and 45
- matters incidental thereto.”

Short title and commencement

24. This Act is called the Disaster Management Amendment Act, 2015, and comes into operation on a date determined by the President by proclamation in the *Gazette*.

APPENDIX 2

PROCLAMATIONS • PROKLAMASIES

PROCLAMATION NO. 24 OF 2016

*by the
President of the Republic of South Africa*

**COMMENCEMENT OF THE DISASTER MANAGEMENT AMENDMENT ACT,
2015 (ACT NO. 16 OF 2015)**

In terms of section 24 of the Disaster Management Amendment Act, 2015 (Act No. 16 of 2015), I hereby determine 1 May 2016 as the date on which the said Act shall come into operation.

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Seventh day of April Two Thousand and Sixteen.

**J G ZUMA
PRESIDENT**

By Order of the President-in-Cabinet:

**D VAN ROOYEN
MINISTER OF THE CABINET**

APPENDIX 3

**MINUTES
DISASTER MANAGEMENT ADVISORY FORUM**

**28 APRIL 2016 AT 10:00
COUNCIL CHAMBERS, PLEIN STREET, STELLENBOSCH MUNICIPALITY**

No.	ITEM																																	
1.	WELCOME AND OPENING																																	
	<p>The Chairperson, Mr Esau, formally welcomed everyone present at the first Disaster Management Advisory Forum Meeting for 2016.</p> <p>Officials present introduced themselves.</p>																																	
2.	APOLOGIES																																	
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Mr R. Haridien</td> <td style="width: 5%; text-align: center;">-</td> <td style="width: 65%;">Western Cape Disaster Management Centre</td> </tr> <tr> <td>Mrs M. Barnes</td> <td style="text-align: center;">-</td> <td>Western Cape Disaster Management Centre</td> </tr> <tr> <td>Ms N. Losi</td> <td style="text-align: center;">-</td> <td>Western Cape Disaster Management Centre</td> </tr> <tr> <td>Mr S. Minnies</td> <td style="text-align: center;">-</td> <td>Cape Winelands Disaster Management Centre</td> </tr> <tr> <td>Mr G. Esau</td> <td style="text-align: center;">-</td> <td>Directorate: Community and Protection Services</td> </tr> <tr> <td>Mr J. Coetzee</td> <td style="text-align: center;">-</td> <td>Directorate: Engineering Services</td> </tr> <tr> <td>Ms B. Hala</td> <td style="text-align: center;">-</td> <td>Department: Community Development</td> </tr> <tr> <td>Mrs F. Kruywagen</td> <td style="text-align: center;">-</td> <td>Department: Community Development</td> </tr> <tr> <td>Mr W. Smith</td> <td style="text-align: center;">-</td> <td>Department: Fire & Disaster Management</td> </tr> <tr> <td>Mrs S. Seigels</td> <td style="text-align: center;">-</td> <td>Department: Disaster Management</td> </tr> <tr> <td>Mr W. Ndamase</td> <td style="text-align: center;">-</td> <td>Department: Disaster Management</td> </tr> </table>	Mr R. Haridien	-	Western Cape Disaster Management Centre	Mrs M. Barnes	-	Western Cape Disaster Management Centre	Ms N. Losi	-	Western Cape Disaster Management Centre	Mr S. Minnies	-	Cape Winelands Disaster Management Centre	Mr G. Esau	-	Directorate: Community and Protection Services	Mr J. Coetzee	-	Directorate: Engineering Services	Ms B. Hala	-	Department: Community Development	Mrs F. Kruywagen	-	Department: Community Development	Mr W. Smith	-	Department: Fire & Disaster Management	Mrs S. Seigels	-	Department: Disaster Management	Mr W. Ndamase	-	Department: Disaster Management
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Mrs S. Seigels	-	Department: Disaster Management																																
Mr W. Ndamase	-	Department: Disaster Management																																
3.	AGENDA																																	
3.1	<p>Mr Smith expressed his concern of the poor attendance of officials at the meeting scheduled. He thanked the Provincial and District Disaster Management Centre's delegations for their attendance to assist Stellenbosch Municipality in launching its very first Disaster Management Forum.</p> <p>He informed the meeting of the following challenges :</p> <ul style="list-style-type: none"> - Idas Valley Dam Failure is currently priority to Council; - Non co-operation of sister departments; - Readiness of the organizational i.t.o. occurrences; - The readiness of our internal organisational structures. 																																	
3.2	<p>Mr Esau addressed the need for an advisory forum at Stellenbosch Municipality to improve capacity. Officials must take cognisance of infrastructure and plan accordingly.</p>																																	
4.1	MATTERS FOR NOTIFICATION																																	
	None.																																	

5.	GUEST SPEAKERS
5.1	<p>Western Cape Disaster Management Centre</p> <p>Mr Haridien gave a thorough overview with regard to the Structure within the PDMC and their past and future activities within the Province.</p> <p>He explained the necessity for employers and employees to discuss exactly what they will do. How they will respond, what will be done afterwards and the need to exercise their plans. These engagements are imperative to enable the community of Stellenbosch to be resilient.</p> <p>In the presentation, it was highlighted that the focus should be broader and focuses into and plan for “soft issues” e.g. social conflict, power outages, risk reduction, communication, etc. It is also necessary to educate communities with regard to the dangers of using paraffin, open fires, especially in winter when risks are high.</p> <p>Mr Haridien informed the following:</p> <ul style="list-style-type: none"> - A workshop scheduled for 16 & 17 May 2016 at the PDMC with regard to the DM Act where all stakeholders are obligated to attend. - A report with regard to research conducted i.t.o. floods in the Western Cape Province by the University of Stellenbosch will be circulated in due course. - Training of identified stakeholders as life savers by NSRI (National Sea Rescue Institute of South Africa) can be explored as Stellenbosch has a number of large dams in the area of jurisdiction. <p>Questions raised by Mr Esau:</p> <ul style="list-style-type: none"> • The challenges with Communication/Media strategy within our borders. <ul style="list-style-type: none"> - PDMC will forward an example of a media statement. • Terms of reference to establish an Advisory Forum. <ul style="list-style-type: none"> - CWDM will forward the necessary documentation. • Training of stakeholders <ul style="list-style-type: none"> - PDMC will engage with DM with regard to training schedules. - PDMC will link STB with CCT to engage i.e. best practices. - IC (Incident Command) schedules in Wolwekloof, Ceres • Information sharing <ul style="list-style-type: none"> - PDMC recommend that funding be requested from Council to provide training for capacity building of DM.
5.2	<p>Cape Winelands Disaster Management Centre</p> <p>He applauded Stellenbosch Municipality in taking the initiative in establishing the forum to enable more effective and efficient services towards the broader community. This was in deed a bold statement by the organisation!</p>

	<p>Mr Minnies gave a short overview of the commencement of the Disaster Management Amendment Act, 2015 (Act no. 16 of 2015) which will come into operation 1 May 2016.</p> <p>He referred to Section 44 and 54 which keeps all appointed Directors liable in their different fields of expertise and DM being a co-ordinating functionary for the organisation.</p> <p>After the 2016 Elections in August, the new councillors will be scheduled for a workshop where their roles and responsibilities will be clearly outlined.</p> <p>Mr Minnies committed to will assist Stellenbosch Disaster Management with the following:</p> <ul style="list-style-type: none"> - Idas Valley Dam Wall Failure: Risks - Idas valley Dam Wall Failure : Desk-top-exercise - Risk Assessments throughout the WCO24.
6.	NEXT MEETING
	Details of the next meeting will be communicated to advisory forum members.
7.	CLOSURE
	The meeting was adjourned at 11:10 and Mr Esau thanked everyone present for their inputs and urged that role-players to further engage to requests mentioned.

APPENDIX 4



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REQUEST FOR FORMAL QUOTATIONS

FQ/SM 309/16 Ward Based Risk Assessment

Notice is hereby given that quotations are invited from suitably qualified and appropriately registered service providers for the Recruitment and Supervision of Ward Based risk Assessment Facilitators and fieldworkers as per specification.

The tender document is available free of charge on our website at www.stellenbosch.gov.za, however a non-refundable deposit of R20.00 per document is payable to the Stellenbosch Municipality if collecting a hard copy, during office hours, from The Supply Chain Management Unit, Stellenbosch Municipality, 1st Floor, Room no.121, Plein Street, Stellenbosch.

Sealed quotations endorsed with the corresponding description, “**FQ/SM 309/16: Ward Based Risk Assessment**” must be placed in the bid box at the Stellenbosch Municipality, Plein Street, Stellenbosch before or on **09 May 2016 at 11:00**.

Queries relating to these documents may be addressed to Mr. D Jansen at 021 808 8130 and technical queries to Mr. Wayne Smith at 021 808 8771 or Wayne.Smith@stellenbosch.gov.za

The bid box is accessible 24 hours a day and bids must be accompanied by the complete set of documents. Bids not accompanied by the complete bid document, will not be considered. Late, electronic format or faxed bids will not be considered and the Municipality does not bind itself to accept the lowest, part of or any bid.

Bids will be evaluated in accordance with the Supply Chain Management Policy of the Stellenbosch Municipality and the Preferential Procurement Policy Framework Act and the Preferential Procurement regulations, 2011. The 80/20 points system will be applicable.

PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTION	20
Total points for Price and B-BBEE	100

Municipal Manager
Stellenbosch Municipality
April 2016



Administrative enquiries: D Jansen Tel: 021 808 8130 Fax: 021 886 6903 e-mail: Epup.Temp@stellenbosch.gov.za

Specification/Technical Information: Wayne Smith Tel: 021 808 8771 e-mail: Wayne.Smith@stellenbosch.gov.za

Mr/Messrs _____

Dear Sir / Madam

FQ/SM 309/16: REQUEST FOR WRITTEN PRICE QUOTATIONS:

(Over R30 000.00 up to a transaction value of R200 000.00 (VAT included))

SERVICES: THE RECRUITMENT AND SUPERVISION OF WARD BASED RISK ASSESSMENT FACILITATORS AND FIELDWORKERS

Kindly furnish me with a written quotation for the service indicated above and as depicted in the document. The quotation must be submitted on the letterhead of your business be deposit into the bid box, Plein Street, Stellenbosch Municipality no later than **09 May 2016 @ 11:00**.

The following conditions will apply:

- Price(s) quoted must be valid for at least thirty (30) days from date of your offer.
- Price(s) quoted must be firm and must be inclusive of VAT.
- A firm delivery period must be indicated.
- **Quotations with a value over R30 000.00 (VAT included) must be accompanied by an original tax clearance certificate from the South African Revenue Services that provider's tax matters are in order.**
- Quotations over a value of R 30 000.00 (VAT included) must be accompanied by the relevant MBD documentation for Quotations duly completed, **and the enclosed Declaration of interest (MB4) , MBD 8 and Certificate of independent proposal determination (MBD 9), must be scrutinized, completed and submitted together with your quotation.**
- The successful provider will be the one scoring the highest points in the event of the lowest bid being higher than R30 000.00.
- Late or faxed quotations will not be considered. The Municipality reserves the right to withdraw any invitation to quote and/or to re-advertise or to accept a part of it. The Municipality does not bind itself to accepting the lowest quotation.

Failure to comply with the highlighted conditions will invalidate your offer.

THIS REQUEST FOR FORMAL QUOTATION IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

NB: NO QUOTATIONS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (see definition on MBD 4 attached)

MSCM regulations: "in the service of the state" means must be -

- a) a Member of -
 - (i) any municipal The Municipality;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national The Municipality of province;
- b) a member of the board of directors of any municipal entity;
- c) an official of any municipality or municipal entity;
- d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- e) a member of the accounting authority of any national or provincial public entity; or
- f) an employee of Parliament or a provincial legislature

**THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO WILL RESULT IN YOUR OFFER BEING DISQUALIFIED)**

NAME OF COMPANY

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER CODENUMBER.....

CELLPHONE NUMBER

FACSIMILE NUMBER CODENUMBER.....

E-MAIL ADDRESS

VAT REGISTRATION NUMBER

INCLUDE AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED (MBD 2) YES/NO

INCLUDE A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1) YES/NO

(Original/certified copy)

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

- AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)
- A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)
- A REGISTERED AUDITOR

(Tick applicable box)

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE. NOTE A CERTIFIED COPY OR ORIGINAL IS COMPULSORY)

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS/SERVICES OFFERED BY YOU? YES/NO
(IF YES ENCLOSE PROOF)

A RECENT MUNICIPAL ACCOUNT MUST BE ATTACHED YES/NO
(IF **YES** ENCLOSE PROOF / IF **NO** GIVE REASONS)

IF LEASING/RENTING/LODGING – ATTACHED LATEST COPY OF AGREEMENT

SIGNATURE OF SERVICE PROVIDER DATE

CAPACITY UNDER WHICH THIS PROPOSAL IS SIGNED

TOTAL PRICE

Yours faithfully

pp **MUNICIPAL MANAGER**
Date: April 2016



REQUEST FOR FORMAL QUOTATIONS

FQ/SM 309/16 Ward Based Risk Assessment

Notice is hereby given that quotations are invited from suitably qualified and appropriately registered service providers for the Recruitment and Supervision of Ward Based risk Assessment Facilitators and fieldworkers as per specification.

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Bids will be evaluated in accordance with the Supply Chain Management Policy of the Stellenbosch Municipality and the Preferential Procurement Policy Framework Act and the Preferential Procurement regulations, 2011. The 80/20 points system will be applicable.

PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTION	20
Total points for Price and B-BBEE	100

Municipal Manager
Stellenbosch Municipality
April 2016



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ANNEXURES & TITLE	FORM NO.
1.1 Covering letter – Invitation to bid	MBD 1
1.2 Tax Clearance Requirements- Updated MBD 2 form must be submitted.	MBD 2
1.3 Pricing schedule – Firm prices (Purchases)	MBD 3.1
1.4 Declaration of Interests	MBD 4
1.5 Purchases	MBD 6.1
1.6 Contract form – Purchase of goods/works	MBD 7.1
1.7 Declaration of Bidders past Supply Chain Management Practises	MBD 8
1.8 Certificate of independent proposal determination	MBD 9
1.9 General Contract Conditions	
<u>ADDENDUM</u>	
1. Check list	SM 1



CHECK LIST

All Stellenbosch Municipality Individual(s) proposal documents will have the typical check list as an attachment. This list is to assist all contractors to submit complete proposals.

Contractors are to check the following points before the submission of their proposal:

1. All pages of the document have been read by the contractor.
2. All pages requiring information have been **completed in black ink**.
3. The Schedule of Quantities have been checked for arithmetic correctness.
4. Totals from each sub section of the Schedule of Quantities have been carried forward to the summary page.
5. The total from the summary page has been carried forward to the Form.
6. Surety details where applicable have been included in the proposal.
7. All sections requiring information have been completed.
8. The contractor has complied with the proposal prerequisites.
9. The document is submitted before 11h00 on the due date at the designated bid box of the Stellenbosch Municipality.



TAX CLEARANCE REQUIREMENTS

MBD 2

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The **original Tax Clearance Certificate must be submitted together with the bid**. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

7	<u>If a bidder is registered on Stellenbosch Municipality supplier's database; that contains a tax clearance certificate which is valid on closing date of Bid/Formal quotation, it must be indicated as such on this page, whereby the attaching of a new tax clearance certificate to this page won't be needed.</u>
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- 8 **Non adherence to points 3 or 7 above will invalidate your offer.**



**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Contractor.....	FQ/SM Number...FQ 309/16.....
Closing Time11h00.....	Closing Date09 May 2016.....

OFFER TO BE VALID FOR **30** DAYS FROM THE CLOSING DATE OF OFFER

THE RECRUITMENT AND SUPERVISION OF WARD BASED RISK ASSESSMENT FACILITATORS AND FIELDWORKERS	Cost
Community stakeholder consultation meetings and Implementation of the project	
Monthly payment for person to oversee and manage the risk assessment	
Monthly payment for assistant administrator	
Daily payment for facilitators (per person)	
Daily payment for fieldworkers (per person)	
Additional : (To be specified)	
Addition expenses that may be incurred during the fieldwork:	
Cost per kilometre to conduct fieldwork	
Catering for workshops (cost per head for tea and coffee, mid-morning snack and lunch)	
Workshop and fieldworker materials	
Hiring of venue (per venue)	

Total Before VAT	Page 212
14% VAT	
Total after VAT	

DON'T ADD VAT IF YOU ARE NOT VAT REGISTERED.

Prices must be firm for the duration of the period and must include all costs

Please Note: Stellenbosch Municipality reserve the right to downward adjust the scope of work/ quantity required to stay within its budget.

- | | | |
|---|---|----------------|
| | Does offer comply with specification? | *YES/NO |
| - | If not to specification, indicate deviation(s) | |
| - | Is price firm for duration of contract | *YES/NO |
| | Period required for service delivery | |
| | *Delivery: Firm/not firm | |

Note: All costs must be included in the request for proposal, for the service delivery at the prescribed destination.



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SPECIFICATION

Non compliance to specification will invalidate your offer

NB: Service providers are required to read and study the specification, its general condition of contract, as well as the instructions to them very carefully before submitting their offers.

THE RECRUITMENT AND SUPERVISION OF WARD BASED RISK ASSESSMENT FACILITATORS AND FIELDWORKERS

1. INTRODUCTION

The Department of Community Development and Planning Services is conducting a Ward Based Risk Assessment in twenty two (22) wards within the Stellenbosch Municipality.

2. SCOPE OF THE WORK

The successful service provider will be required to recruit suitably qualified individuals to facilitate a ward based risk assessment. In order to facilitate the risk assessment, the following positions will need to be recruited:

1) One person to oversee and manage the risk assessment. The person must be a graduate from a tertiary institution. This graduate must have completed a module in Disaster Risk Science and have completed a Community Based Risk Assessment during their studies. This recruited candidate will be required to:

- Overall responsible for facilitating the Ward Based Risk Assessment and fieldwork
- Conduct interviews with municipal officials and ward councillors
- Conduct interviews with residents, businesses, industries and farms situated within the wards
- Oversee the completion of transect walks
- Facilitate community participation workshops using participatory risk assessment methods
- Other ward specific research
- The student is responsible for the writing up of the findings of the Ward Based Risk Assessment.

2) An assistant administrator to assist with the collation of data, organising workshops and arranging meetings. This person will also be required to assist in facilitating workshops and recording of discussions. The person must be a graduate and have skills in community research. It would be beneficial if the candidate has skills in community based risk assessment.

3) Two facilitators to assist on with the facilitation of the workshops. These individuals will be required to assist on an ad hoc basis. These individuals will be trained in the participatory risk assessment methods. These individual must have a minimum of grade 12 education and good communication skills with community members.

4) Fieldworkers to complete door to door questionnaires in wards. The number of fieldworkers required will be determined by the municipality and they have the prerogative to nominate candidates. These individuals must reside within the Stellenbosch Municipality and have a minimum of grade 12 education.

All field work and resulting research must be in line with the Ward Based Risk Assessment methodology development by the Cape Winelands District Municipality. A consultation to discuss the methodology can be arranged if needed. The intellectual property and copy rights for the Ward Based Risk Assessment will reside with the Cape Winelands District Municipality.

Remuneration must be in line with skill level.

3. **Requirements of Suitable Service Provider**

- The service provider has prior expertise and knowledge of Disaster Management and risk assessments.
- The service provider must be responsible for all payments and HR related issues
- The list of recruited individuals are subject to the approval of the Stellenbosch Municipality
- The recruits will be required to work from the CWDM Disaster Management Offices in Stellenbosch
- The service provider will be required to have monthly meetings with the Project Team

4. **Timeframe**

It is envisaged that the fieldwork will be conducted before end of May 2015. Specific dates will be arranged with the Cape Winelands District Municipality in consultation with the successful service provider.

5. **REMUNERATION**

- Payments to the Service Provider will only be affected on completion of set phases of the project with mutually agreed upon progress reports.
- Any fees or remuneration are inclusive of Value Added Tax.



1.1 Bidder's declaration

I, _____ (bidder's name) representative of _____ (company name) hereby confirm reading and understanding above mentioned requirements of this tender and is in full agreement with these terms and conditions.

Signature: _____

Date: _____

RIGHTS OF THE MUNICIPALITY

The Municipality reserves the right to accept any quote or part thereof and may adjust the extent of the job.

The approved bidder must sign an indemnity form to accept the responsibility for any damages, loss of life, injuries or loss caused by his/their action to any municipal property, equipment or accessories. All insurances to cover the above mentioned, are for the contractors account. Successful contractors will indemnify the municipality against any claim that may arise from their operations.

Disclaimer: I hereby exempt Stellenbosch Municipality against any claim(s) for damages that may arise in the execution of this formal quotation/tender/quotations in accordance with the Occupational Health and Safety (OHS) Act and its associated regulations.

Signed:

Date:



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REFERENCES OF PREVIOUS WORK UNDERTAKEN

TYPE OF RELEVANT WORK PREVIOUSLY PERFORMED	CLIENT'S DETAILS <i>(Where work was performed, contact name & phone number)</i>	DATE OF START OF CONTRACT & DATE OF COMPLETION	VALUE OF CONTRACT



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MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state*.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority
3. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, hareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.

* MSCM Regulation: "in the service of the state" means to be-

- (a) a member of –
 - (i) any municipal The Municipality;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national The Municipality of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of nay municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institutional within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 19999);
- (e) A member of the accounting authority of any national or provincial entity ; or
- (f) An employee of Parliament or a provincial legislature.



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3.9 Have you been in the service of the state for the past twelve months? **YES / NO**

3.9.1 If yes, furnish particulars.....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.10.1 If yes, furnish particulars.

.....
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If yes, furnish particulars

.....
.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.

.....
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

.....
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:

.....
.....



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4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder



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MBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to not exceed R1 000 000 (all applicable taxes included) and therefore the 80/20 system must be applicable.

1.3 Preference points for this bid must be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contribution.

1.3.1 The maximum points for this bid are allocated as follows:

	POINTS
1.3.1.1 PRICE	80
1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION	20
Total points for Price and B-BBEE must not exceed	100

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.5 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.



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2. DEFINITIONS

- 2.1 “**all applicable taxes**” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 “**B-BBEE status level of contributor**” means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 “**bid**” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 “**Broad-Based Black Economic Empowerment Act**” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 “**comparative price**” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 “**consortium or joint venture**” means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 2.8 “**contract**” means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 “**EME**” means any enterprise with an annual total revenue of R5 million or less .
- 2.10 “**Firm price**” means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 “**functionality**” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 “**non-firm prices**” means all prices other than “firm” prices;
- 2.13 “**person**” includes a juristic person;
- 2.14 “**rand value**” means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 1.15 “**sub-contract**” means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;



- 2.16 “**total revenue**” bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 “**trust**” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 “**trustee**” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points must be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award must be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid



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5. Points awarded for B-BBEE Status Level of Contribution

- 5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.



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5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

6.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

7.1 B-BBEE Status Level of Contribution: =(maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted?%
- (ii) the name of the sub-contractor?
- (iii) the B-BBEE status level of the sub-contractor?
- (iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm

9.2 VAT registration number :.....

9.3 Company registration number

9.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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



9.6 COMPANY CLASSIFICATION

- Manufacturer
 - Supplier
 - Professional service provider
 - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business?

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution

WITNESSES:

1.

.....
SIGNATURE(S) OF BIDDER(S)

2.

DATE:.....

3.

ADDRESS:.....

.....



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MBD 7.1

CONTRACT FORM - PURCHASE OF GOODS/WORKS

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.



6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)
CAPACITY
SIGNATURE
NAME OF FIRM
DATE

WITNESSES	
1
2.
DATE:	



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MBD 7.1

CONTRACT FORM - PURCHASE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I.....in my capacity as.....
accept your bid under reference numberdated.....for the supply of
goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and
conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery
note.

<i>ITEM NO.</i>	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION CONTENT AND (if applicable)

4. I confirm that I am duly authorized to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.
2.



DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? (To access this Register enter the National Treasury's website, www.treasury.gov.za , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months? (attached copy of payment arrangements of arrears account)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.5.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.
I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder



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THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

JULY 2010



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THE NATIONAL TREASURY: Republic of South Africa

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GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT



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General Conditions of Contract

1. Definitions

1. The following terms must be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.

GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT



- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.



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- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 "Tort" means in breach of contract.
- 1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions must apply.

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- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser must not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.
- 4. Standards**
- 4.1 The goods supplied must conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information inspection**
- 5.1 The supplier must not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person must be made in confidence and must extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier must not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 must remain the property of the purchaser and must be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier must permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent Rights**
- 6.1 The supplier must indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

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7. Performance Security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder must furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security must be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security must be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and must be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque.
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises must be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections must be carried out, the purchaser must itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses must be defrayed by the purchaser.
- 8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses must be defrayed by the supplier.



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- 8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods must be held at the cost and risk of the supplier who must, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods must be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 must not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

9. Packing

- 9.1 The supplier must provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing must be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size weights must take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages must comply strictly with such special requirements as must be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

10. Delivery and Documents

- 10.1 Delivery of the goods and arrangements for shipping and clearance obligations, must be made by the supplier in accordance with the terms specified in the contract.

11. Insurance

- 11.1 The goods supplied under the contract must be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.

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- 12. Transportation** 12.1 Should a price other than an all-inclusive delivered price be required, this must be specified.
- 13. Incidental Services**
- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service must not relieve the supplier of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, must be agreed upon in advance by the parties and must not exceed the prevailing rates charged to other parties by the supplier for similar services.
- 14. Spare parts** 14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election must not relieve the supplier of any warranty obligations under the contract; and;
 - (b) in the event of termination of production of the spare parts:
 - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

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15. Warranty

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract must have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty must remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.
- 15.3 The purchaser must promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier must, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract must be specified.
- 16.2 The supplier must furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments must be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated.

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- 17. Prices** 17.1 Prices charged by the supplier for goods delivered and services performed under the contract must not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.
- 18. Variation Orders** 18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.
- 19. Assignment** 19.1 The supplier must not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts** 20.1 The supplier must notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, must not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance** 21.1 Delivery of the goods and performance of services must be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier must promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser must evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension must be ratified by the parties by amendment of contract.
- 21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

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- 21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations must render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser must, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser must, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - (b) if the supplier fails to perform any other obligation(s) under the contract; or
 - (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier must be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier must continue performance of the contract to the extent not terminated.

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- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.
- 23.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction
 - (iii) the period of restriction; and
 - (iv) the reasons for the restriction.
- These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.
- 23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website

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- 24. Antidumping and countervailing duties and rights**
- 24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference must on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.
- 25. Force Majeure**
- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier must not be liable for forfeiture of its performance
- security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier must promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier must continue to perform its obligations under the contract as far as is reasonably practical, and must seek all reasonable alternative means for performance not prevented by the force majeure event.
- 26. Termination for insolvency**
- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.
- 27. Settlement of Disputes**
- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties must make every effort to resolve amicably such dispute or difference by mutual consultation.

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- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties must continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser must pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier must not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion must not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, must not exceed the total contract price, provided that this limitation must not apply to the cost of repairing or replacing defective equipment.

29. Governing Language

- 29.1 The contract must be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties must also be written in English.

30. Applicable Law

- 30.1 The contract must be interpreted in accordance with South African laws, unless otherwise specified.

31. Notices

- 31.1 Every written acceptance of a bid must be posted to the supplier concerned by registered or certified mail and any other notice to him must be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting must be deemed to be proper service of such notice.

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31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, must be reckoned from the date of posting of such notice.

32. Taxes and Duties

32.1 A foreign supplier must be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier must be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract must be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

32.4 No contract must be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of Contracts

33.1 The contractor must not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

34. Amendment of contracts

34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof must be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary must be in writing, must also be in writing.

35. Prohibition of Restrictive practices

35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 1998, as amended, an agreement between, or concerted practice By, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / Are or a contractor(s) was / were involved in collusive bidding.

35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 of 1998.

35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with The public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractors(s) concerned.



CERTIFICATE OF INDEPENDENT PROPOSAL DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.



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MBD9

CERTIFICATE OF INDEPENDENT PROPOSAL DETERMINATION

I, the undersigned, in submitting the accompanying documentation:

FQ/SM 309/16:

Written quotation and Description

in response to the invitation for the bid/written quotation/formal quotation made by:

STELLENBOSCH MUNICIPALITY

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:
(Name of Contractor)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the _____ word "competitor" must include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - a) has been requested to submit a bid in response to this bid invitation;
 - b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.



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6 The contractor has arrived at the accompanying proposal independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

7 In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

- a) Prices;
- b) geographical area where product or service will be rendered (market allocation);
- c) methods, factors or formulas used to calculate prices;
- d) the intention or decision to submit or not to submit, a proposal;
- e) the submission of a proposal which does not meet the specifications and conditions of the proposal;

or

- f) propose with the intention not to win the bid/formal quotation/written quotation.

8 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this invitation relates.

9 The terms of the accompanying bid/formal quotation/written quotation have not been, and will not be, disclosed by the contractor, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Contractor



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CHECK LIST FOR COMPLETENESS OF BID DOCUMENT

The bidder must ensure that the following checklist is completed, that the necessary documentation is attached to this bid document and that all declarations are signed:

Non adherence to this checklist will invalidate your offer !

**Mark with "X" where applicable*

Items to be checked	Yes	No	Comments
1. Completed all pages containing the details of bidder			
2. Valid and original tax clearance certificate attached to bid document (MBD 2). Bidders who are registered on the municipality's accredited supplier database and attached an original valid tax clearance certificate to their application form does not need to submit an original tax clearance certificate with their bid document. However, the onus is on the bidder to confirm with the Supply Chain Unit whether or not his/ her tax clearance certificate that was submitted with the supplier application form will be valid at the time of bid closing.			
3. Adhered to the pricing instructions (MBD 3.1)			
4. Completed and signed declaration of interest (MBD 4)			
5. Preference points claimed and signed declarations (MBD 6.1 where applicable)			
6. Signed MBD 7.1 where applicable.			
7. Signed declaration of bidder's past supply chain management practices (MBD 8)			
8. Prohibition of Restrictive Practices (MBD 9) be completed and signed			
9. A certified copy or original BBBEE certificate			
10. Latest municipal account of the bidder and its directors must be attached If the bidder is not responsible for the payment of municipal rates and/ services, details in support of this must be attached to this bid document e.g.recent letter from landlord/lease agreement			

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS CHECK LIST IS TRUE AND CORRECT.

.....
Signature

.....
Date

.....
Position

.....
Name



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SUPPLY CHAIN MANAGEMENT

Enquiries: Mr. I. Saunders

Ref: 6/1/1

Tel: (021)808 8137

Fax: (021)808 8688

E-mail: Israel.saunders@stellenbosch.org

All Service Providers (SP's) and potential bidders

Dear Sir/Madam

Incomplete documentation in terms of bidding processes.

With reference to the judgment of the Supreme Court of Appeal case number 937/2012 Dr JS Moroka Municipality vs. Bertram (PTY) Limited 2013 JDR 2728 SCA the following:

"In our view the judgment supports the proposition that a Municipality determines the requirements for a valid tender and a failure to comply with the prescribed conditions of tender will result in such tender being disqualified as it would not be an 'acceptable tender' as defined in the Preferential Procurement Policy Framework Act 5 of 2000 unless the prescribed conditions are immaterial, unreasonable or unconstitutional.

Therefore, provided that the relevant tender document makes provision for **an original tax clearance certificate and/or any other certificates/documents** as a prescribed minimum prerequisite and/or peremptory requirement in order for such tender to be considered an 'acceptable tender' and to pass the threshold requirement for consideration and evaluation, and a tenderer fails to provide same, the Municipality would be within its rights to disqualify such tender/tenderer."

Therefore Stellenbosch Municipality will with immediate effect exclude all offers from bidders if the required documentation is not handed in/or attached with the original bidding documents.

Municipal Manager
pp Financial Services
 11 September 2014

APPENDIX 5



Municipal Disaster Management Plan

Stellenbosch Municipality

Core Plan for inclusion within the IDP of the Stellenbosch Municipality

MAY 2014

In case of an emergency, the user of this document should immediately turn to the attached preparedness plan for guidelines on managing response.

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1 INTRODUCTION

This plan confirms the arrangements for managing disaster risk and for preparing for- and responding to disasters within the Stellenbosch Municipality as required by the Disaster Management Act, 2002 (Act 57 of 2002). *In case of an emergency, the user of this document should immediately turn to the attached preparedness plan for guidelines on managing response.*

1.1 Legal requirements

The Stellenbosch Municipality is legally obliged to prepare a disaster management plan for its area according to the circumstances prevailing in the area; to co-ordinate and align the implementation of its plan with those of other organs of state and institutional role players; and to regularly review and update its plan. The municipality must also consult the local municipalities within its area and local communities on the preparation or amendment of its plan.

The Disaster Management Amendment Act, 2015 (Act no 16 Of 2015) will commence on 1 May 2016. The Proclamation that was published in the Government Gazette No. 399430 on 22 April 2016.

Amendment of section 53 of Act 57 of 2002 of the Disaster Management Act, – hereafter referred to as ~~the Act~~) requires the Stellenbosch Municipality to:

21. Section 53 of the principal Act is hereby amended by the substitution for subsection (1) of the following subsection:

(1) Each municipality must—

- (a) conduct a disaster risk assessment for its municipal area;
- (b) identify and map risks, areas, ecosystems, communities and households that are exposed or vulnerable to physical and human-induced threats;
- (c) prepare a disaster management plan setting out—
 - (i) the way in which the concept and principles of disaster management are to be applied in its municipal area, including expected climate change impacts and risks for the municipality;
 - (ii) its role and responsibilities in terms of the national, provincial or municipal disaster management framework;
 - (iii) its role and responsibilities regarding emergency response and postdisaster recovery and rehabilitation;
 - (iv) its capacity to fulfil its role and responsibilities;
 - (v) particulars of its disaster management strategies;
 - (vi) contingency strategies and emergency procedures in the event of a

disaster, including measures to finance these strategies; and

(vii) specific measures taken to address the needs of women, children, the elderly and persons with disabilities during the disaster management process;

(d) co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players;

(e) provide measures and indicate how it will invest in disaster risk reduction and climate change adaptation, including ecosystem and community-based adaptation approaches;

(f) develop early warning mechanisms and procedures for risks identified in the municipal area;

(g) regularly review and update its plan; and

(h) through appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), consult the local community on the preparation or amendment of its plan.“.

.....prepare a disaster management plan for its area according to the circumstances prevailing in the area and within the ambit of its municipal disaster management framework.

Section 53(2)(a) of the Act specifies that the disaster management plan for a municipality must form an integral part of the municipality's integrated development plan (IDP).

Section 26(g) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) lists —applicable disaster management plans” as core components of an IDP.

The Municipality must submit a copy of its Disaster Management (DM) plan, and of any amendment to the plan, to the Disaster Management Centre of the Western Cape Province and the National Disaster Management Centre.

1.2 Key outcomes

This plan seeks to achieve the following key outcomes:

- Integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the municipality.
- Resilient communities
- An integrated, fast and efficient response to emergencies and disasters by all role-players.

1.3 Linkage with the Integrated Development Plan of the Stellenbosch Municipality

Both the Municipal Systems Act and the Disaster Management Act requires the inclusion of this plan into the Integrated Development Plan (IDP) of the Stellenbosch Municipality. It would however not be practical to include the complete Disaster Management Plan with all its annexures within the Integrated Development Plan of the Stellenbosch Municipality. Therefore the complete plan can be considered as an annexure to the IDP, while this core document without annexures will be submitted for inclusion within the IDP document.

A separate disaster management plan included into the IDP but standing on its own and isolated from the rest of the IDP does not necessarily give evidence of the integration of disaster management into the IDP. All departments and role players submitting input to the content of the current and future IDP of the municipality are therefore urged to consider the inclusion and integration of disaster risk management into their strategies, operational planning and project implementation.

It is strongly recommended that the municipality institutes the compulsory consideration of disaster risk management in the planning and execution stages of all IDP projects. This will ensure the integration of disaster management into the IDP, and will ensure that all plans and projects are focused on contributing to disaster risk reduction and disaster preparedness – thus reducing the impact of disasters on lives, property, community activities, the economy and the environment in the Stellenbosch Municipality.

1.4 Linkage with the Disaster Management Framework of the Cape Winelands District Municipality

The Stellenbosch Municipality must prepare and execute its disaster management plan within disaster management framework of the Cape Winelands District Municipality. The National, Western Cape Provincial and Cape Winelands frameworks will guide the development of this plan and future versions of this plan.

1.5 Structure of the plan

The Municipal Disaster Management Plan of the Stellenbosch Municipality consists of the components as indicated in the figure below.

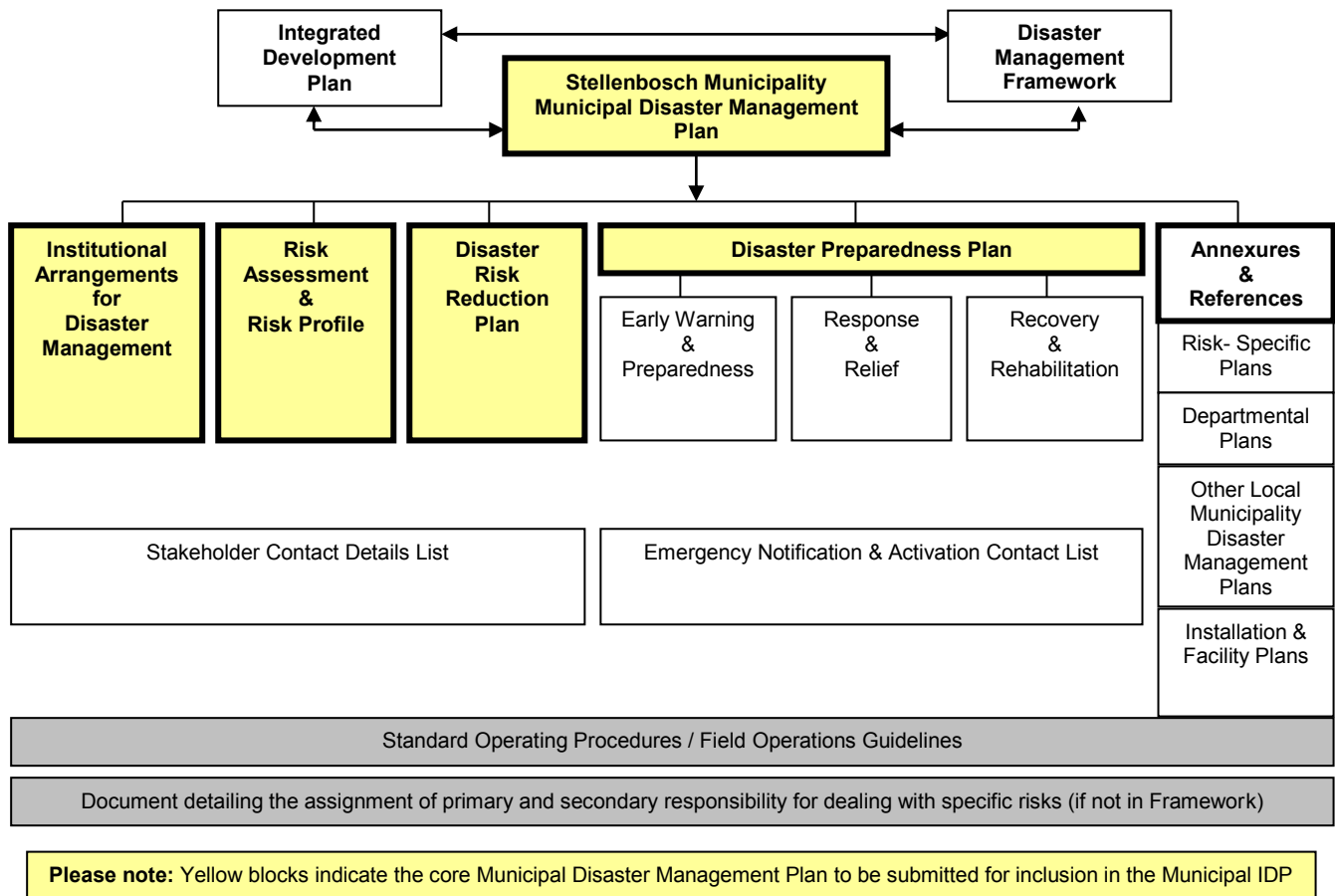


Figure 1: Structure of the Stellenbosch Municipal Disaster Management Plan

1.6 Definitions and abbreviations

ASAP	As Soon As Possible
DMC	Disaster Management Centre
LA	Local Authority
JOC	Joint Operations Centre
SAWS	South African Weather Service
DOC	Disaster Operational Centre

2 INSTITUTIONAL ARRANGEMENTS

2.1 Shared responsibility for disaster management

The responsibility for reducing disaster risk, preparing for disasters, and responding to disasters is shared among all departments and employees of the Cape Winelands District Municipality, local municipalities within the Cape Winelands District Municipality, all

departments and employees of the Stellenbosch Municipality, all provincial and national organs of state operating within the municipality, all sectors of society within the municipality and, perhaps most importantly, all the residents of the municipality.

2.1.1 Nodal points for disaster management

Although the municipal department within the Stellenbosch Municipality assigned with the Disaster Management function should direct and facilitate the disaster risk management process, it cannot perform the whole spectrum of disaster risk management activities on its own. Disaster risk management is everybody's business. It is required that each municipal department within the Municipality assign a person or section within the department / local municipality to be the nodal point for disaster management activities in that department / local municipality. The same applies to national and provincial departments operating within the municipality.

The disaster management activities to be performed within departments and local municipalities include participation in disaster risk reduction as well as preparedness and response.

Action: The Disaster Management Centre of the Stellenbosch Municipality will circulate forms on an annual basis requesting roleplayers to indicate their nodal points for disaster management. The forms shall provide space for indicating the department, position and full contact details (also after hours) of the nodal point and at least one alternate contact person.

2.1.2 Departments with primary responsibility for specific hazards and disaster risks

Where a department has primary responsibility for a specific hazard, the department's role in disaster risk management for that specific hazard will be more than mere participation: it will have to lead risk reduction as well as preparedness activities due to its expertise in the field.

Stellenbosch Disaster Management can support such a department with advice, information, facilitation and coordination.

Action: Stellenbosch Disaster Management will maintain a list of hazards that may affect the municipality with associated primary roleplayers indicated for risk reduction as well as preparedness for each specific hazard. (See next section for the process of assigning such responsibility.)

The plans for disaster risk reduction and preparedness compiled by these primary roleplayers should be attached to this plan or should be referenced as supporting documentation as indicated in Figure 1: Structure of the Stellenbosch Municipal Disaster Management Plan, on page 7. These documents must be easily accessible to all relevant roleplayers.

2.1.3 Assignment of responsibility to deal with specific disaster risks

Departments that are responsible for specific services in normal conditions will remain responsible for such services during disasters. The declaration of a state of disaster and the tighter coordination instituted during disasters does not absolve any agency of its assigned responsibilities.

Legislation assigns responsibility for most disaster risks to specific departments or functions. There are however grey areas related to some disaster risks. In order to ensure clear roles and responsibilities and enhance integrated disaster risk management efforts, such grey areas must be addressed and clearly assigned responsibilities must be confirmed.

Action: The risk profile of the Stellenbosch Municipality will be considered and primary and supporting roleplayers will be identified for each identified risk. Such allocation of primary and supporting roles will be done in consultation with all relevant roleplayers, will be informed by existing legal frameworks, and assignment will be done on a consensus basis.

The above assignment of responsibilities will be revisited and confirmed on an annual basis, and will be recorded and distributed in the format indicated in Table 1 below.

Table 1: Assignment of primary and supporting roleplayers for disaster risks

Description of disaster risks identified in the risk profile of the municipality (Complete one table per risk)	Primary roleplayer in risk reduction to be indicated here	Supporting roleplayers
	Primary roleplayer in preparedness to be indicated here.	Supporting roleplayers
	Primary roleplayer in response and relief to be indicated here.	Supporting roleplayers
	Primary roleplayer in recovery & rehabilitation to be indicated here..	Supporting roleplayers

The document assigning responsibilities can become an annexure of the Municipal Disaster Management Plan of the municipality, if such assigning of responsibilities have not been dealt with in the Municipal Disaster Management Framework.

2.2 Corporate Disaster Management Structure for the Stellenbosch Municipality

The Corporate Disaster Management structure for the Stellenbosch Municipality must deal with both pro-active and reactive disaster management issues and encompasses more than the department which is responsible for the function. The structure can include the following elements which may be collapsed into a smaller number of elements if less complexity is required:

2.2.1 Stellenbosch Disaster Management

The Directorate: Community and Protection Services within the municipality assigned with the Disaster Management function. A local municipality is not legally obliged to establish a Disaster Management Centre, but it is recommended.

The Disaster Management Centre of the Stellenbosch Municipality must aim to prevent or reduce the risk of disasters, mitigate the severity or consequences of disasters, prepare for

emergencies, respond rapidly and effectively to disasters and to implement post-disaster recovery and rehabilitation within the municipality by monitoring, integrating, co-ordinating and directing the disaster risk management activities of all role players.

A fully established and functioning Municipal Disaster Management Centre is a key element of this plan.

Action: The Stellenbosch Municipality will establish and maintain a fully staffed and resourced Disaster Management Centre.

2.2.2 Municipal Disaster Management Advisory Forum

Metropolitan or district municipalities may establish municipal disaster management advisory forums as described in Section 51 of the Disaster Management Act, 2002. Local municipalities are not required to establish advisory forums. It is however advantageous for a municipality to establish such a forum to coordinate strategic issues related to disaster management such as risk assessments and to approve and/or review the disaster management plan for the municipality before it is submitted to Council. The frequency of meetings of such a body is 2-4 times per year or as required.

Action: The Stellenbosch Municipality will consider the establishment of a Local Disaster Management Advisory Forum / Sub Advisory Forum and act upon its decision in this regard.

2.2.3 Interdepartmental Disaster Management co-ordination

Internal coordination will occur at manager level where instructions and identified projects from the Advisory Forum can be implemented and tracked. Municipal top-management meetings can serve as a coordination forum for disaster management issues within the municipality. Although a dedicated structure can be created for this purpose, this role will be performed by the top management team of the municipality to reduce the complexity of the disaster management structure. Ad-hoc external representation may form part of the deliberations upon invitation.

Action: The Stellenbosch municipality will consider the establishment of a dedicated body for interdepartmental Disaster Management coordination, or will assign this responsibility to the top management team (or officials) of the municipality.

2.2.4 Nodal points for disaster management within municipal departments

Refer to section 2.1.1 above.

2.2.5 Departmental planning groups

This element relates to planning groups that can be established within departments within the Municipality to deal with internal disaster management issues such as the compilation of departmental or local municipal disaster management plans and contingency plans for

facilities and services of the department or local municipality. The disaster management nodal points of such departments or local municipalities will be involved in these planning groups.

Action: Nodal points will be empowered and supported by their departments / organisations to establish, manage, and participate in departmental and/or local municipal planning groups.

2.2.6 Risk reduction project teams

A multi-disciplinary project team convened to address and reduce a specific disaster risk. Convened by the primary role-player for the risk and supported by Disaster Management.

Action: The primary roleplayers for specific hazards or disaster risks, in collaboration with Stellenbosch Disaster Management, will establish and manage risk-reduction project teams as required or when requested by the Disaster Management Advisory Forum. (Existing structures should be used as far as possible to prevent duplication and reduce the meeting burden on roleplayers.)

2.2.7 Preparedness planning groups

A multi-disciplinary planning group convened to ensure a high level of preparedness for a specific disaster risk. Convened by the primary role-player for the risk and supported by Disaster Management.

Action: The primary roleplayers for specific hazards or disaster risks, in collaboration with Stellenbosch Disaster Management, will establish and manage preparedness planning groups as required or when requested by the Disaster Management Advisory Forum. (Existing structures should be used as far as possible to prevent duplication and reduce the meeting burden on roleplayers.)

2.2.8 Joint response & relief management teams

Mostly flowing from a preparedness planning group, a team that is mobilised to deal with the immediate response & relief required during or immediately after major incidents and disasters. Will normally convene in the Disaster Operations Centre (see description below).

Action: The preparedness planning group for each hazard will detail how the activation of a joint response and relief management team for that specific hazard will be managed, and who will form part of the team.

2.2.9 Recovery & rehabilitation project teams

These are project teams managing recovery and rehabilitation after disasters, mostly on a project-management basis. Disaster recovery and rehabilitation must focus on risk elimination or mitigation. Departments who are responsible for the maintenance of specific infrastructure are also responsible for the repair or replacement of such infrastructure after disasters.

Action: The preparedness planning group for each hazard will detail how the activation of recovery and rehabilitation project teams for that specific hazard will be managed, and who will form part of the teams.

2.2.10 Stellenbosch Disaster Management Communications Centre

This is the centre providing 24-hour emergency and essential services contact points to the public within the municipal area. The Centre is responsible for day-to-day emergency response by municipal departments and for the establishment of strategic communication links. Stellenbosch Fire and Rescue Services Control Centre will liaise closely with the Emergency Control Centres / Groups of the local municipalities and other stakeholders within the Stellenbosch Municipality on an ongoing basis.

Action: Stellenbosch Disaster Management will maintain a fully staffed and resourced municipal Fire and Rescue Services Control Centre, and if required, collaborate with other agencies to maintain 24-hour per day, 7 days per week public emergency call-taking capacity.

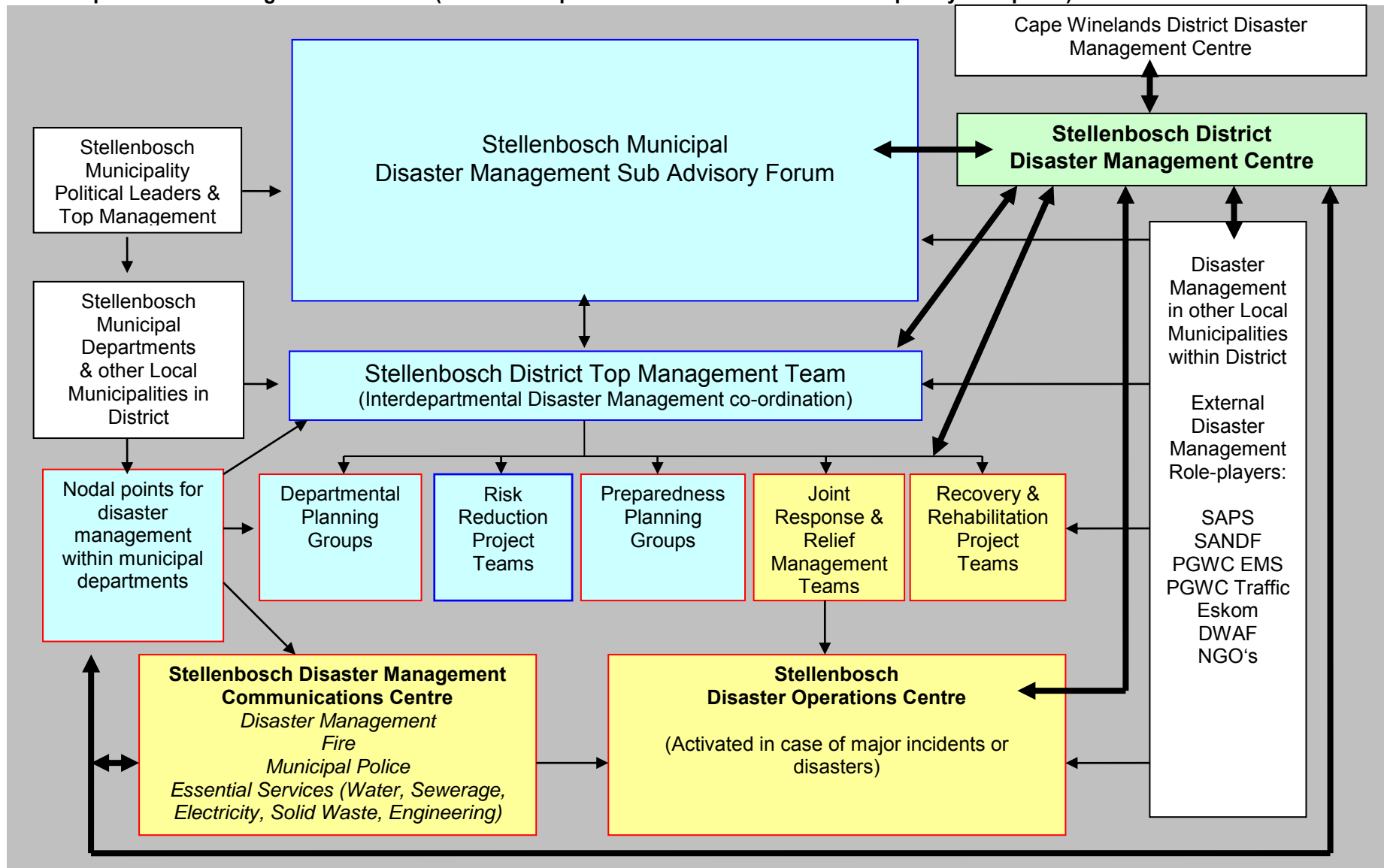
2.2.11 Stellenbosch Disaster Operations Centre (DOC) / Joint Operations Centre (JOC)

Stellenbosch Municipality does not have a dedicated facility equipped to serve as command and coordination centre during disasters, where the joint response & relief management team will convene. Alternative facilities should be identified as back-up to the primary DOC. The term JOC for Joint Operations Centre can also be used for this facility.

Action: Stellenbosch Disaster Management will establish and maintain a fully staffed and resourced Fire and Rescue Services Control Centre for activation as required and will identify fall-back or alternative facilities for the same purpose.

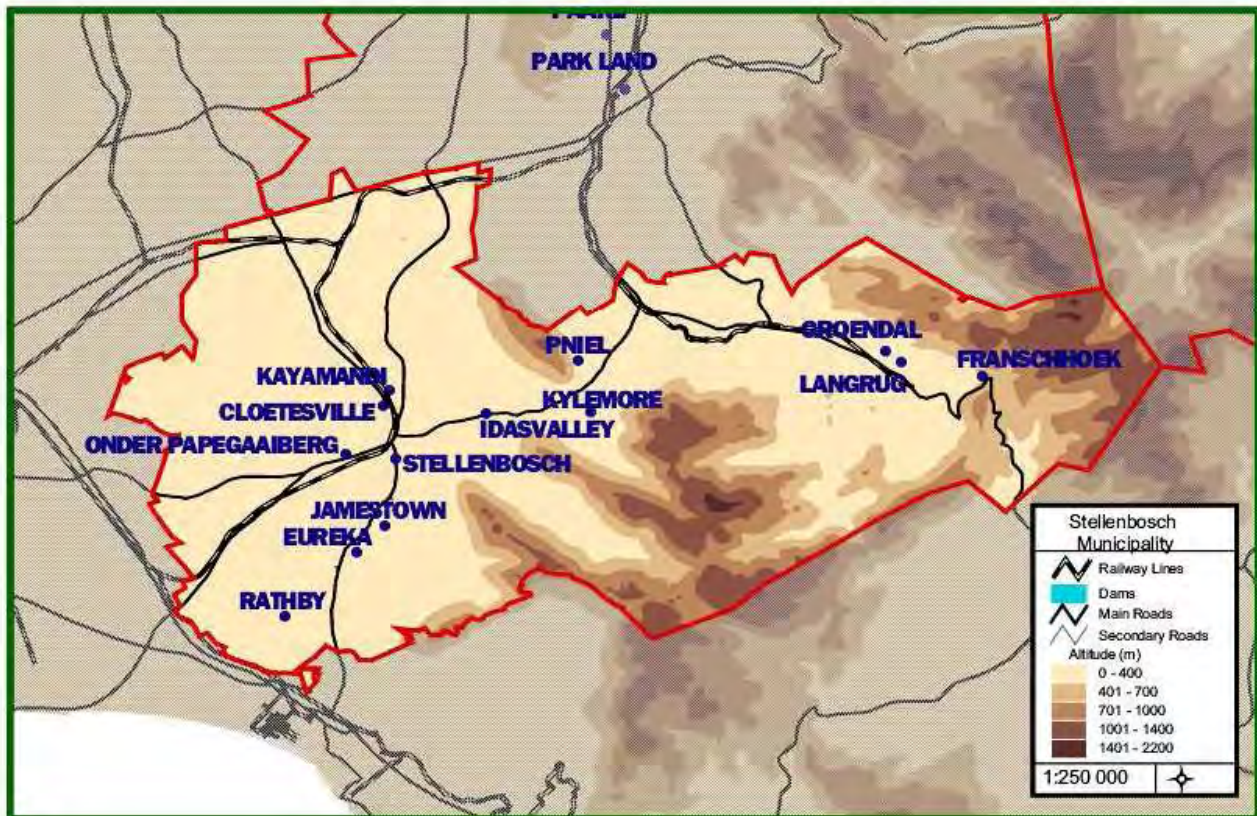
A MOA between Stellenbosch Municipality and Cape Winelands District Municipality- should the need be to use their fully equipped/resourced centre in Stellenbosch, would be ideal.

Figure 2: Municipal Disaster Management Structure (Can be collapsed into less elements if less complexity is required)



3 RISK ASSESSMENT

3.1 General Area Description



3.2 Risk Profile of the Stellenbosch Municipality

Various disaster risks have been identified and assessed during 2008, as set out in detail in the Risk Assessment Report accompanying this document.

The following disaster risks were identified as priority risks to be addressed by disaster risk reduction as well as preparedness plans:

1.	Fire – Veld & Runaway Fires
2.	Dam Wall Failure: Idas Valley
3.	Floods
4.	Chemical spills: Hazmat incidents
5.	Explosive storage: (fuel, gas)
6.	Environmental pollution: (air, water, ground contamination, pesticides)
7.	IT – Failure of system: Access to info
8.	Infrastructure Decay : No / dysfunctional infrastructure / service delivery (sewerage, toilets, grey water, electricity)
9.	Transport incidents (road, railway accidents)
10.	Rock Falls
11.	Aircraft accidents
12.	Seismic: Earthquakes
13.	Erosion
14.	Communicable disease: (H1N1 Influenza (Swine Flu))
15.	Insufficient hydrants
16.	Power failure
17.	Strikes / Social conflict
18.	Climate change: (high/strong winds, severe heat/cold)
19.	Poverty
20.	Chlorine stations

The above lists illustrate the types of disasters that pose the highest risks within the area of the Stellenbosch Municipality and their possible effects. The communities at risk can be derived from the risk lists, and are also shown in the risk assessment that was conducted for the area.

More detailed risk descriptions, inclusive of hazards, vulnerability and capacity descriptions, are available in the original risk assessment document.

4 DISASTER RISK REDUCTION PLANS

Disaster risk reduction plans providing for prevention and mitigation strategies have been compiled through a participative process and have not been vetted or submitted to feasibility studies.

The risk reduction plans outlined in this document and its annexures which are implementable must be considered for inclusion within the IDP projects of the municipality and if included must be budgeted for in terms of the operating and capital budgets of the municipality. Each project should be evaluated to determine which municipal department can lead its implementation. When a lead department is assigned through consensus in the DMAF, such a lead department must manage all planning and budgeting processes for said project. The Disaster Management department of the Stellenbosch Municipality must assist in this regard.

Where the proposed project falls outside the mandate of the municipality, the municipality should establish a lobbying and monitoring mechanism to motivate the need for the project in the correct governmental or societal sector and to track progress on the project. It is anticipated that many projects will need to be executed on a partnership level, and in such cases the department of the municipality responsible for service delivery partnerships should take the lead with support from the Stellenbosch Disaster Management Centre.

4.1 Risk reduction plans for the Stellenbosch Municipality

Risk reduction project proposals for priority risks are listed in the attached risk reduction plan document.

4.2 Risk reduction capacity for the Stellenbosch Municipality

The organisational structure for risk reduction within the municipality includes Stellenbosch Disaster Management, the Disaster Management Advisory Forum, the top management team of Stellenbosch Municipality, the nodal points for disaster management within municipal departments within the municipality, departmental planning groups, risk reduction project teams and preparedness planning groups. See Figure 2: Municipal Disaster Management Structure on page 13.

The total structure of the municipality, with every member of personnel and every resource should also be committed to disaster risk reduction.

Ongoing capacity building programmes will be required to ensure the availability of adequate capacity for risk reduction.

5 PREPAREDNESS PLANS

Preparedness plans are compiled in order to enable fast and efficient response to predicted and unpredicted emergencies. *In case of an emergency, the user of this document should immediately turn to the attached preparedness plan for guidelines on managing response.*

5.1 Preparedness plans of the Stellenbosch Municipality

Risk-specific preparedness plan proposals for priority risks are listed in the attached preparedness plan document, along with a standard response procedure for Disaster Management. The risk-specific preparedness plans have been compiled through a participative process.

5.2 Preparedness capacity for the Stellenbosch Municipality

The organisational structure for preparedness within the municipality includes Stellenbosch Disaster Management, the Disaster Management Advisory Forum, the top management team of the Stellenbosch Municipality, the nodal points for disaster management within municipal departments within the municipality, departmental planning groups, preparedness planning groups, Joint Response & Relief Management Teams, Recovery & Rehabilitation Project Teams, and the Stellenbosch municipal Fire and Rescue Services Control Centre. See Figure 2: Municipal Disaster Management Structure on page 13.

The total structure of the municipality, with every member of personnel and every resource can potentially form part of preparedness capacity.

Ongoing capacity building programmes will be required to ensure the availability of adequate capacity for disaster preparedness.

The Stellenbosch Fire and Rescue Services Control Centre is responsible for the operational procedures associated with day-to-day operational response to emergencies by municipal departments.

The Stellenbosch Fire and Rescue Services Control Centre and the Stellenbosch top management team are jointly responsible for the emergency management policy framework and organisation that will be utilized to mitigate any significant emergency or disaster affecting the municipality.

6 RESPONSE & RECOVERY

During response and recovery operations the relevant disaster preparedness plans of the municipality will be executed by the disaster management structures.

6.1 Response Procedure

During Disaster Response the Unified Command approach will be implemented and the Western Cape Disaster Preparedness Response and Relief Plan (DPRRP) will be utilised. The duplication of the DPRRP inside this plan would constitute unnecessary duplication and therefore the DPRRP is seen as a reference document, while the response and relief procedure from the DPRRP will be summarised here for quick reference.

The basic steps and actions of the response and relief management procedure are summarised below.

Table 2: Steps in the response and relief procedure

Number	Steps	Components
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S1	Notification and Activation	Detection Mobilisation
S2	Rapid Assessment	
S3	Integrated Structure	Unified Incident Management FCP / On-site JOC Team Coordinator Inner Cordon Outer Cordon Staging areas Process Management Sectors
S4	Re-Assess	Resources
		Hazard
		Situation
S5	Objectives	
S6	Plan of action	Planning
		Implementation
S7	Monitor / evaluate / review	
S8	Close and document	

This procedure is compatible with KPA 4 of the SA National Disaster Management Framework

6.1.1 Notification/activation

During the notification phase, it must be ensured that management and operational staff are informed and mobilised as speedily and effectively as possible. To facilitate the foregoing it is imperative that 24 hour duty and standby rosters are kept current and available at the 24 hour communication facilities for the PDMC and all service communications centres who have an emergency and/or Disaster response role in the Province.

Such call-out lists must indicate the first response mobilisation and 2nd line responders clearly.

It is therefore necessary to design Standardised response procedures and protocols for specific incidents and also consider variables such as season, time of day etc.

6.1.2 Rapid Initial Assessment

The basis for any effective response is the initial rapid, but accurate on-scene assessment of the situation i.e. nature of the hazard, resource requirements, immediate threats to people, property and the environment, magnitude and boundaries of current and possible future impacts, and to be able to communicate this information in a predetermined standardised format.

Rapid and effective response can also be facilitated if a standardised initial report-back includes response suggestions and needs.

The rapid initial assessment must be as accurate as possible with accurate predictions of what may still occur,

6.1.3 Establish response management structure

Once the initial response has been effected and services arrive on the scene the process for the implementing of the secondary response must be initiated as soon as possible. This response must be based on the needs received from the scene as a result of the rapid assessment.

This response must build on existing response levels and strengthen the deployments and actions on scene.

Structures to coordinate response

The establishment of a structure to manage, co-ordinate and integrate response actions at the scene of an incident is imperative and a priority for all services involved at an incident.

Such a basic structure should be contained in a —Standardised incident management plan” agreed to beforehand by all role-players.

There are a number of essential elements to the structure and principles, which should be observed at all times;

Flexible organisation

The composition of the organisation must be adapted to the size, magnitude and nature of the incident. The organisation must be adapted (increased or decreased) as circumstances dictate.

Standardised Terminology

All services must be informed and be familiar with the organisation and terms used by services, which may be involved in an incident.

Tactical Incident Management facilities / structures

As part of the management structure, there are a number of essential facilities / structures, which may need to be established at the scene of an incident, these can include:

- Outer perimeter / cordon / public exclusion zone
- Inner perimeter
- Establishing a landing zone
- Staging area
- Incident command post
- Casualty clearing post
- Information point / media liaison
- Communications network
- Access control to incident site and emergency infrastructure

The above elements are described in further detail in the disaster response activities and their action steps.

On-Site Incident Coordination Point

This is an on-scene facility where tactical decision-making and control of inter-disciplinary co-ordination takes place. Also known as Incident Command Post (ICP), On-site JOC / Forward Control or Command Post (FCP).

This is the single point of command for all on-site operations during the response phase of an emergency and will be located at an appropriate location at or near the scene of the emergency, normally within the outer perimeter.

The incident Commanders / Managers from key response agencies will operate under Unified Command to co-ordinate incident operations.

Joint Incident Management Team / Unified Command

One of the main objectives to ensure effective on-scene management of services is to establish a “Unified Incident Management” system. This system allows for a structure whereby overall incident objectives and strategies can be formulated.

In incidents involving multiple jurisdictions, a single jurisdiction with multi-agency involvement, or multiple jurisdictions with multi-agency involvement, unified command allows agencies with different legal, geographic, and functional authorities and responsibilities to work together effectively without affecting individual agency authority, responsibility, or accountability.

In this regard it is important that the representatives be suitably mandated and takes full responsibility and charge of its service at that level.

It will ensure that the agreed upon operational plan and integrated tactical strategies are implemented by making optimum use of available resources.

It is normally structured to facilitate activities in five major functional areas:

- command,
- operations,
- planning,
- logistics, and
- finance and administration.

This organisation should also include the following elements depending on the situation;

- Safety
- Media / public liaison – information
- Liaison – supporting agency / jurisdiction liaison (DisMan well-placed for this)

Depending on the situation the estimated duration of the incident must be established in order to plan the need for the rotation of staff and to plan meals, etc.

Determining the primary role-player for an incident or activity

If a situation occurs where there is no immediate agreement between parties regarding who should be the primary role-player in a specific emergency situation, the DPRRP contains a procedure that should be followed.

Communications

For Provincial communication networks and structures see the main document to which this document is an annexure.

6.1.4 Re-assess

The first very important step after the Joint Incident Management Team has been established is for them to re-assess the situation. During this process, there are three aspects which must be addressed.

Re-assess Resources

The team need to establish:

- present deployment and how effective it is
- possible further immediate, medium and long-term resource needs.

An analysis of special equipment and services and needs must be done at this stage.

When evaluating the mobilising of additional resources the following needs must be taken into account;

- The type of human resources required i.e. skills and type of tasks to be performed.
- What equipment and supplies is required and which must come first (Priorities)
- Who will be responsible for the control of essential supplies
- Which essential services are required and/or should be restored first (Priorities)
- Observe and ensure that supply chain management / logistics are complied with. (Accountability)
- Possible invoking of mutual aid arrangements and/or other formalised agreements

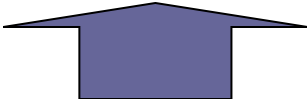

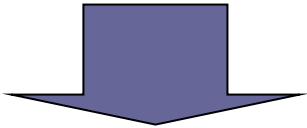
Re-assess Hazard

A thorough analysis of the potential impact of the hazard must be made. In this regard the following should be assessed;

- Present impact
- Potential hazard impact (worst case scenario)
- Also think beyond present situation
- Obtain specialist input
- Consider implementation of risk specific plans

Re-assess Situation

In this regard the following aspects must be carefully analysed and assessed;

<p>Look up - Establish present weather and get prediction for next 24 hours. It is important to look at the impact of the weather may have on the situation and what short and long term – changes may are predicted.</p>	
<p>Look around - Look at the topography and natural environment and establish what effect it would have on the hazard behaviour and impact</p>	
<p>Look down - Look at the built environment, the natural environment and the economical activities and establish how the hazard can possibly affect these activities. It is also important to consider/establish land owner and type of facility – eg key points being affected.</p>	

Do a complete evaluation to establish the severity and implications of the problem (direct and indirect implications)

6.1.5 Establish incident management objectives

Once the re-assessment have been completed the team should decide on the incident management objectives, and the following should receive attention;

- Broad statement of intent
- Think strategically
- Determine priorities
- Ensure public protection and secure affected area

It is important that emergency worker and public protection be observed throughout the process of setting objectives.

6.1.6 Plan of action

Once the incident management objectives are complete a well framed and well prepared plan of action is essential for the effective execution of the operation.

To plan effectively the following should be considered;

- Situational analysis (Clearly mapped)
- Resource status and response levels (Accurate recording)
- Think of worse case scenario (Think ahead)
- Plan for all phases (response, relief, recovery, rehabilitation and reconstruction)
- Decide on key objectives and responsibilities
- Consult with external organisations
- Protective actions (Response activities)
- Protective action strategies (Response management strategies)
- Incident Communication planning (Radios, IT , Public and Media)
- Develop alternatives (think beyond the normal)
- Review alternatives
- Decide on plan of action

6.1.7 Implementation

Once a decision has been made on the plan of action the plan must be communicated clearly to all role-players. In this regard, the following should receive particular attention;

- Communicate objectives, responsibilities, timeframes clearly
- Action tasks clearly and to specific services and/or sections
- Motivate staff and support implementation throughout.

6.1.8 Strategic Response Management Structure

Disaster Operations Centre/Joint Operations Centre

The Disaster Operations Centre is an off-site, centralised facility, which is provided by the Provincial or Municipal Disaster Management Centre, where multi-disciplinary co-ordination and strategic decision-making takes place. It is a fully equipped dedicated facility within the Western Cape Provincial Disaster Management Centre.

For the purpose of multidisciplinary strategic management of response and recovery operations, this facility must be capable of accommodating any combination of emergency

and essential services representatives, including all relevant role players and stakeholders identified in response and recovery plans.

This facility must be activated when a local, provincial or national disaster occurs or is threatening to occur.

The Disaster Operations Centre may be activated immediately upon receipt of information of a specific type of incident, or may be activated upon request or advice of the joint incident management team(s) at the scene of the incident(s).

Initial Strategic Situation Analysis

Once the initial activation has taken place the following should take place;

- Convene meeting in the JOC
- Review situation on available information
- All possible role-players must be identified and mobilised if not yet present.
- Identify and appoint incident co-ordinator
- Ensure all services required have been activated and are responding to their areas of responsibility
- Compile initial situation report for distribution to all stakeholders, internal and external.
- Establish public notification needs
- Establish public safety advisory needs
- Generate media release for public communication
- Monitor, assess and support services on-scene
- Establish possible resource needs
- Evaluate resources available vs resources possibly required
- Establish availability of resources, consult database
- Establish possible need for invoking mutual aid agreements and do initial notifications of possible support required
- Monitor, re-assess and adapt strategy

Structures to provide relief

Additional off-site structures may need to be established to provide relief, these could include

- Mass Care centres
- Victim information centres
- Reconciliation areas (where victims and their friends / family can be reunited)
- Data processing centres
- Media briefing facilities
- Counselling facilities
- Animal holding areas

6.1.9 Monitor/Evaluate

The successful implementation and execution of any plan is very dependent on sustained and effective monitoring and evaluation of its effectiveness.

This must be ensured by observing the following principles;

- To constantly receive and evaluate feedback reports from line departments
- To regularly direct requests and ask questions
- To take note of and observe status changes on an ongoing basis
- To analyse actions and anticipate problems/changes (be flexible)
- To regularly re-assess the situation and the effectiveness of actions and adapt strategies as circumstances dictate. Repeat process - Schedule meetings at specific agreed regular times.

6.1.10 Close incident & document

Once an incident has been effectively managed and services can return to normal operations, the following actions must be taken;

6.1.11 De- mobilise

Once the response to an incident is completed and there is consensus amongst all role-players that the point has been reached for services to stand-down from the incident and to return to their normal activities, the demobilisation phase is reached.

Ensure that all services have received de-mobilising orders and are reporting to their work stations.

6.1.12 Complete Review (Post Mortem)

After each incident, copies of all messages, reports and incident logs of all services must be submitted to the PDMC for joint analysis and review.

There must be a formal and structured critical review of all actions and all findings and/or areas of concern must be recorded and included in a report with the necessary recommendations and/or corrective actions to improve response in future.

6.1.13 Corrective actions

Corrective action plans must be drawn up and are designed to implement changes that are based on lessons learned and recommendations made from reports and reviews after actual incidents or from training and exercises.

Such actions and recommendations must include time frames and deadlines for implementation.

6.2 Declaration of a state of disaster and disaster classification

It is advisable that the Stellenbosch Municipal Council adopts a formal policy for the declaration of a local state of disaster. Such a policy will replace this section of the plan which provides a general description of issues surrounding the declaration of a state of disaster.

When a disastrous event occurs or is threatening to occur in the area of the municipality, the DMC / Section will determine whether the event is a disaster in terms of the Act, and, if so, the Head of the Centre will immediately

- initiate efforts to assess the magnitude and severity or potential magnitude and severity of the disaster;
- alert Disaster Management role players in the municipal area that may be of assistance in the circumstances;
- initiate the implementation of the disaster response plan or any contingency plans and emergency procedures that may be applicable in the circumstances; and
- inform the National Disaster Management Centre and the Western Cape Provincial Disaster Management Centre via the Cape Winelands District Disaster Management Centre of the disaster and its initial assessment of the magnitude and severity or potential magnitude and severity of the disaster.

When informing the National Centre and the Western Cape Provincial Disaster Management Centre via the Cape Winelands DMC the Stellenbosch Disaster Management Centre may make recommendations regarding the classification of the disaster as may be appropriate.

Irrespective of whether a local state of disaster has been declared or not, the municipality is primarily responsible for the co-ordination and management of local disasters that occur in its area.

Whether or not an emergency situation is determined to exist, municipal and other agencies may take such actions under this plan as may be necessary to protect the lives and property of the inhabitants of the municipality.

Declaration of a local state of disaster: In the event of a local disaster the municipal council may by notice in the provincial gazette declare a local state of disaster if existing legislation and contingency arrangements do not adequately provide for the municipality to deal effectively with the disaster; or other special circumstances warrant the declaration of a local state of disaster.

If a local state of disaster has been declared, the Council may make by-laws or issue directions, or authorise the issue of directions to:

- Assist and protect the public;
- Provide relief to the public;
- Prevent or combat disruption; or
- Deal with the destructive and other effects of the disaster.

7 TESTING AND REVIEW OF THE PLAN

The municipality will regularly review and update its plan, as required by Section 48 of the Disaster Management Act, 2002. The Disaster Management Advisory Forum shall be responsible for the review of the municipal disaster management plan on an annual basis.

Action: The DMAF will implement an annual review of this plan.

8 ANNEXURES

Annexure A: Standard Operating Procedures, Contingency Plans etc.

Annexure B: Key Stakeholders Contact List / Emergency Numbers List for Stellenbosch

Annexure C: Advisory Forum Membership List

Annexures to be developed by the Stellenbosch Disaster Management Centre:

- Disaster Preparedness Plans
- Disaster Risk Reduction Guidelines
- Standard Operating Procedures and Field Operation Guides for each identified hazard
- Assignment of primary and supporting roleplayers for disaster risks
- Information and communication systems description
- Contact details for the Disaster Operations Centre representatives from the relevant role-players for each hazard.

9 REFERENCE DOCUMENTS

Cape Winelands District Municipality Draft Disaster Management Framework

Cape Winelands District Municipality Community Based Risk Assessment, 2008.

Towards Disaster Management Plans for the Cape Winelands District Municipality (Hazard Identification, Vulnerability Assessment, and Risk Prioritisation), 2005

Sensitising document: Transport of Hazardous Materials in Bulk: Spoornet, Undated.

Agricultural Disaster Risk Management: Agricultural Drought Management Plan, Department of Agriculture, Aug 2007.

Emergency Preparedness and Response Plan, Drakenstein Local Municipality, March 2009.

Contingency Plan, Metrorail Western Cape, October 2008.

Hospital Emergency Plans, Medi-Clinic – Worcester, Paarl

Hospital Emergency Plans, Western Cape Department of Health

Outbreak response team

Education: Principal each school is responsible. Plan per school. Unannounced visits and testing of emergency plans. Schools must have plans for when things go wrong with transport. Organised into circuits.

- a) Constitution of the Republic of South Africa, 1999.
- b) Disaster Management Act, 2002 (Act 57 of 2002)
- c) National Disaster Management Framework, 2005 (Government Notice 654 of April 2005: A Policy Framework for Disaster Risk Management in South Africa)
- d) Fire Brigade Services Act (Act 99 of 1997) as amended.
- e) Fund Raising Act (Act No 107 of 1978) (FRA)
- f) Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).
- g) Major Hazardous Installations Regulations of the Occupational Health and Safety Act
- h) Road Traffic Act
- i) Social Assistance Act, 1992 (Act no 59 of 1992)

10 ANNEXURE A: DISASTER PREPAREDNESS GUIDELINES

NB: New risks and the resulting plans can be completed after the conclusion of the Risk Assessment and added as the plan is reviewed and updated.

Disaster Preparedness Plan: Fire

No	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
1	Inform Fire Services	First person to notice incident	Local authority fire call centre	Immediately	To respond resources
2	Respond resources	Fire Services Control Centre	Local authority fire call centre	Immediately	To limit impact
3	For facilities: Activate facility fire teams	Facility manager or as per plan	Facility manager's office	Immediately when the incident is reported	To contain situation
4	For facilities: Fire team to extinguish small fires	Trained fire team	At the point of incident	ASAP	To prevent / minimise the chance of the fire spreading
5	For facilities: Evacuate facility	Evacuation teams / SAPS / Fire	At facility	ASAP	To prevent injury/deaths
6	For facilities: Check the name list of all evacuated people	Trained control team	At specific control points (assembly areas) outside the building / facility	ASAP after evacuation	To ensure everyone is out of the building / facility
7	Assess Situation	First Responders on scene	At scene	On arrival	To determine needs
8	Request additional resources	First Responders on scene	From scene through local authority fire call centre	After assessment	To manage situation
9	Implement appropriate emergency intervention	First responders on scene	At scene	On arrival	To protect life and property and neutralize any impacting hazard
10	Setup command post	Senior officer on site	Safe area on site	Immediately	To plan and implement correct immediate responses

No	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
11	Establish incident management plan per service	Services on scene	On scene	ASAP	To effect appropriate immediate response and relief actions
12	Assess impact	Services on scene	On scene	Immediately	To determine future relief and recovery actions
13	Notify Disaster Management team if major incident	Services on scene / Senior officer on scene	From command post	As soon as required	To facilitate multidisciplinary co-ordination and major incident management support
14	Crowd and traffic control	SAPS, Traffic, Law Enforcement, Private security if appropriate	Around scene	Immediately	To control people and traffic at the incident
15	Assemble joint incident management team	Senior representatives of all services on scene	At appropriate single command post, in case of fire incident preferably at fire command post	Immediately once more than one service working on scene	To ensure multidisciplinary coordination that enables effective response and relief
16	Design joint incident action plan	Joint incident management team	Command post / FCP	ASAP	To manage situation
17	Implement joint plan of action	Joint incident management team	On scene	ASAP	To normalise situation
18	Seek missing people	Search team/ Fire/ EMS/ SAPS	Through the whole building / facility / affected area	ASAP once missing people have been reported	To rescue missing persons
19	Treat injured people	Trained first aid team/ EMS / Fire	At the first aid post / triage area	Immediately when injury is reported	To treat injuries
20	Inform next of kin of injured people	Facility manager / SAPS / EMS	At the facility manager / director's office / from scene	Immediately when injury is reported	To inform family members of the conditions of the injured relative and how to

No	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
					reach them
21	Monitor actions	Joint incident management team	On scene	Ongoing during incident management	To ensure effective planning and execution
22	Area /Facility clean-up	All services	On site	On completion of rescue/ immediate emergency actions	To prevent further incidents/ environmental impacts
23	On site inspection	EMS/ Traffic/ Fire / SAPS forensics	On scene	On completion of emergency actions	To ensure site is safe for use again
24	Stand down	All services	On scene	Once site is declared safe	To normalise services operations
25	De- brief	All role-players	Pre-determined venue	Within one week	To evaluate actions and improve future response
26	Update plans and procedures	All role-players	At service HQ	ASAP	Effective service delivery

10.1 Disaster Preparedness Plan: Flooding

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done	
1	Notify response teams (Municipal engineering, SAPS, Fire & Rescue, EMS, Dept Water Affairs, SAWS)	Local Authority	24 Hour Call centre	Immediately	To activate response teams	
2	Activate response teams	District Management and Services Teams	Disaster Standby	From locations/ standby positions	Immediately	To assess impact and actions required
3	Identify affected and damaged area	District Management and Services Teams	Disaster Standby	In affected area	Immediately	To determine the extent of the damage in order to assess the affected area
4	Determine impact	District Management and Services Teams	Disaster Standby	At affected area	Immediately	To determine the actions and level of response required
5	Implement appropriate emergency intervention	First responders on scene		At scene	On arrival	To protect life and property and neutralize any impacting hazard
6	Activate JOC	Head of DMC and senior management of all services / jurisdictions involved.		DMC or alternative	Immediately if major flooding incident	To plan strategically and coordinate multidisciplinary response, relief and rehabilitation
7	Assess information	All services		JOC	Immediately	To plan actions
8	Design plan of action	DM Co-ordination Team / JOC Team		JOC	After assessment	To facilitate response and relief
9	Implement response actions	District Disaster Management Team, SANDF, SAPS, EMS		Affected area	ASAP	To prevent injury / mortality and to provide basic needs / services

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
10	Provide relief	Relevant Stakeholders	At affected area / relief centre	After assessment	To minimise impact
11	Mopping up	Relevant Stakeholders	Affected area	ASAP	To normalise community
12	Assess possibility of further flooding	District Disaster Management Team, SAWS	Entire area	Immediately	To minimise and/or prevent further disruption / damage
13	Issue early warning to areas vulnerable to further flooding	District Disaster Management Team, SAWS	Vulnerable areas	Immediately	To minimise and/or prevent further disruption / damage
14	Institute recovery measures	PDMC, Treasury, Relevant Departments	JOC	Once situation is under control	To restore normal activities in area
15	Road closures	Municipality / Prov Traffic	On Site	ASAP	To prevent loss of life and property
16	Communication with population of affected areas	Municipality / Media / Disaster Management / SAPS	On-site media liaison point / Media Centre close to JOC	ASAP	To prevent loss of life and property through public communication
17	Arrange temporary accommodation	Municipality / Social services/ NGO's	Available venues	When needed	To provide temporary accommodation – emergency shelter
18	Organise medical search parties	EMS / Fire & Rescue	On site	ASAP if people reported missing / unaccounted for	To treat medical cases
19	Flood management	Department of Water Affairs	On site and downstream	ASAP	To manage the effects of the flood
20	Rapid initial impact assessment	Municipal engineer and Provincial roads engineer	In affected area	Once flooding has subsided, if infrastructure damage suspected	To establish impact and immediate required repair to infrastructure as well as assistance required from province / national
21	Prioritise, plan and	Infrastructure owner	Areas with damaged	ASAP – depending on	To restore critical and

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
	implement emergency repairs to infrastructure		infrastructure	prioritization and available resources	essential services
22	Verification of impact assessment	Province / NDMC / Contracted impact assessment team	Areas with damaged infrastructure	ASAP after rapid initial impact assessment	To quantify and verify infrastructure damage and repair / replacement cost in monetary terms

10.2 Disaster Preparedness Plan: Earthquake

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
1	Notification and activation	Any person observing impact	LA 24 hour control centre	ASAP	To activate response teams
2	Activate response teams	LA 24 hour control centre	LA 24 hour control centre	ASAP	To assess and determine needs
3	Activate DMC JOC	DMC	DMC or appropriate alternative	ASAP	To co-ordinate actions
4	Assess and establish the extent of the earthquake	Survivors and emergency services	In area	ASAP	To determine needs and strategies
5	Collate info	JOC Team	JOC	ASAP	To determine priorities
6	Determine evacuation needs	JOC Team	At affected areas	ASAP	To provide relief to affected people
7	Establish plan of action	JOC Team	JOC	After initial assessment	To provide relief to affected people
8	Arrange accommodation for evacuees	JOC Team	Identified halls and mass care centres	ASAP	To provide relief to affected people
9	Treat injured people	EMS, Hospital and clinic staff	First Aid posts, hospital and clinics	ASAP	To treat injuries and prevent fatalities
10	Arrange search and rescue	JOC Team	In identified areas	ASAP	To rescue trapped people and animals
11	Arrange trauma counselling	JOC Team	Affected areas	ASAP	To assist all traumatised people
12	Monitor and re-assess	JOC Team	Affected areas	Asfter assessment initial and planning	To evaluate actions
13	Adapt planning	JOC Team	JOC	ASAP	To facilitate normalisation
14	Arrange an infrastructure impact / damage assessment	JOC Team	Affected areas	ASAP	To create a report of damaged infrastructure and determine needs

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
15	Establish a central call centre	Local authority	Affected area	As needed	To address shelter / housing needs
16	Set up satellite operation centres	Appointed commanders	On site / in areas as required	As needed	To coordinate response
17	Determine short, medium and long term needs	JOC Team	JOC	ASAP	To plan service restoration
18	Develop reconstruction and redevelopment plans and strategies	JOC Team	JOC	ASAP	To normalise and resettle area
19	Implement reconstruction program	JOC Team	Affected areas	After initial emergency response	To normalise and resettle area
20	Monitor actions	JOC Team	JOC	Ongoing	To ensure effective planning
21	Area cleanup	All services	Affected areas	On completion of rescue/ immediate emergency actions	To prevent further incidents/ environmental impacts
22	On site inspection	All services	Affected areas	On completion of emergency actions	To ensure area is safe for use again
23	Stand down	All services	Deployment points	Once area is declared safe	To normalise services operations
24	De- brief	All role-players	Pre-determined venue	Within one week	To evaluate actions and improve future response
25	Update plans and procedures	All role-players	DMC	ASAP	Effective service delivery

10.3 Disaster Preparedness Plan: Infrastructure Failure

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
1	Notify service	Any person observing failure	LA 24 hour control centre	ASAP	To activate response teams
2	Activate response teams	Service control centres	Service control centres	ASAP	To restore service
3	Assess situation	Response teams	At site of failure	On arrival	To determine needs
4	Request additional resources	Response teams	Service control centre	ASAP	To facilitate rapid restoration of service
5	Determine plan of action	Service management with other involved parties	At site	ASAP	To co-ordinate response
6	Secure area	SAPS, local and provincial traffic	At site	ASAP	To protect workers and public
7	Implement plan	Services responsible	At site	ASAP	To restore services
8	Monitor actions	Service management, Service control centres	On scene, Service Control Centre	On going	Ensure effective planning
9	Area / Road cleanup	All services	On site	On completion of rescue/ immediate emergency actions	To prevent further incidents/ environmental impacts
10	On site inspection	EMS/ Traffic/ Fire/ SAPS forensics	On scene	On completion of emergency actions	To ensure site is safe for use again
11	Stand down	All services	On scene	Once site is declared safe	To normalise services operations
12	De- brief	All role-players	Pre-determined venue	Within one week	To evaluate actions and improve future response
13	Update plans and procedures	All role-players	At services' HQ	ASAP	Effective service delivery
14	<u>Specific contingencies:</u>				

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
15	No water: Make use of reserve tanks	Technicians	Hospitals	ASAP	Water is vital in the effective functioning of hospitals
16	No electricity: make use of generators	Technicians	In the area of the incident	ASAP	To rectify the situation
17	Identify sewage system failure	Technicians	Hospitals	ASAP	To prevent pollution
18	No refuse removal: contact the municipality	Hospital manager	Hospitals	ASAP	Refuse needs to be removed as they can pose as health risks
19	Roads and RDP houses must be repaired and maintained	Individuals	In the area of the incident	ASAP	Fix the problem area
20	Dam overflow: Contact department of water affairs	Individuals	In the area of the incident	ASAP	Prevent the loss of water

10.4 Disaster Preparedness Plan: Transport Incidents

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
1	Notify Control Centre	Public / Official witnessing incident	At LA 24-hour Control Centre	ASAP	To trigger Response
2	Contact Fire, Traffic Services, SAPS and EMS	LA Control Centre	LA Control Centre	ASAP	To limit effects of incident
3	Notify response teams	Service Control Centres	Service Control Centres	ASAP	To control / normalise traffic, see to people involved
4	Assess and set up command post	Incident Management Team	On scene	On Arrival	To plan response and relief
5	Activate additional response	Services	On scene	After initial assessment	To ensure effective response actions and resources
6	Determine action plan	Incident Management Team	On scene	ASAP	To implement integrated response actions
7	Execute action plan	Response teams	On scene	ASAP	To prevent or limit loss of life and property
8	Monitor actions	Incident Management Team	On scene	On going	Ensure effective planning
9	Area cleanup	All services	On site	On completion of rescue/ immediate emergency actions	To prevent further incidents/ environmental impacts

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
10	On site inspection	EMS/ Traffic/ Fire/ SAPS forensics	On scene	On completion of emergency actions	To ensure site is safe for use again
11	Stand down	All services	On scene	Once site is declared safe	To normalise services operations
12	De- brief	All role-players	Pre-determined venue	Within one week	To evaluate actions and improve future response
13	Update plans and procedures	All role-players	At service HQ	ASAP	Effective service delivery

10.5 Disaster Preparedness Plan: Hazardous Materials Incidents

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
1	Notify Fire Dept / SAPS	Member of public or official observing incident 1st person on scene (10111/112/10177/ 021 887 4446)	On site - safe distance from incident	ASAP	To action response
2	Notify Hazmat team and Fire/ Local, Prov Traffic/ EMS / SAPS / Transnet	Emergency call centre / Fire dispatcher	Call centre	ASAP	To activate response
3	Identify type of hazmat	Responding agencies / Hazmat technician	On site	ASAP	To determine appropriate response
4	Identification of affected area	Responding agencies / Hazmat technician	On site	ASAP	To determine appropriate response
5	Assess and set up on-site command centre	Hazmat team	On site	Immediately	Co-ordination
6	Removal of hazardous material	Hazmat team e.g. within the fire department or contractor	On site	ASAP	To increase the safety of the area
7	In case of rail, notify Transnet	Fire dispatcher	Call centre	ASAP	To activate response
8	Assess the situation	Hazmat crew	On site (at a safe distance)	Once on scene	To facilitate plan of action, and assess situation
9	Saving of lives	Hazmat crew /primary respondent	On site	ASAP	To save lives
10	Secure the area	Traffic/ SAPS / Spoornet	On site	Once on scene	Personnel and public and environmental safety
11	Evacuation	SAPS / Fire / Traffic	On site	Immediately once	To protect life

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
				determined necessary	
12	Command vehicle / Establish incident management team	Fire dept dispatcher / Fire Dept / senior fire officer on duty	On site	Once area layout is established	To facilitate coordination / draw up a plan of action
13	Deploy contaminant specialist	Spoornet or transport company	On site	After area is secured	To ensure correct measures are taken
14	Stopping leakage, if any	Hazmat crew	On site	ASAP	To stop further leakage
15	Containment of spill	Hazmat crew	On site	ASAP	To contain spill
16	Activate cleanup specialist	Command vehicle / incident management team	On site	If extent of incident requires it	To clean up properly
17	Notify DWAF	Command vehicle / incident management team	Command vehicle / incident management team	ASAP	To analyse water quality
18	Notify and caution downstream Water users association / Agricultural unions/ Local / District and Neighbouring Municipalities	Command vehicle / incident management team	From site (via control centres)	Once nature of spill confirmed	To prevent usage of affected water
19	Notify DEA	Command vehicle / incident management team	From site (via control centres)	Once nature of spill confirmed	Analyse water quality
20	Notify Cape Nature	Command vehicle / incident management team	From site (via control centres)	Once nature of spill confirmed	Analyse water quality

	What must be done	Who must do it	Where it must be done	When it must be done	Why it must be done
21	Re-assessment	Command vehicle / incident management team	On site	Regularly during incident management	To determine effectiveness and appropriateness of current response
22	Mobilise cleanup specialist. If rail – Transnet recovery unit	Command vehicle / incident management team	On site	If extent of incident requires it	Final cleanup
23	Incident stand down	Command vehicle / incident management team	On site	Once situation normalized and under control	To close incident and restore normal operations
24	On site Debriefing	Command vehicle / incident management team	On site	After stand-down	Compilation of detailed incident report.
25	Final De-briefing	Incident Management Team	Appropriate meeting venue	Within 1 week of incident	To learn from mistakes, update plans
26	Follow up testing of soil and water	DEA	In situ, follow ups after the incident	As required	Follow up studies

11 ANNEXURE B: DISASTER RISK REDUCTION GUIDELINE

11.1 Disaster Risk Project Proposals: Fire

Risk Reduction Category	Risk Reduction Project Proposals
Physical Planning Measures	1 Build fire stations
	2 Plan and provide for buffer zone between residential and vegetation areas
	3 Plan and provide access roads for fire trucks in informal settlements
	4 Plan to prevent illegal electricity connections in informal settlements
	5 Plan fire services in line with new development needs
	6 Ensure that development of dwellings does not take place before adequate bulk services are provided
	7 Encourage and facilitate Integrated catchment management planning
Engineering Construction Measures	8 Ensure compliance with fire regulations and by-laws
	9 Install fire alarms in buildings
	10 Plan and provide fire escape routes and doors
	11 Plan and provide fire breaks in high risk vegetation areas
	12 Provide suitable roads as evacuation routes in informal settlements
	13 Provide informal areas with fire-resistant materials
	14 Plan and develop fire early warning systems
	15 Provide additional fire hydrants
	16 Research and upgrading / improvement of firefighting equipment/ trucks/ hydrants
	17 Provide fire hydrants in informal settlements
	18 Install watch towers, fire breaks, fire extinguishers in forestry areas
	19 Improve the quality and provide appropriate of firefighting equipment at all levels
	20 Ensure that fire hydrant water supply is sufficient in higher lying areas
Economic Measures	21 Provide for capital projects in municipal budget

Risk Reduction Category	Risk Reduction Project Proposals
	<p>22 Provide funds for upgrading of fire equipment</p> <p>23 Fines for illegal electrical connections</p> <p>24 Implement program to decrease high risk housing</p> <p>25 Authorities to develop a project to make fire extinguishers more affordable for every household, as well as a means of making the maintenance thereof less expensive</p> <p>26 Rural areas property rebates for areas under conservation</p> <p>27 Action plans in place</p> <p>28 Reaction plan in place</p>
<p>Management Institutional Measures</p>	<p>29 Train fire marshals for commercial/industrial complexes</p> <p>30 Appoint / train appropriate staff</p> <p>31 Conduct fire and evacuation drills</p> <p>32 Ensure evacuation doors are unlocked</p> <p>33 Running of programs for prevention of arson</p> <p>34 Maintenance program for fire extinguishing equipment</p> <p>35 Identify and procure appropriate equipment</p> <p>36 Structured and sustained fire-prevention inspections</p> <p>37 Cleaning of undergrowth around buildings</p> <p>38 Train and deploy fire fighting volunteers at fire stations and road works</p> <p>39 Identifying high risk fire areas (hotspots)</p> <p>40 Identify safer alternatives for cooking and lighting i.e. stoves, lamps etc</p> <p>41 Ensure correct storage of combustible materials</p> <p>42 Develop and implement maintenance programs for of access routes in high risk fire areas</p> <p>43 Train and develop fire response teams</p>

Risk Reduction Category	Risk Reduction Project Proposals
	<p>44 Training at all levels to improve the implementation of incident command system as a standard operating procedure</p> <p>45 Develop a management policy for the sale of paraffin</p> <p>46 Establish and support Fire Protection Association</p> <p>47 Develop area fire management plans</p> <p>48 Refrain from using recycling cardboard containers for recycling of paper</p> <p>49 Revisit policy for evicting shack dweller</p> <p>50 Maintenance programme</p>
Societal Measures	<p>51 Develop fire evacuation procedures for commercial/industrial complexes</p> <p>52 Declare non-smoking areas</p> <p>53 Prohibit fires in high risk areas</p> <p>54 Conduct fire hazard awareness programs</p> <p>55 Conduct community awareness programs in communities</p> <p>56 Implement community based programs for the proper care/maintenance of electrical equipment</p> <p>57 Include fire prevention education in school curriculum</p> <p>58 Include disaster risk management in school curriculum</p> <p>59 Implement fire education, fire risk awareness, recruitment of volunteer fire fighters, social responsibility, ownership system e.g. hydrants</p>

11.2 Disaster Risk Project Proposals: HazMat Incidents

Risk Reduction Category	Risk Reduction Project Proposals
Physical Planning Measures	1 Zoning for HMI's (Building codes)
	2 Proactive hazmat classification of installations
	3 Proper planning into the placement of factories and plants
	4 Manage development around HMI's
	5 Limit population figures around HMI's
	6 Enforcement and evaluation of risk assessment for major hazardous installations
	7 Enforcement and evaluation of EIA's for HMI's
	8 Enforcement of proper labeling of chemicals and poisons (labels)
	9 Monitoring and restricting and managing routes for hazmat materials in transit (railways/roads)
	10 Safe packaging and storage to prevention of leakage and seepage of hazmat and poisons
	11 Specific parking areas for hazmat vehicles along the roadside
	12 Increased hazmat capabilities allocated to areas on main routes where hazmat freight vehicle parking areas are to be found
Engineering Construction Measures	13 Enforcement of Construction needs to be determined by type of particulates being used and stored
	14 Identification of Containment sites and measures
Economic Measures	15 Fines for non-compliance
	16 Awards to compliant companies
	17 Fines for not having correct signage when transporting hazmat
	18 Fines for not having correct paperwork when transporting hazmat
	19 Spiller pays fine structure for hazmat spillage, and enforcement thereof
	20 Polluter pays
	21 Local economic development, assistance to non compliant small businesses to comply
Management Institutional	22 Compliance with storage and handling specifications

Risk Reduction Category	Risk Reduction Project Proposals
Measures	<p>23 Annual compliance certificate for hazmat/lpg coupled with an inspection, using of approved/certified service providers</p> <p>24 Declaration of what is being transported, and enforcing escorts for high risk cargo</p> <p>25 Informing of LM's what cargo is passing through it's boundaries, especially if alternate routes are used</p> <p>26 Regulation of overnight stops for trucks transporting hazmat</p> <p>27 Introduction of measures which regulate the times at which hazmat can be transported</p> <p>28 Spiller to use accredited/competent mop up teams</p> <p>29 Create capacity for regular site inspections</p> <p>30 Create capacity for regular Vehicle inspections</p> <p>31 Enforcing Registers of hazmat on the premises</p> <p>32 Increased monitoring by law enforcement (road/railway)</p> <p>33 Regular Training of rescue personnel and transport personnel (Drivers)in contact and handling of with hazmat</p> <p>34 Education campaign for local cellars and farmers who transport spirits as mixed loads.</p> <p>35 Identify and manage Nodal points of inspection ~ yard/ weighbridges/ destination</p> <p>36 Regulation of bulk sale of fuel</p> <p>37 Enforce Occupational Health and safety adherence</p> <p>38 Registration/compliance of all hazmat and hazardous material installations (databases)</p> <p>39 Identification and register of all MHI's / inspection and liasing per area.</p> <p>40 Enforcement of storage regulations</p> <p>41 Enforcement of AVCASA regulations for pesticides</p> <p>42 Shift from reactive to proactive measures</p> <p>43 Annual compliance certificate for hazmat/lpg coupled with an inspection, using of approved/certified service providers</p> <p>44 Efective communication of Hazmat / poisons requirements</p>

Risk Reduction Category	Risk Reduction Project Proposals
	45 Operational plans/ and response teams that are trained and practised at hazmat installation
	46 Training exercise to improve response management skills
	47 Address lack of capacity at times of detours when passing small poor towns (Resource skills distribution)
	48 Monitoring and accreditation and registration of cleanup teams and disposal sites, and a contact database
	49 Enforcement of NEMA Section 30
	50 Enorcement of spiller pays regulation of using approved service provoders
	51 Simplified coding system for Hazmat
	52 Promoting Cooperative governance between organs of state responsible for control of hazardous materials
	53 Simplifying recognition system of cargos to effect quicker and correct response in case of incident
Societal Measures	54 Community/individual training
	55 Regular Awareness published in news papers
	56 Education of farm workers how to handle/store hazmat/ poisons/ protective clothing
	57 Information sessions on pesticide poisonings on farms / misuse / misapplication
	58 Notification of times of "in-line" dosage of pesticides and poisonings
	59 Early warning system for spills/exposures.
	60 Community based training/awareness

11.3 Disaster Risk Project Proposals: Flooding

Risk Reduction Category	Risk Reduction Project Proposals
Physical Measures Planning	1 The enforcement of Environmental Impact Assessment with all development projects (EIA)
	2 Plan for the Upgrading of existing infrastructure to cope with new developments.
	3 Identification and plotting of vacant high risk flood areas for future reference and avoid human settlements in such areas
	4 Avoid development and settling of communities along rivers and within the floodline
	5 Apply and update Zoning regulations regularly
	6 Identify alternate suitable venues/facilities for emergency services
	7 Apply Low intensity land use in 1:100 flood line areas
	8 Study and understand the impact of climate change on development
	9 Signage
	10 Asset management
	11 Maintenance
Engineering Construction Measures &	12 Study EIA to inform construction and building measures
	13 Identifiable flood measuring and early warning systems
	14 Plan and Build retention dams to reduce risk of flooding
	15 Restore and maintain water catchment areas
	16 Build retaining walls to protect buildings
	17 Improve and upgrade stormwater reticulation systems regularly
	18 Develop and maintain Early warning systems
	19 Develop and maintain sustained cleaning programs for rivers and dams
	20 Plan bigger capacity dams to regulate flow of water
	21 Implement programs and measures to prevent erosion
	22 Plan and erect Visible warning signs in low lying areas

Risk Reduction Category	Risk Reduction Project Proposals	
Economic Measures	23	Provide for disaster relief funds
	24	Adequate provision for the for maintenance of stormwater systems
	25	Farmers developing areas for agricultural use in flood prone areas should pay increases insurance on crops in those areas
Management Institutional Measures	26	Plan for the support for affected communities
	27	Develop and maintain flood Emergency response teams
	28	Develop and supervise Maintenance programs
	29	Ensure that SOP for disasters are developed and maintained
	30	Facilitate Strategic planning of resources to cover all areas during emergencies
	31	Plan and ensure Strategic distribution of disaster management resources across area
	32	Ensure the provision of Emergency flood kits
	33	Mutual aid agreements to be established for relief and response
	34	More command centre vehicles
	35	Quality assessments
36	Asset management	
Societal Measures	37	Develop Awareness training and workshops in high risk areas
	38	Develop and inform communities of response actions to early warning systems
	39	Ensure Coordination and cooperation with NGO's
	40	Community awareness
	41	Early warning systems

11.4 Disaster Risk Project Proposals: Earthquake

Risk Reduction Category	Risk Reduction Project Proposals
Physical Planning Measures	1 Identify earthquake prone areas/geological faults are
	2 Development of suitable Building codes (enforcement thereof)
	3 Develop Zoning codes for high risk areas
	4 Limit development in high risk areas
Engineering & Construction Measures	5 Approval of Single storey buildings in prone areas only
	6 Enforcement Area specific building methods/codes
	7 Design strong/earthquake resistant infrastructure/services
Economic Measures	8 Disaster relief funds from National Government
	9 Household insurance (act of god)
	10 MOU's with suppliers of emergency materials / supplies
	11 Incentives for compliance with building codes.
Management & Institutional Measures	12 Develop institutional capacity for management of incidents
	13 Good response support services (police, fire department etc.)
	14 Development of Good evacuation plans
	15 Plan for relocation of people in prone areas
	16 Development and training for Mass casualty response team
	17 Development and communication of Recovery plans and strategies
	18 Identify Effective communication systems other than cell phones or radios
	19 Investigate and plan for Air evacuation system
	20 Development and training of Search and rescue teams and strategies

Risk Reduction Category	Risk Reduction Project Proposals
	21 Identify mass care facilities outside possible affected areas
	22 Develop mass care strategy
	23 Develop strategy and process for public notification and to inform communities about the risk
	24 Develop Mutual aid agreements and MOU's for identified tasks
	25 Plan and develop strategies and procedures for Trauma counselling
	26 Plan for emergency responders management and care
	27 Strict enforcement of building codes in identified earthquake prone areas
Societal Measures	28 Education on warning systems
	29 Awareness raising (how to act /react)
	30 Develop self-reliant communities/emergency preparedness
	31 Inclusion of programs in schools in earthquake prone areas

11.5 Disaster Risk Project Proposals: Infrastructure Failure

Risk Reduction Category	Risk Reduction Project Proposals
Physical Planning Measures	1 Perform composite risk assessments prior to developing services.
	2 Research and development of alternative energy sources other than electricity e.g. generators
	3 Research of effective and correct waste removal and storage
	4 Development of standards and quality assurance of RDP houses
	5 Development and enforcement of min standards for service delivery
	6 Standardising on a planning horizon at least 50 years
	7 Monitoring and responding to farmers altering river courses
	8 Planning of user -friendly public transport services
Engineering Construction Measures	9 Applying min standards for all services
	10 Structured maintenance programs for service infrastructure
	11 Safe-guarding of essential service infrastructure
	12 Maintain the integrity of dams, dam walls etc.
	13 Proper assessment of building material and architectural plans
	14 Preventative maintenance and upgrading of equipment/facilities
Economic Measures	15 Fines for exceeding limits
	16 Improve ineffective systems lead to loss of revenue
	17 Fines for transgressions ie littering/dumping
	18 More effective road restrictions and toll fees should be implemented

Risk Reduction Category	Risk Reduction Project Proposals
	<p>19 Corrupt service providers to be blacklisted</p> <p>20 More structured bulk service infrastructure contributions to be implemented</p> <p>21 Budgetary provision for sustained infrastructure maintenance to be made</p> <p>22 More effective basic service rates contribution by all users to be implemented</p>
Management Institutional Measures &	<p>23 Buildings should have ISO 14001 accreditation in terms of water usage</p> <p>24 Mitigation/emergency measures/strategies should be in place in the event of sewage system failure</p> <p>25 Structured and sustained maintenance programs for service infrastructure</p> <p>26 Design and development of emergency measures in the event of service failure(Departmental emergency plans)</p> <p>27 Safe public transport systems to be implemented</p> <p>28 Design/upgrade bulk services before development</p> <p>29 Structured asset management with regards to infrastructure development and maintenance</p> <p>30 Emergency procedure development for all service disruptions</p> <p>31 Enforcement of Energy saving laws at all levels</p> <p>32 Defining and development of early warning system linked to management plan</p> <p>33 Monitoring of community responsibility w.r.t. feedback on structure service and quality</p> <p>34 Enforcing water conservation measures and/or by-laws</p> <p>35 Dedicated government supervision and quality assurance on all contracts</p> <p>36 Appointment of competent individuals to manage and monitor</p>

Risk Reduction Category	Risk Reduction Project Proposals
	37 Ensure aid agreements and supplier agreements in case of specific infrastructure failure
Societal Measures	38 Community awareness in terms of water usage and economic use of services
	39 Transport management ie "lift clubs" to reduce road traffic
	40 Advocacy campaign i.t.o saving measures (electricity)
	41 Structured and sustained training and education (correct use of infrastructure)

11.6 Disaster Risk Project Proposals: Transport Incidents

Risk Reduction Category	Risk Reduction Project Proposals
Physical Planning Measures	1 Plan alternative routes/road capacity required for increase in traffic
	2 Research and planning of safe sites for airports
	3 Research and planning of public transport safety measures
	4 Incorporate pedestrian safety into new developments
	5 Plan for increased, improved and effective infrastructure with regard to public transport
	6 Plan and ensure correct placement of railway crossings and pedestrian crossings
Engineering Construction Measures &	7 Planning and design of safe railway crossings
	8 Determining need and planning of pedestrian crossings
	9 Effective management of time delay in traffic lights change
	10 Make use of traffic circles to slow down traffic
	11 Construction of speed bumps in residential areas
	12 Setting standards and updating aviation standards
	13 Design and implement bicycle lane for cyclists
	14 More effective traffic light programming for peak and off peak times
	15 Enforce exhaust emissions standards
	16 Plan for effective bus lanes as well as heavy vehicle lanes on major routes
	17 Ensure constant maintenance of all transport infrastructure

Risk Reduction Category	Risk Reduction Project Proposals
Economic Measures	18 Decrease in public transport travelling cost to promote public transport and decrease road traffic
	19 More effective management and processing of fines for all traffic offenders
	20 Introduce cost effective and time effective rail transport for commuters and freight to reduce road transport
Management & Institutional Measures	21 Design and implement Points demerit system for transgressors
	22 Identification and enforcement of alternate route for heavy duty vehicles
	23 Develop good institutional capacity and programs to promote transport safety
	24 Develop good infrastructure and capacity to facilitate effective law enforcement
	25 Capacity and structured audits for licensing
	26 Train and implement more scholar patrols
	27 Promote use of reflective bands for children
	28 Implement capacity to manage register for traffic offenders
	29 More advanced and affordable skills development programs for professional drivers
	30 More structured and vigilant testing/monitoring of licensed drivers and vehicles
	31 Use accredited contractors and building materials for road construction
	32 Enforcement of clear road signs/warnings and markings during construction periods
33 Implement and manage structured general road maintenance programs	
34 Implement restriction measures to control heavy vehicles' times and routes	

Risk Reduction Category	Risk Reduction Project Proposals
	35 Design and implement traffic management plans
	36 Learner license and driver training programs in schools for development of young responsible drivers
	37 Develop a system whereby intoxicated pedestrians are effectively removed from busy roadways and prosecuted
	38 Permit system
Societal Measures	39 Discourage aggression/ road-rage
	40 Promote alternative transport
	41 Structured education on road safety
	42 Structured program to increase awareness of pedestrians

12 ANNEXURE C: KEY STAKEHOLDERS CONTACT LIST / EMERGENCY NUMBERS LIST FOR STELLENBOSCH

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APPENDIX 6



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Guidelines for Municipalities to draft the Disaster Management Chapter in the Municipal IDP

Background:

This document has been compiled to assist Municipalities with the compilation of the Disaster Management Chapter in the Municipal 5 year Integrated Development Plan. Annual reviews of the IDP should reflect on the progress made on institutional arrangements, risk reduction objectives and projects, risk assessment updates, as well as any changes made to the disaster management preparedness, response and contingency plans.

The predominant goal is to ensure developmental risk reduction, by having planned development linked with risk reduction initiatives & risk information, i.e. taking into account the prevailing risks (risk assessment) for sustainable development (resilient municipal assets and communities).

It is also to ensure that operational risk reduction objectives are developed and/or updated. Project plans and contingency plans for identified risks should be in the Disaster Management Plan (e.g. flood preparedness & mitigation; summer readiness - fire & life safety education/awareness).

In summary:

- The Disaster Management Act is the legislative backbone, the Disaster Management Framework (National, Provincial & District Frameworks) is the approach and vision, the Disaster Management Plan and Chapter is how to get there (strategies/projects/objectives);
- Disaster management and development planning go hand-in-hand;
- The Disaster Management Chapter accounts for the overarching status of Disaster Management planning, institutional coordination & the Disaster Management Plan, as well as managing the developmental risk (of future planned developments);
- Aspects relating to disaster management in the IDP's Disaster Management Chapter should be a status quo of the strategic & institutional process, where annual reviews of the IDP reflect on progress made against strategic objectives set in the 5-year IDP. It should also serve as an integrative tool to ensure a multi-sectoral approach to disaster management, specifically risk reduction initiatives;
- The Disaster Management Plan also manages the consequences of disasters/incidents (preparedness & response plans; contingency plans), and it also contains the operational risk reduction project plans;
- Disaster Management planning is a collaborative process that involves all spheres of government on the political and administrative levels including all sectors of society, NGOs and CBO's, hence the slogan "Disaster Management is everybody's business";
- The full Disaster Management plan will be an annexure to the IDP as opposed to being included *within* the IDP document;

- The challenge is for municipalities to facilitate and manage the process of participation, internally and externally, in municipal disaster management, in development planning, and on an on-going basis, ideally in line with the IDP cycle (corporate Disaster Management structure and institutionalised coordination – refer to Figure 1).

Disaster Management Advisory Forum

- Has the forum been established?
- Who are the members? (this may be added as an addendum)
- Short synopsis of meetings and other important issues

Municipal Disaster Management Framework

- Do you have a disaster management framework or policy?
- When was it completed?
- Should it be reviewed? If so, how regularly should reviews take place?

Disaster Management Centre (applicable to districts only – Local Municipality to establish an equivalent, e.g. Joint Operating Centre (JOC))

- Has the disaster management centre been established?
- Who is the head of the centre and what is the staff profile (district municipality); or, what is the disaster management staff profile (local municipality)?
- What is needed to ensure efficient Centre/disaster management operational requirements (minimum standards)? (hardware / software / equipment / staff / other resources)

2. Risk assessment:

The conducting of a risk assessment (NDMF KPA 2) is the foundation for effective and focussed disaster risk management planning at all levels. In this regard the following should be discussed:

- Has a Risk Assessment been done? If so, by whom and when?
- What were the main identified risks (what is the disaster risk profile of the municipality)?
- Should the risks be re-assessed in the next planning cycle? If not, when is the next date for review?

The following table can be used as a template to reflect risk assessment outcomes in the IDP:

Risk	Dept 1	Dept 2	Dept 3	Dept 4
Risk A			X	
Risk B		X		
Risk C				X

This table should be linked to a list of risks, as identified for the metro, district or local municipality.

3. Risk Reduction

With the new approach to Disaster Management, a great deal of time and effort should go into pre-disaster risk reduction (NDMF KPA 3). Therefore this section should define the risk reduction strategy and objectives related to the priority risks identified, list and discuss the corporate and departmental risk reduction projects to support the strategic objectives:

- Risk reduction project plans:
 - List all risk reduction objectives, projects/plans to be developed
 - List all risk reduction projects/plans in process of development (future projects/plans)
 - List all risk reduction projects/plans completed
- Suggested and prioritised projects
- Preparedness related projects plans
- Status of the disaster management plan & contingency plans
- Which preparedness issued needs to be addressed in this planning cycle?
- Which awareness campaigns / training were held? Also list the public participation and workshops held.

The following table may be used as a template to reflect risk reduction projects in the IDP:

Risk Reduction Projects	Department 1	Department 2	Department 3	Department 4	Status
Project A			X		
Project B		X			
Project C				X	

In the environmental context of the Western Cape, the majority of municipal jurisdictions are rural environments with predominantly environmental hazards and it is highly recommended that municipalities institute and quantify/budget for risk reduction projects through the IDP, such as the following:

Fires

- Awareness campaigns in high risk areas
- Alien vegetation clearing
- Creating and maintaining fire breaks
- Developmental projects

Floods

- Clearing/cleaning rivers & river banks (debris, alien invasive plants, excessive reeds, etc.)
- Maintenance of culverts
- Management of estuaries (breaching)
- Storm water systems maintenance
- Determination and updating of flood lines (very important for development planning)
- River & catchment management (flow obstructions, increase run-off & increase river flow peaks, catchment changes (fires), sedimentation, hydrophobic soils)
- Engineering parameters

Drought/water scarcity

- Bulk water capacity and resources to always be considered in development planning
- Awareness campaigns for demand reduction/conservation

4. Recovery & Rehabilitation

In this section all (post disaster declaration and classification) corporate recovery and rehabilitation needs to be indicated and discussed in the IDP (and the eventual reconstruction projects emanating from it). The likelihood of receiving disaster grants from the National Disaster Management Centre may depend on whether risk reduction initiatives have been implemented through the IDP.

Disaster Recovery Monitoring

All affected municipalities that received funding either through the MDG (Municipal Disaster Grant) or MDRG (Municipal Disaster Recovery Grant) must monitor such funded projects by providing regular monthly expenditure reports signed by the responsible engineer, CFO, and Municipal Manager and send it to the (WCDMC) Western Cape Disaster Management Centre and District Disaster Management Centre before the 10th of each month.

Each municipality must also ensure that regular projects' site visits takes place by responsible municipal officials, and avail themselves during such times when the WCDMC plans to visit such funded projects in line with the conditions of the conditional disaster grants.

5. Information Management and communication

In this section all corporate ICT, GIS and Early Warning systems that are utilised or required in the execution of Disaster Management functions needs to be discussed.

6. Training, education and awareness

In view of the fact that training, education and awareness should be an integral part of all pre- and post- disaster actions (NDMF Enabler 2) it is important to list all corporate training, education and awareness projects and programmes.

In this regard list the following aspects specifically:

- Which awareness campaigns / training initiatives were held or are planned?
- Which public participations/workshops were held or are planned?

7. Funding

In view of the fact that the success and implementation of all the above planning is dependent on adequate funding (NDMF Enabler 3), therefore the identification of the sources, strategies and responsibilities for Disaster Management must be discussed in this section.

Disaster Management and departmental budgetary provisions linked to the above projects and programmes can be reflected in this section.

Disaster Risk Register (for high-risk developmental projects)

The table below allows for a municipality to capture and institute any required risk reduction interventions where a planned development faces an intolerable risk (with example):

1. Project Reference (in IDP)	2. Project Description	3. Primary & Secondary Stakeholders	4. Risk Description/Rating	5. Risk Reduction (Prevention/Mitigation/ Preparedness) actions to be taken	6. Additional comments by Disaster Management
IDP project reference	School to be built	Prim: Dept of Edu Sec: Local Mun	<p>Assign a risk rating based either on risk assessment (RA) data (if current), Decision Support Tool (DST) data, or 'institutional knowledge' and/or description of the risk:</p> <p>Proposed school to be built in a 1:10 year floodplain due to outdated flood lines (e.g. 1:50/1:100)</p>	E.g. Structural disaster mitigation required	Any additional comments, i.e. context; consequences; additional info; resources required; responsibilities, etc)

Figure 1: Recommended corporate structure for municipal Disaster Management coordination

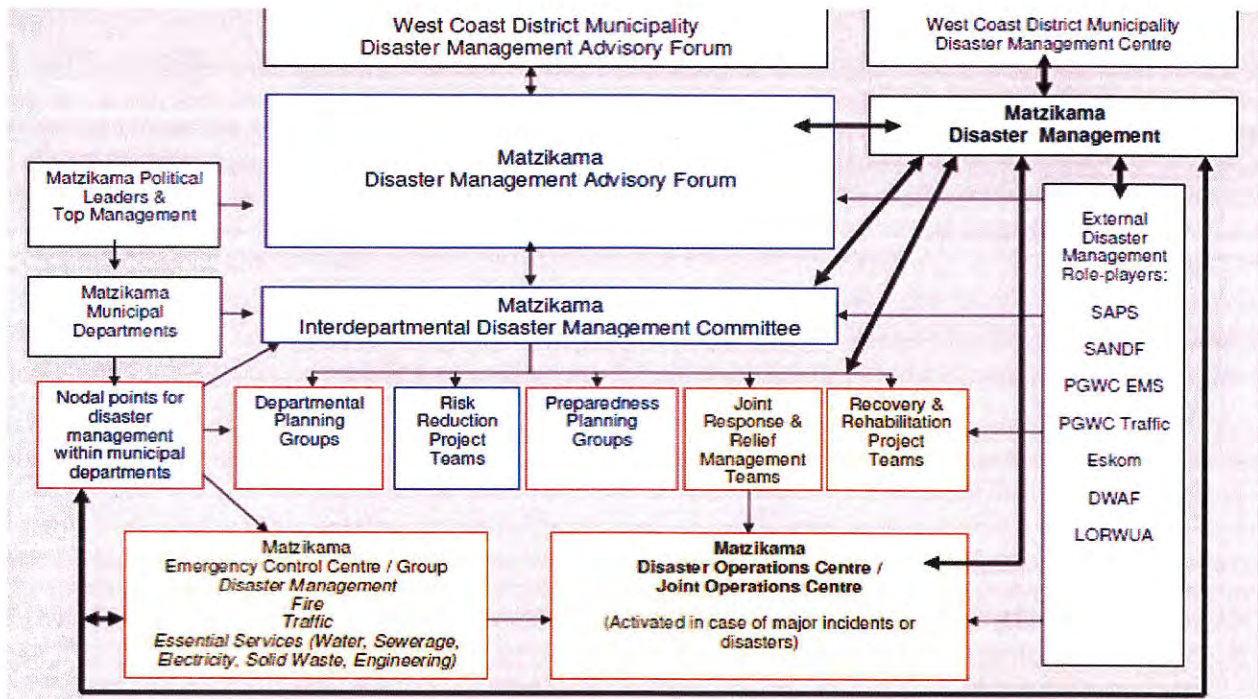
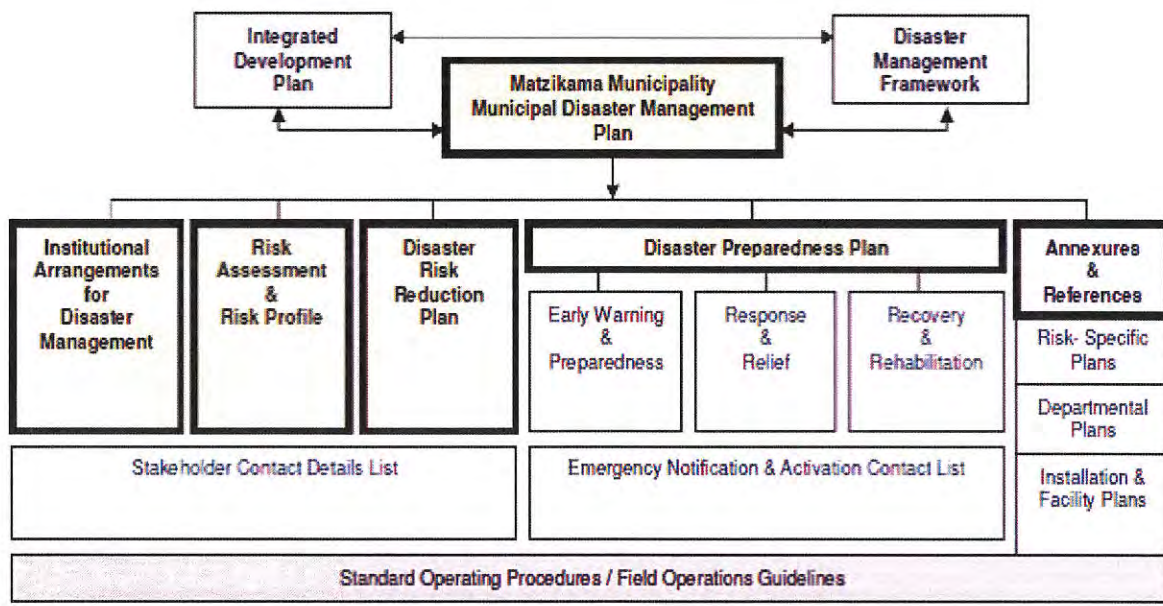


Figure 2: Components of a Disaster Management Plan



Please note: Yellow blocks indicate the core Municipal Disaster Management Plan to be submitted for inclusion in the Municipal IDP

APPENDIX 7

CONTINGENCY PLAN IDAS VALLEY DAMS FAILURE

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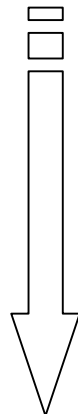
2

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P.T.O
SECTION 2
ADDENDA

CONTINGENCY PLAN IDAS VALLEY DAMS FAILURE

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CONTINGENCY PLAN

FOR

IDAS VALLEY DAMS FAILURE & RESULTANT WALL OF WATER WAVE & KROMMERIVER FLOOD

This plan is compiled to deal with the Idas Valley Damsbreak failure which would result in a local disaster occurring *in Greater Stellenbosch*. *Such occurrence carries a low probability because of certain entrenched safety practices*. It remains, however, the prerogative of the municipal manager to use or not to use the disaster management infrastructure and resources to overcome any situation occurring within the jurisdictional area of the municipality.

AIM

- To provide an immediate, rapid, effective and coordinated response to mitigate the severity and consequences of the disaster caused by the Idas Valley dams (1 & 2) failure; and
- To expedite post-disaster recovery and rehabilitation, utilising the total resources of Greater Stellenbosch, and other assistance as may be forthcoming from municipal entities, Cape Provincial Administration and Central Government.

SCENARIO

The failure of Idas Valley no 1 dam and the resultant failure of Idas Valley no 2 dam **would create a large dam wave up to 480m wide and up to 6,3m** high along certain sections of the Kromme river. It would cause significant damage with serious risk to life approximately 5km directly downstream towards the confluence of the Kromme and Plankenbrug rivers. Passage of the dam break wave initiated from the dam wall is estimated to peak at about 2 600 m³ / s and it will directly affect 822 (table reads 798) ? stands with a large number being residential erven. *fuller description of Dams Addendum " 1 "*

It is predicted that the wave would attenuate to approximately 1 500 m³ / s by the time it passes the northern suburbs of Stellenbosch 5km downstream of the dam. Additional damage can be expected to occur beyond the confluence with the flood water not lost to the Plankenbrug- and Eerste Rivers, pooling between Plankenbrug river, Distel (old SFW), Bosmans Crossing/housing development and Rokewood Road (Die Boord), from where it will eventually drain. This will all occur within a 45 minute period. Some 5 000 persons would require to be evacuated ahead of the looming wall of water. Rapid assessment as to structural adequacy of the affected area required before evacuees can return to their properties.

It is estimated (by Ninham Shand Engineers) that if the dams were to fail, the peak of the flood would take less than an hour to pass through the whole river reach, before dissipating at the confluence of the Krom and Plankenburg Rivers. The flood magnitude would drop off sharply after the peak, and the residents affected in the flood zone between the dams and river confluence, would probably be able to return to their residences within an hour or two of the passing of the flood. A more accurate answer to this question would require further analysis.

The flow from the breaching dams and the progression of the dambreak flood wave in the river channel downstream are summarised below;

WALL OF WATER WAVE

Table 1: Dambreak Flood Levels in Krom River Channel (Measured from commencement of upper dam failure)

Section number	Distance from dam No 2 (km)	Max flood water level (MSL - m)	Estimated from Drawing No 4704 CT 2			Peak discharge (m ³ /s)	* Time to max water level (hr)
			River level (MSL - m)	Water Depth (m)	Width (m)		
1. (Idas Valley Dam No 2)	0,03	193,5	193,0	0,5	130	2 592	0,10
2.	0,13	191,1	188,0	3,1	80	2 407	0,10
3. (Lindani)	0,49	183,3	177,0	6,3	110	2 267	0,13
4. (Idas Valley)	0,89	172,2	168,0	4,2	210	2 054	0,13
5. (Idas Valley)	1,19	166,2	160,0	6,2	480	1 779	0,17
6. (Idas Valley)	1,67	153,0	149,0	4,0	270	1 689	0,53
7. (Idas Valley)	2,19	142,5	139,0	3,5	250	1 651	0,57
8. (Idas Valley)	2,84	131,6	129,0	2,6	200	1 617	0,60
9.	3,42	124,1	120,0	4,1	210	1 580	0,63
10.(La Colline)	4,17	114,7	110,0	4,7	150	1 544	0,67
11. (Adam Tas Street)	5,10	102,0	99,0	3,0	180	1 488	0,73

Ninham Shand numbered the sections numerically on both Table A3.1 and Drawing No 4704 CT 2. and also have added the area name in brackets alongside the Section number in the revised Table 1 above based on 1:10 000 ortho maps.

According to Ninham Shand the current analysis does not reveal the volume of water that would pool in the Distell (SFW)/Boord area eventually, and depth thereof, as further investigations and a dambreak analysis would be required as stated under Response No 6, to be able to answer this question.

It should be noted that river bed levels and flood widths at each section have been estimated from the 1:10 000 ortho maps, which only have 5 m contour intervals as indicated on Drawing No 4704 CT 2. This therefore provides a rough indication only.

As noted above the dambreak floodlines provide only a rough indication of the extent of flooding should both dams fail simultaneously. The analysis also only extends from the dams to the confluence of the Krom and Plakenburg Rivers. Should a better and more extensive definition be required, more detailed surveys of the two river systems, with at least 1 m contour intervals, should be produced, the infrastructure within the floodplains updated, and the dambreak analysis redone and extended downstream of the confluence of the two rivers.

AFFECTED AREA (2004)

Land use type	Number
Unspecified	60
Business: Office and Personal services	5
Commercial: Workshops and repairs	2
Community activities and facilities	2
Community service	1
Dwelling Affordable Housing townhouseduet	647
Education	2
Flats	15
General Industry	2
Group House	1
Health	2
Home Occupation Practice	1
Office & Shop Mix	2
Public garage	1
Religion	8
Residential Building	1
Residential Mix	1
Retail: Formal	9
Road	6
Semi-detached Housing	7
Service station	1
Utility	1
Vacant land	21
Total	798 ?

The affected areas are shown on drawing 47074 CT 2.

Details of the affected

Vicarious liability estimated to be in excess of R 100 million. *This risk should be transferred.*

Addendum " 2 "

Addendum " 3 "

Still awaited from NS is their assistance in identifying the affected area and roads shown on Ninham Shand drawing 4704 CT 2, with more specific details, such as names of roads and erf numbers for the land use types as extracted from the hazard report by Dr A du Plessis/SRK.

Addendum " 2 "

Ninham Shand Response:

A new drawing 4704 CT 17 showing the dambreak floodline, street names etc. will be provided once we receive the necessary information from your GIS department.

Interim indication of roads to be evacuated below, with fuller detail in *Addendum " 2 "*:

STREETS TO BE EVACUATED (YELLOW)

Packham Road

Hector Road

Davy Road

Ardendorff Road

Johnson Road

Lindley Street

Bloekom Street

Protea Street

Rustenburg Road

Lelie Street

Kromme River Road

Faure Road

Molteno Road

Distell; Bosman Crossing & Plankenbrug Industrial Area

- portion of the road referred to in CD ref. 4704 CT 17
- portion of the road referred to in CD ref. 4704 CT 17
- portion of the road referred to in CD ref. 4704 CT 17
- portion of the road referred to in CD ref. 4704 CT 17
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- portion of the road referred to in CD ref. 4704 CT 17

Possible evacuation waiting areas above the estimated floodlines are indicated on Drawing No 4704 CT 17, as contained on CD (ref. 4704 CT 17), and referred to below and in Addendum “ 2 “ of this Plan. These areas would need to be inspected and the localities, suitability etc. agreed upon by the Municipal Authorities.

MUSTERING POINTS (GREEN)
Proposed Evacuation Waiting Areas

No.

1. Needs to be identified with name
2. Lindida Drive
3. Rustenburg Road – non-affected area
4. Johnson Road - non-affected area
5. Rustenburg Road – non-affected area
6. Banghoek Road - non-affected area
7. Helshoogte Road - higher
8. Corner Andringa & Borchard Streets
9. Government Garage Area
10. Van der Stel Sports grounds

If better definition of the threatened area needs to be obtained, as well as assure complete awareness to the above questions, then according to Ninham Shand a new dam break floodline study would need to be undertaken between the two dams, to a point downstream of the confluence of the Kromme and Plankenburg Rivers.

DM Stellenbosch needs to categorise all CD's accumulated for the control centre which CD's and other electronic information must remain available at such centre throughout.

CRITICAL MAJOR MUNICIPAL SERVICES ACTIONS / INTERRUPTIONS

Degree to which essential services (water and sewage) would be disrupted affect upon the community

Water sanitation and roads infrastructure along the flood-line will be damaged. Raw sewage may spill into the Krom River, water supplies may be interrupted and with no access across the river.

Repair of infrastructure could be over an unpredictably extended period.

Community would need to be informed on fresh water collection points, and sanitation facilities. They would also have to be warned to use water sparingly and firmly warned against using “open water”, as it may be contaminated.

According to Ninham Shand:

Should both dams fail completely, no water would be available to feed the water network from these sources. If Idas Valley II Dam were to fail, pipelines within the dambreak floodlines downstream of the dam might be damaged by the flood, and pump stations flooded and otherwise damaged or destroyed. This would affect communities downstream of the dams and alternative methods of supplying domestic water and sewage removal would need to be urgently implemented.

How long to drain, to a safe level, the dams 1 and 2, individually and simultaneously

- Idas Valley No 1 Dam will take about 6 days to drain from full supply level to zero.
- Idas Valley No 2 Dam will take about 17 days to drain from full supply level to zero.
- As Idas Valley No 1 Dam releases water into the No 2 dam, which in turn would have to release this water, the time to empty both dams would be about 21 days.

Approximate water levels of the dams for each month of the year

Based on records supplied by the Municipality from the year 2000 to date, Figures 6 and 7 attached indicate average monthly water depths for both dams.

- a) From the water depth data provided it is apparent that Idas Valley Dam No 2 is filled to full supply level first and thereafter Idas Valley No 1 Dam filled. On average over the past 6 years Idas Valley No 1 Dam is generally empty for two to three months during the period April to July.
- b) Idas Valley No 2 Dam over the above same period on average drops to about 40 %.
- c) Both dams are normally full by about December each year.

- City Engineer to open all outlets from dams to drain as much as possible into storage and/or rivers. ?
- City Electrical Engineer to switch off power in affected area as required.

Addendum “ 4 ”

DECLARATION OF DISASTER

Chief Disaster Management to declare a disaster *i.t.o.* the Disaster Management Act 57 of 2002 (Section 55). This declaration must be notified to Provincial Government Western Cape as well as the Cape Winelands District Municipality (CWDM) Disaster Management Centre. The notification is prescribed and activates assistance, including financial, from the other levels of government, failing which, lengthy delays could be experienced.

COMMAND (CHIEF DISASTER MANAGEMENT(CDM))

Declaration of Disaster

- Immediately a specific department is so swamped that it can no longer handle the emergency situation at hand then the Chief Disaster Management / municipal manager can declare a “disaster” in terms of Disaster Management Act 57 of 2002 (Section 55(1)) and muster the total municipal resources towards addressing the disaster.

In the context of DM, command & control aspects are unique when compared with the structures of other disciplines. Whereas, for example, military and police systems function continuously and remain unchanged, DM action has to switch from normal local government functioning to disaster management.

Although the legislation applicable to local authorities under normal circumstances also applies during disasters, DM legislation is added and there is a total broadening of the spectrum. This puts into operation an extensive command and control structure. Coordination and cooperation with other disciplines outside the local authority is also required.

Local authorities are responsible for the planning and execution of DM in their areas of jurisdiction in terms of Disaster Management Act 57 of 2002 (sec 53).

In Stellenbosch Municipality the Municipal Manager is appointed Chief DM, being the only official who coordinates overhead and invested with the necessary powers to give instructions organisation-wide.

All the directorates are involved in DM planning and execution and their action switches from normal local government function under command of the Municipal Manager, to disaster management under an extensive command and control of the Municipal Manager, as there is a total broadening of the spectrum through added DM legislation empowerments.

The appointment of the Municipal Manager as Chief DM also obviates possible problematic situations where directors or heads of departments receive instruction from equal or lower levels.

NB:

- Municipal Manager appointed Chief Disaster Management Greater Stellenbosch *i.t.o.* Council Resolution dated 2006/07/25 (*item 7.3(e)*); and
- Director Public Safety and Head Shared Services each appointed Deputy Chief DM.
- Chief Disaster Management to provide, as soon as possible, comprehensive report to MAYCO pertaining a looming disaster or upon actual disaster occurring.
- The appointment of the Chief Disaster Management by Stellenbosch council confers all the powers and duties of council, as set out in Disaster Management Act 57 of 2002, upon such incumbent.
- Policy – Stellenbosch Municipality
- CDM issues/ratifies command to evacuate
- Mobilises resources deemed appropriate, calls a directors meeting together with external role-players
- liaises with MAYCO
- (Chief Disaster Management vested with power to direct total municipal resources in alleviation of the disaster. Assumes command immediately a directorate's resources threaten to become swamped in addressing the impending disaster.)

refer Addendum "17"

COMMAND CENTRE

This is established and activated by the Municipal Manager immediately a situation looms where the total resources of the municipality/private sector are required to focus upon overcoming the disaster. In this situation executive/directors will be summonsed by the municipal manager to a place of meeting determined at the time. Such place of meeting may, at the choice of the municipal manager, move to the Disaster Management Centre. *Addendum "5"*

WARNINGS / STATUS OF ALERT

(These warnings need to be determined as municipal policy)

• **A-WARNING**

It is the first warning of a threatening situation or disaster.
During this phase all services and staff should be placed on stand-by.

• **B-WARNING**

An incident of limited scope and relatively low intensity.
Staff take action while the flow of normal activities is continued as far as possible.

• **C-WARNING**

The whole institution is affected by the incident.
The overall emergency plan comes into operation.

• **D-WARNING**

End of emergency situation.
Activities return to normal.

Addendum "10"

MOBILISATION

Chief Disaster Management mobilises DM in sole discretion and declares the status of alert. Line management to provide due consideration to personnel deployment, relief rosters, identification and sustenance.

Addendum “ 6 ”

JOINT OPERATIONS CENTRE (JOC)

When an incident occurs which compels the direct involvement of more than one discipline/department, it is essential that a Joint Operations Center (JOC) is established at the scene of the disaster for orderly handling of the situation. This is achieved by the first discipline/municipal functionary arriving at the scene of the incident who must immediately communicate with the DM centre and take command on site until the department with the core function responsibility arrives and to whom command must be ceded.

Decisions made at the JOC should preferably be consensus decisions – no single discipline to prescribe to the various specialists as to how they should do their job.

A JOC may also be deployed by the command centre.

Addendum “ 7 ”

MUNICIPAL DEPARTMENTS

ROLES & FUNCTIONS

All the directorates are involved in DM planning and execution and their action switches from normal local government function under command of the Municipal Manager, to disaster management under an extensive command and control of the Municipal Manager, as there is a total broadening of the spectrum through added DM legislation empowerments.

Sometimes, equipment and supplies that would normally have other applications are used during a hazardous materials incident. These might include dump trucks, bulldozers, cranes, sand, self-contained breathing apparatus, and foam, etc.

Roles need to be clarified and developed in future table-top exercises.

Addendum “ 8 ”

COMMUNICATION MODES / SYSTEMS / NETWORKS

Communication warning method to be used in the eventuality of a dambreak situation can at this stage only encompass utilisation of street or section leaders residing within the affected area taking responsibility for alerting segments of 10 houses in their street. In this instance telephone numbers and runners could be most appropriate.

- Electronic Warning Systems are currently under investigation by Wolhuter & Associates in cooperation with Ninham Shand Civil Engineers who carry professional responsibility for the safety of the Idas Valley Dams. The intention being to plan deployment of an early warning evacuation siren and PA System downriver of the Idas Valley Dams similar to the system utilised in respect of the Koeberg evacuation plan, if at all such system would be feasible.
- It may also be possible to activate simultaneous continuous ringing of the telephones of the affected residents, again this option is also under thorough viability scrutiny.

Other options to be determined after testing in envisaged future table-top exercises:

- Radio-trunking to be used by Command elements
- Land line
- Cell phones
- Fixed sirens/PA Systems
- Mobile shouts / air shouts
- SABC, Radio & TV

Radio call-signs

Telephone list - Stellenbosch Municipality

Addendum “ 9 ”

WARNING SYSTEMS

Considering that a huge portion of Lindida could be wiped out within 6 minutes of this disaster, there is no effective warning system, as yet, to handle the sudden dams failure scenario. Ideally an electronic siren-warning system modularly expandable to provide for Public Address is considered to be the most effective, as it provide a limited proactive communication, however expensive. *This system still in the budgeting embryo.*

Cumbersome reactive and time consuming warnings can be provided as set out in *Addendum “ 10 ”* through

- Identification and utilisation of section leaders in each street
- Air shouts
- Mobile shouts
- Sirens
- PA Systems
- Land-line
- SABC

Addendum “ 11 ”

EVACUATION

The affected area will be evacuated under command of the fire & emergency services.

Duration of the flood is 45 minutes and many of the evacuees should, where there is no structural damage, be able to return to their homes immediately such affected areas are declared as being safe.

Affected houses in Lindida may not be immediately habitable and some, of which, may require rebuilding.

Method of Evacuation

Warning method to be used in the eventuality of a dambreak situation can at this stage only encompass utilisation of street or section leaders residing within the affected area taking responsibility for alerting segments of 10 houses in their street. In this instance telephone numbers and runners could be most appropriate.

These street/section leaders need to be identified and trained in the alert & mobilisation procedure.

Electronic Warning Systems are currently under investigation by Wolhuter & Associates in cooperation with Ninham Shand Civil Engineers who carry professional responsibility for the safety of the Idas Valley Dams. The intention being to plan deployment of an early warning evacuation siren and PA System downriver of the Idas Valley Dams similar to the system utilised in respect of the Koeberg evacuation plan, if at all such system would be feasible.

It may also be possible to activate simultaneous continuous ringing of the telephones of the affected residents, again this option is also under thorough viability scrutiny.

Other utilisation options to be tested in envisaged future table-top exercises:

- Radio-trunking to be used by Command elements
- Land line
- Cell phones
- Fixed sirens/PA Systems
- Mobile shouts / air shouts
- SABC, Radio & TV

NB:

Physical evacuation plans can be compiled immediately related information is forthcoming from Ninham Shand & Watees Consultants through the kind and urgent assistance of Manager Shared Services.

Addendum “ 12 ”

MEDICAL COMPONENT - MEDCO

Under direction of MOH & Dr Clive Balfour the main task of the medical component is to plan & coordinate the medical treatment and care of the injured and the sick. All the resources of the MOH to work in unison and in tandem with the medical component. Medco is rapidly deployed immediately DM is mobilised.

Medical component to be deployed at the safer outskirts of the affected area and entrance to disaster area to be secured by SAPS, traffic & law enforcement. **Addendum “ 13 ”**

NB: Mass Casualties - Comprehensive plan Delta contained in DM Manual

VETERINARY SERVICES

A disaster situation will affect animals and also directly and indirectly affect the environment and survival of the community.

Animals that are trapped, severely injured, dying or dangerous should be destroyed under supervision of a veterinary surgeon. Once destroyed, or carcasses discovered, these must be collected and disposed of or buried in order to prevent disease.

Addendum “ 14 ”

MUTUAL AID AGREEMENTS

- Fire & Emergency Services
- Memorandum of Understanding (MOU) – Cape Winelands District Municipality (CWDWM)

Refer to DM Manual

OTHER ORGANISATIONS OR PARTIES INVOLVED

Roles and contact details, where necessary, need to be clarified and developed in future table-top exercises.

- | | |
|--|--|
| ▪ METRO EMS
Radio trunking network
Emergency Number | - Tel : 021 – 937 0300
- Talk-group :
- Tel : 101 77 |
| ▪ Cape Provincial Administration DM
Ms Jacqueline Pandaram | - Tel :
- Cell : 076 079 1395 |
| ▪ Cape Winelands District municipality DM
Mr Shaun Minnies
Ms Sonika Lategan | - Tel : 021 – 888 5242
- Cell: 082 779 9823
- Cell: 082 856 9560 |
| ▪ Central Government | |
| • Dept of Environmental Affairs | - Tel : 021 – 465 7240 |
| • Department of Transport, CT | - Tel : 021 – 465 7260 |
| • Dept of Water Affairs & Forestry
Regional WC & EC
Cell: Mr Kahn | - Tel : 021 – 950 7100
- Tel : 043 - 604 5406
- 082 809 2218 |
| ▪ SAPS | - Tel : 10111 |
| ▪ National Disaster Management Centre | - Tel : 012 – 334 40667 /
334 40726 |
| ▪ NGO's | |

RESOURCES

Equipment and supplies that would normally have other applications may be used and might include dump trucks, bulldozers, cranes, sand, etc.

- Barrier tape- sufficient
- emergency lighting with generators & fuel
- mass casualty kits
- 4x4 vehicle

(Table-top exercise to identify & compile)

NB. Record of stocks need to indicate quantity, location, most recent control & update of stocks

Addendum “ 15 ”

PUBLIC RELATIONS / MEDIA

Public relations is 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.

Public relations during disasters must be planned thoroughly so that the public can be informed quickly to prevent confusion and to counteract the effect of rumours.

During disasters the public has a need for detailed information about measures to protect life and property. Disasters also often occur without warning and it may take some time before the correct information reaches the public.

Under normal circumstances efforts should therefore be made to enlighten the public as well as possible about threats. They must know what to do if disaster strike them.

If people are enlightened beforehand and emergency information is given quickly during disasters, lives and property can be saved.

- A lack of proper communication with the public during disasters can cause greater problems than the original disaster.
- Public relations projects for emergency situations must be planned timeously.
- The public must be informed and trained on a continuous basis.
- Standard information which must be released during disasters, must be prepared in advance and be available in a distribution form.
- Liaison channels with the media must be kept open on a continuous basis.
- Where possible, use must be made of trained public relations officers.
- Emergency information must be distributed as soon as possible after a disaster and must be aimed at specific needs.
- Rumours must be monitored and counteracted.
- Liaison points where people can go to with their problems must be created.
- Information which is released must come from reliable sources.

Liaison programme during disasters

Emergency information must be directed specifically at incidents affecting the public. This information will normally contain hints on what to do under specific circumstances, which roads to use or avoid, which bus routes will change, etc. Warnings may also be sent out that certain dangers are imminent.

Positive information must be conveyed as soon as possible so that the public may be reassured. Compare, for example, the effect on the public if an announcement is made that the whole city will be without electricity for at least a week, as against an announcement that work is going ahead full steam to restore the electricity.

Important facts that materially affect people's actions must not be withheld. False information must likewise not be given. People must not lose confidence in the authorities.

False rumours create confusion. When official sources speak, confidence must be inspired and rumours refuted directly or indirectly.

Efforts must be made throughout to determine how the public react to rumours and other information. If necessary, the approach must be adjusted. In the whole process the cooperation of the media is of the utmost importance and they must be handled in a responsible manner.

Emergency Action

Appropriate information must be released immediately. At the same time rumours must be monitored and coordination established with the Police about countermeasures. Schedule news conferences so that the media may prepare their planning.

Recovery Phase

Inform the public about mopping-up procedures and rehabilitation programmes. Also compile reports about the course of events during the disaster and determine the success or otherwise of the emergency information programmes.

Collecting and Processing of information

In practice a team should be put together, consisting of the following persons:

- Social workers
- Clergymen
- Liaison officers
- Administrative personnel

During disasters there are usually social problems. It often happens that children lose parents, that aged or physically handicapped persons require care, *etc.* Parents are sometimes admitted to hospitals and provision must be made for the children.

The need for mental and spiritual care during disasters is obvious. In this regard the social workers and clergymen play an important role.

The administrative officer must in turn process all the information on disaster-stricken persons.

The liaison officer rounds off the team. He liaises with everyone. He traces family and friends, makes known the location and telephone numbers of information points, helps disaster-stricken persons to replace lost documentation, *etc.* In the process he also refers worried family and friends to the social workers and clergymen and ensures at all times that good public relations are maintained with the public.

Handling of problems

It is also a public relations function to assist people during disasters to reach the right people with their problems. The authoritarian functioning can differ completely from the system to which the public is normally accustomed, and it can cause unnecessary frustration if people fail to find a solution to their problems.

Services are usually interrupted and people have trouble in reaching the right persons with their complaints. The authorities have their hands full and cannot give much attention to the individual.

The liaison officer is the man in the middle. He must listen and assist. It may even be necessary for him to assist in obtaining doctors or ambulances to handle ordinary casualties such as heart attacks, maternity cases, *etc.*

Where the telephone system has been interrupted over a large area, decentralised information points can be established where the public can go to with their problems. These points can be connected to the authorities and organisations by means of emergency lines or radios.

OPERATIONAL RESPONSIBILITY

- Collection of information and evaluation thereof for dissemination;
- In cooperation with the Chief DM to keep the public informed of all events;
- Liaison with press, radio and TV personnel;
- Investigate complaints and requests;
- Maintain detailed lists of injured, deaths, admissions to hospitals, evacuated and displaced persons;
- Compile and submit situation reports;
- Keep public informed of DM Planning

Addendum " 16 "

STAND DOWN COMMAND & PROCEDURE TO BE FOLLOWED

When Chief DM considers the disaster within Greater Stellenbosch to be under control and not requiring combined and coordinated operations of the total resources of Greater Stellenbosch and / or collective directorates, he may give the command to stand down.

Such command will be executed through the DM Centre and reverts coordination of any further related efforts back to the directorates concerned with the relevant line function.

The DM Centre simultaneously cedes control of operations to the control centres of related disciplines.

POLICY / LEGISLATION

Disaster Management implies those steps taken during or after a disaster in order to save lives, and also, to protect and to maintain those essential services which are indispensable for the survival of a civilised and well-ordered community. Disaster Management is constituted by the non-combatative, combined and coordinated organisational effort as an extension of the normal functions of various levels of government, emergency services, volunteer organisations and members of the public in an endeavour to plan for, relieve and arrest the distress caused by a disaster which is of such magnitude that existing services cannot function effectively without support.

In more simplified terms this means, in the local government sphere, that immediately a specific department is so swamped that it can no longer handle the situation then the municipal manager can declare a "disaster" in terms of relevant legislation and muster the total municipal resources towards addressing the disaster.

- *Disaster Management Act, 57 of 2002*
- *Current legislation on the Safety of Dams also compels the owners of dams the size of the municipal dams in Idas Valley to compile an appropriate contingency plan to include evacuation and survival of all those in the critical path downstream.*
- *The Water Act 540f 1956*
- *Dam safety Regulations - Government Gazette notice no. 10366 of 25 July 1986*
- *Director Generals letter providing registration data on and placing Idas Valley dams as category 3 risk*
- *Appointment of Mr. A J Shelly as the approved professional engineer for the Idas Valley dams.*

Addendum " 17 "

APPROPRIATE SOFTWARE

- *hazard and vulnerability maps*

Addendum " 18 "

04/10/2006

7.6 DRAFT POLICY FOR THE MANAGEMENT OF MUNICIPAL AGRICULTURAL LAND*File number* : 7/P/2*Compiled by* : Manager: Local Economic Development*Report by* : Director: Planning and Economic Development*Delegated Authority* : Council**Strategic intent of item**

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

1. PURPOSE OF REPORT

To obtain approval from Council for the Draft Policy for the Management of Municipal Agricultural Land which will govern the management and allocation of municipal agricultural land based on the principles of sustainable development and with the intent of promoting socio-economic transformation in the agricultural sector.

2. BACKGROUND

The vision of the third generation Integrated Development Plan (IDP) indicates that Stellenbosch strives to be the "Preferred Investment Destination" and to create a place for "Dignified Living". Agriculture has been identified as one of the key economic sectors through which economic growth and job creation can be achieved.

Last year, Council approved the Draft Policy on the Management of Stellenbosch Municipality's Immovable Property (COUNCIL MEETING: 2014-09-02) on condition that a policy is developed for the management of municipal agricultural land.

To this end, an Ad-Hoc Committee was established comprising of representation from all political parties to devise recommendations on the way forward for the management of municipal agricultural land. Consequently, the Ad-Hoc Committee in collaboration with the administration (Property and LED Department) undertook to work together to implement the Council decision.

The purpose of this item is therefore to solicit comments from the Mayoral Committee regarding the policy for the management of municipal agricultural land and provide recommendations for the way forward.

3. DISCUSSION

In May 2014 the Draft Policy on Immovable Property was tabled and approved by Council. The decision was taken by Council that parallel to the process dealing with Immovable Property (overarching policy), an Agricultural /Land Reform Policy should be developed. The overarching policy was advertised for public comments which were incorporated into the draft for final approval from Council. However, the overarching policy will only be approved if it includes an Agricultural Land Reform Policy.

To this end, the Property Management and LED Department decided to work collaboratively on the development of the agricultural policy with the Ad-Hoc Committee providing strategic input including critical issues which need to be taken into consideration and playing an oversight role. In execution of the Council decision, the two departments agreed on the scope of work to be undertaken. It was decided that because of the complexity of such a policy, it would be better if such a policy is developed by competent, experienced service providers. To this end, at the same time in which the Ad-Hoc Committee was established, the administration appointed a group of experienced service providers through the supply chain management process to undertake the development of the policy.

Upon an extensive consultation process with the Ad-Hoc Committee, organised agriculture, government representatives and small farmers, a draft policy was developed based on the scope of work provided. In honouring the scope of work and given the complexity of such a contentious issue, drafting this policy was no easy task. However, the policy provides a balanced approach to guide the municipality in executing its responsibility to manage its property (agricultural land) in a manner that ensures that it achieves the overall developmental objectives of Council.

4. INPUTS BY OTHER DEPARTMENTS / COMMENTS BY RELEVANT DEPARTMENTS

The draft policy was circulated to the relevant departments (Property, Legal, Spatial Planning, Land Use Management, Community Services, Financial Services, Transport and Traffic Services) for comments on 20 October 2015. Since then numerous meetings and consultations occurred, leading to the Draft Policy being tabled herewith. No objections to the submission of this item were received.

The Draft Policy submitted herewith was also vetted by specialists from the University of Stellenbosch in keeping with the MOU and they made a significant contribution in preparing a workable policy.

Subsequent to the resolution as contemplated above, the comments of legal services was obtained and captured whereafter the policy was published for public comments (**APPENDIX 1**).

Thereafter the comments by the public and further inputs of the Manager Property Management were considered by the Municipal Manager, the Director Corporate Services and the Director Planning & Economic Development and where comments were appropriate,

applicable and relevant to the draft Policy for the Management of Municipal Agricultural Land were amended accordingly. (**APPENDIX 2**)

5. CONCLUSION

The Municipality can be pro-active in making land available for the purposes of land reform and ensuring that Council's objectives as the preferred investment destination is achieved through related socio-economic transformation.

RECOMMENDED

- (a) that the Draft Policy for the Management of Municipal Agricultural Land be adopted as Council's Policy for the Management of Municipal Agricultural Land; and
- (b) that the said Policy be published for public notice as Council's Policy.

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

MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 6.1.1

RECOMMENDED BY THE EXECUTIVE MAYOR

**KINDLY NOTE: THE RECOMMENDATION OF THE
EXECUTIVE MAYOR WILL BE
DISTRIBUTED UNDER SEPARATE
COVER IN DUE COURSE.**

APPENDIX 1



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY



REQUESTS FOR COMMENTS ON THE ADVERTISEMENT FOR THE POLICY FOR THE MANAGEMENT OF MUNICIPAL AGRICULTURAL LAND

Council considered the following policy during the 37TH Council Meeting, dated the 27-01-2016:

THE POLICY FOR THE MANAGEMENT OF MUNICIPAL AGRICULTURAL LAND

Notice is hereby given that the above-mentioned policy has been made available to the public for perusal and/or comment at the following venues:

- Municipal Office, Plein Street, Stellenbosch
- Municipal Office, Hugonote Road, Franschhoek
- Municipal Office, Main Road, Pniel
- Ward Offices
- Library, Plein Street, Stellenbosch
- Library, Sonnebloem Street, Idas Valley, Stellenbosch
- Library, Vredelus Street, Cloetesville, Stellenbosch
- Library, Masithandane Street, Kayamandi, Stellenbosch
- Library, Main Road, Pniel
- Library, Reservoir Street-West, Franschhoek

Downloadable copies of the documents are available on the Municipal's official website at www.stellenbosch.gov.za.

Any person wishing to comment on the above-mentioned policy, must do so in writing to the below mentioned address on or before the 6th May 2016, at 16h00.

Any person who cannot write may come during office hours to Widmark Moses, Manager: Local Economic Development, who will assist that person to transcribe his/her comments or representations at: 58 Andringa Street, Stellenbosch.

All correspondence should be address to:

The Director: Planning and Economic Development
58 Andringa Street
Stellenbosch
7600

ACTING MUNICIPAL MANAGER
08 APRIL 2016

UITNODIGING OM KOMMENTAAR TE LEWER OP DIE VOORGESTELDE BELEID VIR DIE BESTUUR VAN MUNISIPALE LANDBOU GROND.

Kennis geskied hiermee dat die volgende beleid oorweeg was tydens die 37ste Raadsitting wat gehou was op 27-01-2016 synde:

BELEID VIR DIE BESTUUR VAN MUNISIPALE LANDBOU GROND

Dokumente ter insae is by die volgende plekke beskikbaar:

- Munisipale kantore, Pleinstraat, Stellenbosch
- Munisipale kantore, Hugonoot Weg, Franschhoek
- Munisipale kantore, Hoofweg, Pniel
- Alle Wykskomitee kantore
- Biblioteek, Pleinstraat, Stellenbosch
- Biblioteek, Sonnebloemstraat, Idasvallei, Stellenbosch
- Biblioteek, Vredelusstraat, Cloetesville, Stellenbosch
- Biblioteek, Masithandanestraat, Kayamandi, Stellenbosch
- Biblioteek, Hoofstraat, Pniel
- Biblioteek, Reservoirstraat-Wes, Franschhoek

Elektroniese kopie van die dokument is beskikbaar op die Munisipaliteit se amptelike webwerf www.stellenbosch.gov.za.

Skriftelike insette/kommentaar kan gelewer word, geng aan Die Direkteur, Beplanning en Ekonomiese Ontwikkeling by die onderstaande adres op/voor 6 Mei 2016.

Persone wat nie kan skryf nie kan gedurende kantoor-ure by Widmark Moses, Bestuurder van Plaaslike Ekonomiese Ontwikkeling, 58 Andringa Straat, Stellenbosch, aanklop vir hulp om kommentaar te lewer of vertoë te rig.

Alle korrespondensie moet geadresseer word aan:

Die Direkteur: Beplanning & Ekonomiese Ontwikkeling
Andringa Straat 58
Stellenbosch
7600

WAARNEMENDE MUNISIPALE BESTUURDER
08 APRIL 2016

COMMENTS ON THE POLICY FOR THE MANAGEMENT OF MUNICIPAL AGRICULTURAL LAND

Kwanele Gugushe

"If the Municipality is serious with the Policy of Management of Agricultural land they should do the following;

Public Participation in terms of Meeting the communities and get a mandate to review long term lease to the farms in Stellenbosch so we can as well own land. The vacant lands to be rezoned for farming. That training to be arranged between Community Development Workers(CDW's) to facilitate a session with Department of Agriculture for the training of:

- Women living in poverty
- Youth living in townships
- Brings Learnerships to Youth to be more involved in Agriculture
- Bring in Elsenburg College to assist in training courses in Agriculture

I have the following thinking that the Stellenbosch Municipality should engage in:

- Affordable and sufficient food and fibre for all South Africans;
- A life of dignity for all on the land;
- Sustainable rural development
- The creation of employment and the elimination of rural poverty
- Just reward for skills, energy and enterprise;
- Full realization of agriculture's contribution to economic development; and
- Conservation of our natural resources for the benefit of future generations"

Deon Erasmus

"1. The policy made no mention of the duration of the new leases

(a) For period of 3 years by Municipal Manager or

(b) Period of 9 years and 11 Months with necessary public participation advertising etc.

Why not? Is this to mislead the public and to hide the fact that previous leases were sign for 50 years? What can a farmer do in 9 years if the first 5 years no profit only taken up to recoup investment?

2. The policy only applies to 200 hectare available commonage. These were left after the white commercial farmers some of which were foreigners took the best land in 1991 and 1994 on 50 year leases. Most of these farms are without water and were use as grazing.

Purpose of the policy

e) Ensure current long term lease agreements pertaining to agricultural land are periodically revisited, especially where land is not currently being optimally used and provide for the necessary procedure for the alienation of such land in terms of the applicable regulations.

(How will the policy address this since it has not been done in 25 years? No white contract has been cancelled even though they are in area.)

What will be the guidelines? And how will it be legislatively enforced? And who will check compliance? The policy is silent on these matters.

(f) Ensure fairness, equity, transparency, cost effectiveness and competitiveness.

A policy cannot ensure anything the only way to ensure the above is to make it the Compliance Manager function to check regularly and to act decisively.

(g) Ensure speedy availability of land to residents. *(time frame?)*

This policy will do the opposite by introducing big cumbersome committees that will be unable to function because nobody's diary will coincide. The Strategic Advisory Committee alone will comprise of minimum 11 members of different government departments. All to dispose of one farm.

CHAPTER 3: POLICY GUIDING PRINCIPLES

3.1.3. Promote land reform by fundamentally changing unequal land ownership patterns through optimization and redistribution of long term leased land, especially that which is lying fallow. (How) **You can only write this if you have extensively explain the principles of how one go about changing the unequal pattern of land ownership of leased land. Saying it does not make it so and nothing has changed in the past 25 years.**

3.1.5 Acquisition of additional land to further the Municipality's strategic objectives **While the Municipality has over 2000 hectares?**

Page 11/12

A reformist policy, particularly incorporating previous disadvantaged groups is to be implemented in line with the above objectives prescribed for local governments. This policy must at all times include the fair distribution of the land with particular reference to optimal production and allocation to suitable qualifying beneficiaries.

(how does the policy address this)

Considering the fact that the bulk of Stellenbosch municipal agricultural land has already been allocated in long term leases, there is limited agricultural land available which can be gainfully applied. A further hindrance is the availability of water without which agricultural land is virtually worthless as far as viticulture and fresh produce is concerned. *(how does the policy address this).*

The policy only caters for 200 hectares of which 20 hectares have water. A productive wine farm in Stellenbosch size needs to be 50 hectares or Dept of Agriculture/Cassidra will not entertain your application. One sustainable 50 hectare wine farm will use up all 20 hectares of water so the whole exercise of the policy and considerable time and money wasted was spent on redistributing one farm on inferior soil. One needs 2 hectares of water for one hectare of vegetables so you can only farm 10 hectares of the 200 available.

3.3 Sustainable development P12

Implicit in the concept of sustainable development is the requirement that a broader view of the Stellenbosch economy is always at the forefront of the process; the town and surrounds are highly dependent on the historical heritage and tourism and agriculture which are the main sources of job creation. *(what are you saying)*

Are you saying it cannot change? Market forces will force change. It is already uneconomical to grow grapes in Stellenbosch for the past 3 years. What alternative is there? And this policy is supposed to address these concerns and provide alternative innovative solutions?

Sustainability in this instance implies the usage of land to feed the urban residents and to provide for additional economic value, but then not to cause any harm to the aesthetic appearance and ambiance of the countryside which is the attraction for tourism income.

3.5

The Policy prescribe the following guidelines to be followed by Council for the allocation and management of municipal agricultural land

Ensure compliance with the applicable legislation and regulations.

3.5.1 Any disposal of municipal agricultural land shall not unfairly discriminate against individuals not defined as HDIs.

Contradict the whole policy how are redistribution going to take place if whites interest are not suppose to be harmed.

3.5.2 *In a bid for municipal agricultural land, where bidders are equally competitive; preference will be given to HDIs, in accordance with the Supply Chain Management Policy of the Municipality. **Are we going to dispose of agricultural land by a bidding process? What happened to contract And proposal/ business plan?***

3.5.2 Market forces will always be the point of departure in any land or property transaction and this must be recognised and acknowledged.

What does this mean? How does this fit into a policy?

3.5.3 Preference will be given to bids that support economic development initiatives on a macro scale, including tourism initiatives;

How can you farm on a macro scale with 20 hectares of water?

3.5.4 Must aim to redress past land ownership patterns to reflect the population demographics of the Municipality.

This is in conflict with 3.5.1 above)

3.5.5 Council will set aside some parcels of land to be utilized at its own discretion, and the rest may be alienated to the public; **What????**

Page 21

Current long term lease agreements pertaining to agricultural land should be revisited, especially where land is not currently being optimally used, with the aim of achieving socio-economic development, providing access to land for eligible emerging farmers and in fulfilling council's strategic objectives. Local Economic Development should therefore on a continuous basis verify that land allocated on long term leaseholds to established farmers; industry and other bodies is used for the purpose for which it was allocated every 12 months from date of allocation.

The aim of the policy was to explain how this will take place? Who? Where? When? How ?

P M McLaren on behalf of the Raithby Prospective applicants

Concerns: Draft Policy for the Management of Municipal Agricultural Land

Introduction:

Although the draft policy is welcomed in principle serious concerns are expressed at the fact a policy for this aspect is only being drafted at this late stage. The use of land by small scale farmers, especially from previously disadvantaged people, is an issue that comes a long way. The irony of this whole issue is the fact that all of the leases entered into were done close to the change in government and even quite a number after 1994. When looking at the draft document there seems to be quite an effort to ensure that the *status quo* of the current leases are retained.

The following points, among others, would also indicate some contradictions and would require more time for prospective land users to scrutinize to ensure that a acceptable policy be put in place. This is a kind request to allow this additional time for stakeholders to review the draft before a final policy is accepted.

Points of concern as stated in draft

Pg 6, Par 2: "..... due to the fact that some of the long term leases does (sic) not do justice to the guiding economic optimization of agricultural land and fair and equitable distribution of what should be available." **Why has this been allowed?**

Pg 6, Par 4: "However, very little is available since approximately 80% of the land is currently under long term lease agreements". **The 20% that is available is without water!!**

Pg 7, Par 2.2 (b): "Promote the acquisition and use preferably by historically disadvantaged individuals." **Why only now after the long term leases have already been signed?**

Pg 7, Par 2.2 (e): "Ensure that current long term lease agreements pertaining to agricultural land are periodically revisited, especially where land is not currently being optimally used, and provide for the necessary procedure for the termination of the lease of such land." **Does this imply that no such audits were done before the long term leases were entered into?**

Pg 11, Par 2 (4.4): "Structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; .." **Current lessees to a large degree "dispose" of their current labour force thus not supporting this ideal of a municipality.**

Page 13, Par 3.5.3: "Special affirmative measures towards HDI's **may** be applied by the Municipality to ensure fairness to in the disposal process of agricultural land." **Should the 'may' not be replaced by "must"?**

Page 13, Par 3.5.8: "Must aim to redress past land ownership patterns to reflect the population demographics of the Municipality, allowing access to municipal land by PDI's." **Difficult considering the repetitive reasoning of 'honouring' current lease agreements.**

Pg 15, Par 4.2: "..... most of the arable land has been leased to established farmers on long term lease contracts. The capital investment in developing and using the land requires these long term leases to

allow lessees to redeem the large investments.” The status quo????? What about farmers who sell the land they own at huge profits and then use the municipal land for their farming purposes? “The current available 200 ha that is available should be allocated to eligible emerging farmers who have sufficient skills and experience to make a success of small holder farming.” No water! What about partnerships with established farmers to ensure that skills are developed?

Section 4.3.1.1 Functions of the Strategic Advisory Committee

Various points under this section refer to redressing the current allocation issue, but basically all contradicts the previous statements on honouring current lease agreements. How is this to be resolved?

Conclusion

The draft policy, on face value, looks good, but according to our perusal does not address the issue on how emerging farmers will *competitively* vie for land. The main concern evolves around the time when these long term leases were put into effect and the length of the agreements.

According to our knowledge two reports were tabled concerning the issue of municipal land (the Percy Sonn one when the ANC controlled the Municipality, and one done by a lady when the DA was in control some time back). Was any consideration given to the recommendations of these reports?

Unfortunately, time has not allowed us to study this document in detail, thus some flaws might be found in some of the arguments above. We, therefore, feel that more time should be given to peruse the document for more informed contributions.

A.Baschiera

“As a concerned citizen of this town, I kindly request further information on the drafting of the related portfolio pertaining to the “Current situation on Municipal Commonage”.

To my knowledge the listing of the land presently leased and vacant as well ... is incomplete.. More specifically on the Paradyskloof Urban Edge.

The following properties/erf are not incorporated into the referred listing, viz – 369 A – 369 B – 369 E and 369 Restant. Be so kind as to enlighten us on this lapsus.”

Friends of Stellenbosch Mountain (FSM)

FSM has the following comments on the Draft Policy for Management of Municipal Agricultural Land (DPMMAL).

1. Ad DPMMAL Section 2.3 (Legislative Framework): The list of legislation is deficient.

Most important of all is the Conservation of Agricultural Resources Act, Act 43 of 1983 (CARA); also missing are the NEMA Biodiversity Act, Act 10 of 2004 (NEMBA), the Environmental Impact Assessment Regulations (R543 to R547 of 2010), the Alien and Invasive Species Regulations R598 of 2014, the relevant sections of Government Notice 34809 of December 2011 listing Threatened Ecosystems in the WC024 area, and the National Water Act, Act 36 of 1998.

2. Ad DPMMAL Section 2.2 (Revisiting of existing and new lease agreements regarding new legislation):

(a) Lease agreements of municipal agricultural land, whether existing or new, must conform to newer legislation and regulations. Pertinent issues include:

- use or re-use of virgin land (CARA, GN34809, NEMBA)
- soil erosion (CARA, NEMA legislation and regulations),
- watercourses (NEMA and regulations)
- boreholes (National Water Act)
- alien invasive species (CARA, Regulations, NEMBA).

(b) Ad DPMMAL Section 2.2 (e) (Revisiting of lease agreements): Preferably, all existing lease agreements must be reviewed in order to ensure that explicit reference is made to the pertinent legislation and regulations listed above. Where actual modification of existing agreements is not possible, the Municipality must ensure that every lessee receives official correspondence with a summary of the above legislation.

(c) The municipal template for new lease agreements must be revised to reflect and include all of the above legislative requirements into lease agreements.

(d) Here is an example. A Listed Activity is permitted only after an Environmental Impact Assessment or a Basic Assessment is followed. The following Listed Activities are especially relevant for lease agreements in the Stellenbosch area and lessees must be made aware of this.

12. The clearance of an area of 300 square metres or more of vegetation where 75% or more of the vegetative cover constitutes indigenous vegetation. (a) Within any critically endangered or endangered ecosystem listed in terms of section 52 of the NEMBA or prior to the publication of such a list, within an area that has been identified as critically endangered in the National Spatial Biodiversity Assessment 2004; (b) Within critical biodiversity areas identified in bioregional plans.

13. The clearance of an area of 1 hectare or more of vegetation where 75% or more of the vegetative cover constitutes indigenous vegetation.

ii. **Outside urban areas**, the following: (cc) Sensitive areas as identified in an environmental management framework as contemplated in chapter 5 of the Act and as adopted by the competent authority; (dd) Sites or areas identified in terms of an International Convention; (ee) Core areas in biosphere reserves; (f) Areas within 10 kilometres from national parks or world heritage sites or 5 kilometres from any other protected area identified in terms of NEMPAA or from the core area of a biosphere reserve;

iii. **In urban areas**, the following: (aa) Areas zoned for use as public open space; (bb) Areas designated for conservation use in Spatial Development Frameworks adopted by the competent authority or zoned for a conservation purpose; (dd) Areas on the watercourse side of the development setback line or within 100 metres from the edge of a watercourse where no such setback has been determined.

3. Ad DPMMAL Section 3.1 (Guiding Principles): The list of guiding principles should be expanded to include something along the lines of Safeguard the long-term integrity of natural ecosystems on municipal land.

4. Ad DPMMAL Section 3.1 (Guiding Principles): A second addition to the Guiding Principles should be Land units put out for lease, sale or acquisition should either be economically viable on their own or made viable by consolidation. Nonviable units will not be leased out or sold. This provides the basis for specifying viability in Section 4.4.

5. Ad DPMMAL Section 3.1 (Guiding Principles) and 4.5 (Exclusions): Parts of Section 4.5 should be merged into Section 3.1.

- 6. Ad DPMMAL Chapter 4:** This is a confused chapter headed "Current situation". This chapter should be restructured completely; possibly its sections need to be re-allocated to other chapters. In Section 4.1 the historical context is sketched (which is not "current situation"); in Section 4.2 there is a list of Land situation and infrastructure available which, while "current", does not belong in a policy at all but in an appendix or schedule. Sections 4.3 and 4.8 are not "Current Situation" but new policy. For the same reason, the phrase "it is suggested" in Section 4.3.1 does not belong in the policy.
- 7. Ad DPMMAL Section 4.3.1 (Strategic Advisory Committee):** All too often, the situation on the ground is unknown to decision makers at the top. Pertinent information resides in the municipal staff managing the Public Open Space and nature areas on the Strategic Advisory Committee. Hence the *Director: Community & Protection Services* as well as the provincial Department of Environment And Development Planning or Cape Nature should be added to the Strategic Advisory Committee.
- 8. Ad DPMMAL Section 4.3.2 (Operational Committee):** For the same reason, Community Services should be represented on the Operational Committee also.
- 9. Ad DPMMAL Section 4.3.2 (Operational Committee):** The enforcement of existing legislation on land eased out has been badly lagging. Enforcement of lease contracts and legislation should be added to the list of responsibilities of the Operational Committee.
- 10. Ad DPMMAL Section 4.2.1 (Land currently under long term leasehold):**
- 1. Property 369C:** This 3,5ha property consists largely of the Schuilplaats River watercourse immediately south of the Paradyskloof Water Treatment Plant. The river is not perennial, but all legislative provisions regarding watercourses apply. Only the southern corner of this property is suitable for agriculture.
 - 2. Property 369W past:** This is a good example of things gone wrong. The lessee pretended not to know about recent legislation and started to plough virgin land as dened in CARA and the recent regulations. The Municipality proved ignorant about this legislation and, worse, refused to apply it when informed of it. Law enforcement hence foundered on municipal weaknesses. It took intervention by the provincial DEA&DP to bring the lessee and the Municipality to their senses.
 - 3. Property 369W future:** Half of the property in question is a Critical Biodiversity Area (CBA); the other half is agriculture.
- 11. Ad DPMMAL Section 4.4 (Criteria to obtain access to land):** Section 4.4 needs to be worded more accurately; it is badly worded and sometimes ambiguous. A part of it is background and principle, part is a list of criteria for eligibility. Split into two sections perhaps?
- 12. Ad DPMMAL Section 4.7 (Monitoring and evaluation):** As the landowner, the Municipality has the right and the duty to enforce this legislation. Municipal enforcement of legislation pertaining to agriculture and open spaces is currently weak and must be strengthened. While the outsourcing of this function to some "Strategic Partner" regarding the agricultural activities per se seems fine, the monitoring and evaluation of other legislation (invasive, biodiversity etc.) requires a different body or person.
Section 4.7 should be expanded to include a subsection on monitoring and evaluation of legislation.
- 13. Ad Innovation Capital Initiative:** So far, the Innovation Capital Initiative appears to be concentrating on development projects on various municipal properties. That is not innovative by itself. Real innovation would be not so much about spatial changes but about how we do things.

For example, it would be "Innovation" if the DPMMAL were to promote and even enforce agriculture with innovative methods such as reduction of water usage, intensive food production, food gardens etc.

FSM therefore proposes that the DPMMAL explicitly mention, promote and even enforce innovation in farming methods. This could, for example, be achieved by adding the criterion Innovative Farming Methods to Section 4.4 of the DPMMAL a clause to lease or sale contracts.

- 14. Add the term "Optimal usage":** The DPMMAL uses, but does not define, optimal usage of agricultural land. This must be rectified. In the light of the other points in this FSM commentary, a workable definition for inclusion in Section 1.1 of the DPMMAL would be *"Optimal use" means "the best use as determined by taking into account (i) the relevant legislation listed in Section 2.3, (ii) suitability for different purposes, including agriculture, (iii) the municipal IDP, SDF and LED strategy, iv) financial and economic return to the Municipality and (v) the guidelines set out in Section 3.5."*

1 Appendix: Extract from Government Notice 34809 of 2011

5.1 Planning related Implications

According to Section 54 of the Biodiversity Act, the need for protection of listed ecosystems must be taken into account in municipal Integrated Development Plans (IDPs) and by implication in Spatial Development Frameworks (SDFs). IDPs can take listed ecosystems into account by, for example:

- Identifying IDP projects or local economic development projects with biodiversity benefits, linked to management of threatened ecosystems (such as clearing of invasive aliens through Working for Water, or other forms of rehabilitation e.g. through Working for Wetlands, Land Care, Coast Care);
- Prioritizing threatened ecosystems in the development of invasive species control and eradication plans (these are required of municipalities in terms of Subsection 76(2) of the Biodiversity Act, for any land under a municipality's control, and should form part of the IDP);
- Exploring options to formally protect and manage municipal land that supports threatened ecosystems;
- Ensuring that development projects identified by the IDP, especially those with large footprints, avoid conflict with or negative impacts on threatened ecosystems. SDFs should take listed ecosystems into account by:
 - Including a map of listed ecosystems and their accompanying descriptions;
 - Ensuring that listed ecosystems are reflected in the final integrated map of spatial planning categories or zones;
 - Applying appropriately restrictive land-use guidelines to listed ecosystems, so that further loss and degradation of natural habitat in these ecosystems is avoided.

Stellenbosch Agricultural Society

The Stellenbosch Agricultural Society representing organised agriculture in the Stellenbosch Municipal area of jurisdiction hereby provides its comment on the "Draft Policy on the Management of Agricultural Land" as advertised in the Eikestad News dated 8 April 2016.

The said publication follows on the Resolution of the Stellenbosch Council taken on 2016-01- 27 that read as follows:

"37th COUNCIL MEETING: 2016-01-27: "FM 7.9 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 realit 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.

RESOLVED (nem con)

(a) that the Draft Agricultural Land Reform Policy be adopted, in principle;

(b) that the legal inputs be obtained before this Policy go for public comment; and

(c) that the said Policy be advertised for public comment, where after same be re-submitted via Mayco to Council by end February 2016 for consideration and conclusion."

With reference to the above (refer to resolution b) and upon further scrutiny of the February and March 2016 Council minutes it is our understanding that the comments of the legal department has not been obtained. The Stellenbosch Agricultural Society expresses their concern in this regard with emphasis on the contractual agreements and lease conditions embedded in the existing long term lease agreements. The input from the legal department is therefore considered a vital and important component in order to protect the contractual agreements of the long term lessees of which many are members of the Society.

The Stellenbosch Agricultural Society, during 2014 actively participated in an extensive Participatory Appraisal of Competitive Advantage Process (PACA). In terms of the said process several projects were identified and expectations were created in addressing the challenges to stimulate and sustain the rural economy. Effective communication with the relevant project co-ordinators should be encouraged to ensure alignment with the projects identified in the PACA process.

The Society is furthermore seriously concerned about the 12-step approach as proposed in the draft policy, i.e. process to acquire land. The proposed approach only at the latter stages (step 10 and 11 from '12) recognises the role of the strategic partner/mentor. It is our opinion that this arrangement must be in place prior to bid evaluation and adjudication.

In terms of the draft policy it is mentioned that the municipality does not have the capacity to monitor and evaluate the progress of every piece of allocated land and that it therefore will adopt the modus and condition of Rural Development and Land Reform.

In this regard a Strategic Partner (selected from a list of approved service providers and financed by the

Department of Rural Development and Land Reform) must be contractually involved to ensure long term sustainability. This is considered a reactive approach and it is proposed that the list of Strategic Partners /registered service providers be made available prior to land acquisition in order to optimise potential linkages with the established commercial farmers as well as other full value chain agricultural support entities. The strategic vision and principles of the Stellenbosch Municipality as defined in terms of the approved Integrated Development Plan (IDP) specifically emphasize the importance of local economic development, promotion of tourism, job creation, sustainable food production, food security and heritage conservation. The Stellenbosch Municipality, in terms of their IDP, firmly recognise and acknowledge the fact that they must create an environment that is conducive to enterprise and business related development. The objectives and outcomes of the policy should follow a pro-active approach in order to enhance sustainable farming and or agri-businesses.

It is important to note that several LRAD (Provincial Department of Agriculture) projects have already been identified on existing teased agricultural land, but could not be implemented due to red tape and the discontinuation of certain programmes. Many public funding and planning were already invested in possible land reform projects. It is therefore requested that the Municipality communicate with the relevant project co-ordinators, in order to assist existing beneficiaries residing on farms to proceed with possible BEE farming entities.

It is also herewith stressed that the municipality must take responsibility to maintain and manage Council owned property i.e. agricultural land which is not leased. This will require an operational budget to address illegal land invasion, fire protection and alien plantation management. Such a compulsory operational cost or expenditure per hectare (ha) by the municipality to maintain their property should also be taken into account in the municipal budget.

Since the availability of water remains an obstacle to achieve sustainable farming units it is also recommended that the Winelands Water Association be involved in planning for future water needs.

The informal invitation to the Farmworker Forum and Agricultural Society, to attend a public meeting on 5 May 2016 at the SEDA office was only received on 4 May 2016. This was unfortunately too short notice to arrange representation at this meeting. Since the policy might have an impact on existing and proposed future farming operations on leased land, it is requested that the respective department by means of a workshop engage with all the long term lessees including existing BEE enterprises with the relevant experience and knowledge as well as other stakeholders (e.g. Winelands Water Association) for collaboration and input prior to the final submission of the policy to Council. This might even encourage existing landowners to be part of a more efficient transformation process. Existing BEE projects could also contribute to best practice and possible pitfalls.

The Draft Policy on the Management of Agricultural Land in our opinion rather reflects an approach and procedure towards the alienation and or lease of municipal agricultural land. It cannot be considered as a policy since it shows little and or no information on how the productive utilization of agricultural land can contribute to rural economic development.

It is trusted that the above will assist and that it will inform the finalization of the document.

Moegammad Kara

The most important point omitted in this draft policy is that the management and administration of

land resides in the Department of Human Settlements (DHS), and specifically the Property Management unit of the department. The HS Department is therefore the line department for the management and administration of the agricultural land in the possession of the Municipality of Stellenbosch. This policy deals mainly with the development of an agricultural land reform programme, which will be one of the role and functions of the DHS. The agricultural land management and administration cannot be divorced from the other land issues which the department is dealing with. In accordance with the management structure and the different directorates the agricultural land reform programme should reside in the Department of Human Settlement. All the contracting should be done by the DHS. If the DHS does not do the basic management and administration of the land then it is in direct contradiction to the approved structure of the Municipality. The support services should not be confused with the process of land management and administration and in this case a land reform programme. Agricultural development and land reform is entirely two different issues and it requires different skills and competencies.

The contracting with the beneficiaries should be done by the department and any other contracting required for the implementation of the land reform programme. In some instances the national policy requires that there should be a strategic partner when the funding is coming from the National Department of Rural Development and Land Reform. The beneficiaries should approve the strategic partner with the input by the DRDLR. The DRDLR will supply a list of strategic partners from their own database from which the beneficiaries can choose. The HS then signs a contract with the strategic with the input from the DRDLR.

The DHS is the centre of the political process for the management and administration of municipal agricultural land. The land management and administration roles and functions of the Department will be:

- Allocation of land
- Disposal of land
- Acquire new land
- Monitoring of land reform programme Policy review
- Compilation of advisory committee
- Contracting and dealing Department of Rural Development and Land Reform
- Contracting with the strategic partners as required by the policy of the DRDLR

1. The Historical Context, 1.2. in the document does not all deal with the history of land in the municipality or in the wider South African context.
2. Under the Scope of policy, 2.1 mentions of alternatives ways of land management and administration. This is the policy that should spell out all the options for the management and administration of land. What is the use of developing the policy if it will still provide for alternative means that will fall outside the scope of the policy? It will totally defeat the objective of developing the policy.
3. In the part that is dealing with the alignment of the National Development Plan (NDP) and legislation, a total misunderstanding exists in terms of the NDP. The NDP is says what it is, a national development plan. It is not a local development plan as what the policy argues. Things done on a national level cannot be the same as the stuff that will be done on a local level. In the first place it uses the words steps and strategies interchangeably. Steps and strategies cannot be used interchangeably.

The different steps should be replaced by strategies 1, 2 and 3. The three different strategies will indicate the type of agricultural land reform will take on in the Municipality. The first strategy is the overall land reform strategy and the partners involved in the process. The municipality has agricultural land for land reform purposes and therefore the first strategy will deal with the own commonage land and how land reform can be accommodated within that context. The DHS is the line department for this strategy and the other department of the municipality will play a supportive role in the development of this strategy. This strategy will set out how to deal with strategic partners as set out in the policy of the DRDLR and the role and function of the other stakeholder in the process, like the university and the other level of government.

The second strategy is in conjunction with the DRDLR. This is the acquisition of private land. This land will become the ownership of the DRDLR. In this instance the Municipality will only play a supporting role, because the DRDLR has their own policy in dealing with it.

The third strategy is in acquiring new commonage where the land comes into the ownership of the Municipality.

Each strategy should be spelled out in detail and it can be decided what is the best option for agricultural land reform in Stellenbosch.

4. An implementation plan cannot be included in a policy document. The implementation should be under the strategy development. However the guiding principles council powers and guidelines for the allocation of land should be accommodated in another part of the policy document. The policy can set out the procedure but in cannot set up the implementation of a development programme.

The compilation of the advisory committee should also be handled in the land reform strategy document that will flow from this policy document. In the policy document it indicates that a strategic advisory committee should be involved in the management and administration of the land. An advisory body cannot and should not be involved in the management and the administration of the Municipality. They are what is says, a strategic advisory body that give some strategic advice on the implementation of the land reform programme. The management and administration of the land is exclusively the domain of the DHS.

The departments that can play a supporting role of the land reform process is Department of Planning and Economic Development, legal services and other outside stakeholders like the US and other institutions. In the case of a strategic partner for a specific project then there should not be any support services needed because the strategic partners should play the supportive role to the project.

The process to acquire land in 4.9 is totally ambiguous point. Directly under the heading it mentions the disposal of land. The two is entirely different processes. To acquire new land would be new commonage land that will be incorporated into the current land holding of the municipality. This will be called new commonage. The disposal of land will have its own policy and procedures. It will be mainly to follow the MFMA in the dealing of the disposal of land. There is already a policy for the disposal of land. It can be revisited as part of this process of development a new policy for the administration and the management of agricultural land.

Furthermore it does not say who is acquiring the land, is it the Municipality of the beneficiaries of a

land reform project. If it is the beneficiaries then the land will be allocated to the land holding of the National Department of Rural Development and Land Reform. That is entirely a different process and it will be handled by the DRDLR.

Raithby, 502 BH and other individual new entrants.

1. "How will there be current actions to undo practices of the past? We need retroactive powers to undo the current practices as is in place"
2. " If cases of prior approval is not included it is a contradiction in itself"
3. "Council can ratify and give land to a third party? As it stands because of the use of Trusts and companies farmers who die can retain land-use in perpetuity. Suggest that a PDI must be next in line. "
4. "Farmers in Raithby sell their own land and then rents land to farm on . How do we right the Wrongs? If one of the long lease persons dies the leasehold will simply carry on in name of one of his dependents. What happened to the Sonn report?"
5. It a great policy but how to empower the small guy? If you want to give land away, give it to a PDI.
6. Replace the term HDI (which includes White woman) with PDI (which does not).
7. 3.1.9. "No new buildings" must be taken out.
8. 3.1.8. Abuse of land – we need this to be enforced.
10. Evaluation of land must be done every second year.
11. People from outside Stellenbosch should be excluded.
12. From when will unproductive land be adjudicated? This policy may prompt people to start ploughing their land. B.A. The policy should be backdated but there should be legal precedents.
13. 3.5.3. (P13) "May be" should be changed to " should be"
14. P23. -- 2.2.e Ditto – change to "should be."
15. Bring Dept. Water Affairs in as part of the advisory committee.
16. What happened to Farms 502 Q, P and Y? Chapter 4.
17. P25. Paragraph starting with "Must not earn" should be removed in its entirety.

Paul Roviss Khambule

Here are my comments:

- Point 1: Are there plans in place to train and capacity those who still wish to enter the industry? It is a valid point to allocate the land to those who will use it for what is has been set aside for.

- Point 2: What does that mean to the previous disadvantaged and how would they benefit from such landscape and assets on the property?
- Point 3: Needs to be elaborated
- Point 4: Would underground water, building dams or diverting water streams to be considered to source water where it is not allocated.
- Point 5: The council should give the reasoning on the decision taken to eliminate corruption and abuse of power.
- Point 6: The committee should have general citizen to safeguard the decisions taken by the council and administration. The absence of the general citizen, may give room for corruption and misuse of power.

Imraan Moerat

My main observation is that the policy should take into account the BEE credentials of the Implementing Agent specifically, as well as all other upstream and downstream service providers. AS ± 40% of the agricultural value chain takes place off-farm, it will ensure that the project positively contributes to transformation of the whole chain, and not merely on primary-agricultural level.

I would also suggest that you appoint the Implementing Agent right at the beginning of the process, and not at the end. You then have the benefit of co-designing the project with the end in mind (which varieties to grow for which markets, in what volumes, where to locate packing facilities etc in advance). This eliminates many of the mistakes that Dep Rural Development makes in their planning on land reform farms. You want to create seamlessly integrated production units that compliment each other, albeit on different parcels of land, instead of a patch work of different plots growing clashing crops. That requires input from the Implementing Agent from day one.

APPENDIX 2



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**DRAFT POLICY FOR THE MANAGEMENT OF MUNICIPAL
AGRICULTURAL LAND**

STELLENBOSCH MUNICIPALITY

2016

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DEFINITIONS

“acquire” in relation to land includes, but is not limited to acquisition by purchasing, expropriation, exchange, donation or leasing, or as a result of the conclusion of any form of land availability agreement, and ‘acquisition’ has a corresponding meaning;

“Agricultural Land” means all land not used zoned or developed for urban purposes.

“Asset” means a tangible resource capable of ownership;

“Basic municipal service” means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and, if not provided, would endanger public health, safety or the environment;

“Capital assets” in terms of this policy, means land and other immovable capital assets which vests in the Municipality;

“Constitution” means the Constitution of the Republic of South Africa, Act 108 of 1996;

“Contract” means a deed of alienation under which land is sold against payment by the purchaser to, or to any person on behalf of the seller.

“Lease Agreement” meaning a written agreement specifying the rights and duties pertaining to the exclusive use of property for a continuous period of time (30) thirty calendar days or longer, and which sets forth the terms and conditions the use of the property an outright Sales Agreement.

“Council” means the Council of the Stellenbosch Municipality as envisaged in chapter 3 of the Municipal Structures Act (Act No. 117 of 1998);

“Disposal” in relation to a capital asset, includes –

- (a) The demolition, dismantling or destruction of the capital asset; or
- (b) Any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership;

“Exempted capital asset” means a capital asset which is exempted by section (14)(6) or section 90(6) of the MFMA, as more fully dealt with in Chapter 5 of the MATR that is, an asset that is needed for the provisions of basic municipal services.

“Fair market value” in relation to a capital asset, means the value at which a knowledgeable willing buyer and a knowledgeable willing seller would sell the capital asset in an arm’s length transaction;

“Granting of rights to use, control or manage” means where the granting of such rights do not amount to the transfer or permanent disposal of an asset, for example when a right is acquired through a leasing, letting or hiring out arrangement;

“HDI – Historically Disadvantaged Individual” is defined as meaning: “a South African citizen who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act 200 of 1993); and/or who is a female; and/or who has a disability, provided that a person who obtained South African citizenship on or after the coming into effect of the interim Constitution, is deemed not to be an HDI”

“Integrated Development Plan (IDP)” means the Integrated Development Plan of the Municipality as envisaged in section 25 of the Municipal Systems Act (Act No. 32 of 2000);

“LED Strategy” means the Local Economic Development Strategy of the Municipality;

“Long term” means a period of longer than ten (10) years;

“Local agenda 21” principles of sustainable development and environmental preservation;

“MATR” means the Municipal Asset Transfer Regulations promulgated in terms of the MFMA and published in the Government Gazette No 31346 of 22 August 2008.

“MFMA” means the Local Government Municipal Finance Management Act (Act No. 56 of 2003);

“Municipality” means the Stellenbosch Municipality as envisaged in chapter 1 of the Municipal Structures Act;

“Municipal Manager” means the Municipal Manager of the Municipality as envisaged in section 82 of the Municipal Structures Act;

“Supply Chain Management Policy” means the Supply Chain Management Policy of the Municipality as contemplated in chapter 11 of the MFMA and the Supply Chain Management Regulations (No. 27636 of 30 May 2005);

“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. This Policy must be read with the Supply Chain Management Policy of the Stellenbosch Municipality and the Municipal Asset Transfer Regulations (R878 in GG No. 31346 of 22 August 2008) issued in terms of the MFMA.

ACRONYMS

CASP	Comprehensive Agricultural Support Programme
HDI	Historically Disadvantaged Individuals
IDP	Integrated Development Plan
LED	Local Economic Development
MATR	Municipal Asset Transfer Regulations
MFMA	Municipal Financial Management Act
NDP	National Development Plan
PACA	Participatory Appraisal of Competitive Advantage
SCM	Supply Chain Management
SDF	Spatial Development Framework

1 THE CURRENT SITUATION

1.1 Introduction

For all South Africans, irrespective of colour or creed, land is an emotive issue. Throughout our history one of the biggest bones of contention has been the right to ownership and use of land. Discriminatory practices in the past, a land reform programme that has not succeeded in transferring significant quantities of urban or rural land since 1994, a wide range of demographic pressures and the fact that most agricultural land is still in the hands of commercial, mostly white, farmers puts pressure on the country's socio-economic systems, and Stellenbosch municipal area is not immune to these pressures. History is replete with examples of what can happen when these pressures are not addressed.

Stellenbosch municipal area and its towns have a very colourful past whose history plays a particularly important role in giving the area the ambiance and character which makes it one of the outstanding tourist attractions in South Africa.

For this reason, it is imperative that the Stellenbosch Municipality have a comprehensive, fair and sustainable policy and implementation strategy for agricultural land reform.

Although land reform is a national competence, the Municipality has a duty to assist with land reform initiatives, but even more importantly, because the Municipality is the largest owner of agricultural land it has a duty to formulate and implement land reform within the bounds of its own competencies and capacity. This is a challenging and formidable task given that the greater portion of this land is held under long term leases that do not do justice to the guiding principles of economic optimization of agricultural land and fair and equitable distribution of what should be available.

Farming in the Stellenbosch Municipal area is heavily skewed towards viticulture. There is of course a close link between wine farming, the beautiful landscape, consisting of both the cultivated grapevines and the natural fynbos, and the tourist experience that the town and its surrounds offer.

As important as wine farming is, however, it is equally important to maximise the potential of the scarce but high quality agricultural land to ensure that appropriate land is set aside for tourism, the retention and conservation of the historical treasures that lie within the borders of the Municipality, and conservation, as these are also integral components of the Stellenbosch experience. The economic development of the area depends on the sensible use of its land resources.

In managing its agricultural land portfolio, a policy for the management of municipal agricultural land based on the principles of sustainability, equality, efficiency, fairness and good governance is required. It is widely acknowledged that policies that facilitate access to land play a significant role in reducing poverty and income inequality. As Stellenbosch Municipality owns large tracts of high value agricultural land, it is evident that it should become involved in the process of land reform.

However, there is very little of this land available since approximately 80% is currently under long term lease agreements. Furthermore, in the absence of a clear policy framework, the process for accessing municipal agricultural land has been very cumbersome in the past.

For this reason, Stellenbosch Municipality, through its Local Economic Development and Property Management Departments has embarked on a process of developing a policy and implementation strategy for the management of municipal agricultural land based on sustainability principles as part of its contribution to sustainable development.

1.2 The historical context

Stellenbosch is arguably one of the most beautiful parts of the country and its climate is conducive to excellent agriculture production. The municipal area comprises of the towns of Stellenbosch, Franschhoek, Pniel, Klipmuts and some other smaller hamlets, and the rural hinterland between these settlements. Whilst its economy is primarily built on the financial and business services sectors, the area boasts a vibrant tourism industry. The Winelands are a major tourist draw card and are also well-known for the close linkages to the manufacturing and services sectors.

The area is also home to a vibrant education sector, including a leading world renowned university, and hosts a range of innovation industries, as well as the headquarters of major multinational and national companies.

The municipal area comprises 900 square kilometres with a population of 165,000 people. Some two thirds of agricultural production consists of wine grapes, followed by vegetables and eggs. Most of the arable land is used for the production of wine, and only a small proportion of the region's food is produced locally.

Whilst significant investments have been made in the farming sector, not all are related to productive uses of the land. This has led to fertile land being rendered unproductive, and this in turn has diminished employment opportunities for low skilled workers. The unemployment rate of 26% together with the steady rate of urbanisation adds to the pressure of the availability of jobs in the area.

Stellenbosch municipality is one of the municipalities in the country with the most municipal land under its control; however, due to the agriculture potential of farm land, most of the arable land has been leased to established farmers on long term lease contracts.

The capital investment required for developing and using the land required these long term leases to allow lessees the opportunity to redeem the large investments in water and other infrastructure.

To this end, 80% of the 1,300 ha of municipal land has been taken up by established farmers whilst another 10% is being farmed by new entrants (small farmers) in various widely spread out locations. All other available land is to be made available to be leased to PDI's.

Properties, especially agricultural land (commonage) provide an enormous opportunity for Council to achieve its strategic objectives. Therefore this policy provides for the implementation of a process of identifying agricultural land which is currently available as

well as land under long term lease which is not being optimally used and which is aligned to the Spatial Development Framework, LED strategy, the IDP and the objects of local government as set out in the Constitution.

2 SCOPE AND PURPOSE OF THE POLICY

2.1 Scope of the policy

The sound management of the Municipality's agricultural land resources is crucial if it is to be conserved for future generations. The scope of this policy is to set out decision-making guidelines for the management of municipal agricultural land with due regard to the relevant national, provincial and local policy and legislative provisions that govern land ownership, access to land and land use. Furthermore, the aim of the policy is to provide for the core principles, mechanisms, processes and procedures that are necessary to enable the Municipality to manage and administer municipal agricultural land, of which Council is the custodian.

In this regard, the policy allows for social and sustainable economic development and encourages the involvement of individuals, communities and community organizations and regulates the management and use of municipal agricultural land. It is, however, important that land disposal is treated on its own merits although alternative methods of disposal, not specifically mentioned in this policy, may be used where appropriate, subject to obtaining proper authority.

2.2 Purpose of the Policy

The purpose of the policy is to:

- 2.2.1 Provide a policy framework for the management of the Council's capital assets with specific reference to municipal agricultural land.
- 2.2.2 Promote the acquisition and use of municipal agricultural land mainly through leasehold preferably by historically disadvantaged individuals as envisaged in section 25(5) of the Constitution.
- 2.2.3 Regulate the use, acquisition and disposal of municipal agricultural land in accordance with the applicable regulations.
- 2.2.4 Ensure that municipal agricultural land held by it, which is not envisaged for or already used for public purposes and/or in the public's interest, be dealt with in a manner that will ensure the greatest benefit to the Council and the community.

- 2.2.5 Ensure current long term lease agreements pertaining to agricultural land are periodically revisited, especially where land is not currently being optimally used and provide for the necessary procedure for the disposal or awarding of rights of such land in terms of the applicable regulations.
- 2.2.6 Ensure fairness, equity, transparency, cost effectiveness and competitiveness.
- 2.2.7 Ensure speedy availability of land to qualifying residents.
- 2.2.8 Provide for a standard process to be followed for the application and allocation of municipal agricultural land in line with the Municipal Financial Management Act (MFMA) and the MATR.
- 2.2.9 Provide for the institutional arrangements for the management and administration of municipal agricultural land and guide the establishment of an intergovernmental and public/private sector body to monitor implementation and provide support.
- 2.2.10 Discourage the direct sale of municipal agricultural land. In this regard, the Council may dispose of land or other immovable capital assets only once it is satisfied that such an asset is not needed to provide the minimum level of basic municipal service and that it has considered fair market value for the asset and the economic and community value to be received in exchange for the asset, in accordance with section 14(2) of the MFMA and Council has complied with subsections (1) to (6) thereof. However, the above must be done with the greatest circumspection as it is imperative to keep a balance between righting the wrongs of the past with the conservation of the Municipality's greatest cultural and economic asset – its historical treasures that gives the town its special ambiance.

3 ALIGNMENT OF THE POLICY: THE NDP AND LEGISLATION

It is important that initiatives such as this are aligned with current government development policies and the realities of the market place. To this end the National Development Plan (NDP) proposals on employment in agriculture and on land reform are presented first. This is followed by a review of the relevant legislation that impacts on the management of agricultural land in Stellenbosch.

3.1 Alignment with the National Development Plan

Chapter 6 of the National Development Plan (NDP) recognizes that the end result of more than a century of racially discriminatory practices, policies and laws regarding access to, and ownership of land in South Africa is a profound inequality, basically between commercial farmers, who are still mostly white, and small scale, often subsistence and sometimes emerging, mostly black farmers. While the exact patterns of land access differ between the provinces, this strong dualism is still the most important characteristic of South Africa's rural areas.

As a result, the NDP identifies strategies to end the dualism in South African agriculture, which distorts the spatial organisation of the country's rural areas and makes access to markets for smaller scale producers all but impossible. The Chapter addresses three sets of strategies:

- a) Rural development and food security,
- b) Employment creation in agriculture and related upstream and downstream industries, and
- c) Land reform. The last of these three is of direct interest to this policy document.

Land reform, as proposed in the NDP, is a three step process that addresses some of the realities of land reform in South Africa as defined in the National Development Plan (NDP).

Step 1:

is to convene an area-based Land Committee with representation by all interest groups such as Departments and agents of the State, farmer organizations, financial institutions including the Land Bank. The first task of this area-based initiative is to decide on a short and long term vision for land reform in their area of jurisdiction: for example, do they want only small-scale farmers, do they want to encourage the production of any particular crop or livestock enterprise, can they identify agro-processing opportunities that are suited to their area, etc.? This vision will guide their selection of prospective farmers, as is shown below. Importantly, the District Committee also considers what farmer support services, from hard infrastructure to farmer support, is required in their area of jurisdiction in order to secure the success of their vision of land reform, and starts to negotiate its provision with the relevant stakeholders. Importantly, the NDP argues that successful land reform requires that the appropriate farmer support services (access to rights in land and to supply chains such as export licences; access to input and produce markets, the appropriate physical and institutional infrastructure, access to inclusive financial services and to research and extension services, etc.) should be in place *ex ante*. Without farmer support services, land

reform will fail. *Ex post* provision of services such as those produced via CASP and RECAP are invariably too little and too late, and are not a substitute for the real thing.

Step 2

is where the Committee identifies 20 per cent of the privately owned commercial farm land in their area of jurisdiction that is available for land reform. In the short term (the first year or so) this will most likely be state land, municipal commons, land already purchased for land reform but not settled, farms that are under severe financial stress and commercial farmers willing to offer land for sale, while in the longer term (around five years), other farms will be identified. The Committee then sets criteria for tenders for the beneficial use of the targeted farm land, and invites tenders that meet these criteria. It is important that this should be a transparent process, with well-reasoned criteria. The criteria could include factors such as the age and formal educational status of the prospective beneficiary, their farming experience, the presence of a mentor, the 'fit' between their business plan and the vision of the District Committee, etc. The successful tenders will immediately be put on a professionally managed performance monitoring system that will be in place for at least the first three years of their new venture.

Step 3:

would usually commence with a scheme to purchase land for land reform. However, in the Stellenbosch case, the land will stay in the possession of the Municipality, at least in the medium run. For this reason, the scheme will commence with the free provision, for the first three years, of farming requisites (seed, fertilizer, agro-chemicals, fuel, maintenance and repairs, packaging, etc.), working capital (machines, equipment, animals, buildings, etc.) and land rental once the successful beneficiaries are identified. To this end current commercial farmers can be partnered with the new farmers, and the Municipality can coordinate with the Provincial Department of Agriculture for access to CASP funding as well as other government agencies where support is already given. It is important, however, to note that the Municipality has no jurisdiction over land reform, and cannot be expected to finance this aspect of the scheme – it can at best voluntarily coordinate the provision of support. Next, if the farmer fails the performance appraisal in the third year, they lose their preferential access to the land. In the case that she or he passes this test, the Municipality is free to increase the length of the lease immediately, or in increments, and phases a market rate of rental in over four years at 25 per cent increments per year. In year 4 (i.e. after 7 years in total) the Municipality may, if it deems this to be in the best interests of the Stellenbosch community, sell the land to the beneficiary, who, under the NDP proposals, will have recourse to the Land Bank for financing of the mortgage. This means that the new farmer will now either pay a normal market rental in the event that the land remains under leasehold or a normal market premium in the event that title is conferred. From this point onwards (i.e. after seven years), the new farmer may exercise all the rights of ownership of the lease or the title deed that accrue to any farmer within the framework of Stellenbosch Municipality policies – they may sell, buy or hire additional land, etc. Finally, the NDP also provides detailed guidelines on how the new farmers can leverage their participation in the programme to access financing in a manner that allows them a fair chance of becoming successful.

Note that the NDP is in many respects not prescriptive and is encouraging of local initiatives to address local problems. In particular, the NDP proposals encourage experimentation with:

- 3.1.1 The criteria by which success in land reform should be measured, whether this be the number of hectares transferred, the number of beneficiaries assisted, the reduction in income inequality in the area, etc. This is something that should form part of the vision for land reform, as discussed under Step 1.
- 3.1.2 The sequence of land reform implementation: In particular, it does not prescribe that a representative, area-based land committee be set up prior to the implementation process. This would especially be the case where the democratically elected local government authority takes the lead. It also does not prescribe that step 1 should precede step 2, etc.
- 3.1.3 Who should participate in the land committee?
- 3.1.4 How the Committee is to arrive at a longer term vision for land reform in its area of jurisdiction, and what that vision should look like.
- 3.1.5 What farmer support services are required, who should provide them, and how should they be provided: as long as they are planned for ex ante, and actually implemented.
- 3.1.6 The nature and origin of land targeted for early implementation of the vision for land reform. In this case, it is municipal land that is not currently encumbered or that will become so in the near future. This could, in other words, form the vanguard of a wider land reform program in the Stellenbosch Municipal area.
- 3.1.7 The criteria by which beneficiaries will be selected: The NDP is, however, prescriptive about performance monitoring of the beneficiaries and about how access for them should be financed (see Steps 2 and 3) in order to improve the prospects of success.

3.2 Relevant legislation

The legislative framework for the management of the Stellenbosch municipal property is contained and governed in a number of laws, including but not limited to:

- The Local Government: Municipal Finance Management Act 2003, Act 56 of 2003 (MFMA), in particular section 14, which deals with disposal of capital assets;
- The Local Government: Municipal Asset Transfer Regulations, 2008 (MATR), which governs
 - The transfer and disposal of capital assets by municipalities and municipal entities; and
 - The granting by municipalities and municipal entities of rights to lease, use, control or manage capital assets;
- Any other applicable legislation, regulations and policies that may govern the disposal, letting or transfer of ownership of municipal land and related activities that are not in contradiction with the primary legislation referred to above.

Further relevant pieces of legislation governing property management include the following:

- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Constitution of the Republic of South Africa, 1996;
- Extension of Security of Tenure Act (Act No. 62 of 1997);
- Local Government: Municipal Structures Act (Act No. 117 of 1998);
- Local Government: Municipal Systems Act (Act No. 32 of 2000);
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000);
- Property Rates Act (Act No. 6 of 2004);
- Land Reform: Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993).

4 THE IMPLEMENTATION PLAN

4.1 Guiding principles

The following principles will guide the implementation of this Policy:

- 4.1.1 Promote social integration, provide redress to the Council's existing spatial inequalities, build strong and dignified communities and provide adequate infrastructure for easier access to places of work.
- 4.1.2 Optimizing property, in particular municipal agricultural land as a sustainable resource to provide better economic growth and improve agricultural diversity with regard to value adding to fresh produce.
- 4.1.3 Promote land reform by fundamentally changing unequal land ownership patterns through optimization and redistribution of long term leased land, especially that which is lying fallow.
- 4.1.4 Use property as a catalyst for economic development by establishment of agriculture beneficiation nodes.
- 4.1.5 Acquisition of additional municipal agricultural land to further the Municipality's strategic objectives.
- 4.1.6 No rights or usage of municipal owned land shall be sublet or ceded to a third party without the prior written approval of the municipality.
- 4.1.7 Under no circumstances should any mining of land, excavation of soil for selling purposes or any permanent damage to land be allowed.
- 4.1.8 No new buildings shall be permitted on leased municipal land whether long term or not unless with specific agreement of the Council and then for a use and in a style that complements the environment.
- 4.1.9 Utilization of land and other immovable assets is guided by the Municipality's Integrated Development Plan (IDP), the Spatial Development Framework and the Local Economic Development Strategy
- 4.1.10 Create an enabling environment to users of the land to participate meaningfully in agricultural activities to:
 - 4.1.10.1 Promote entrepreneurship
 - 4.1.10.2 Contribute to food production and economic opportunities
 - 4.1.10.3 Leverage the expertise and markets of existing commercial farmers to assist emerging farmers through partnerships and/or shareholding especially new entrants.

4.2 Bill of Rights – Equality

Fundamental human rights are entrenched in Chapter 2, sections 7 to 39, of the 1996 Constitution. *'The Bill of Rights is a cornerstone of democracy in South Africa. It enshrines the rights of all people in our country and affirms the democratic values of human dignity, equality and freedom. The state must respect, protect, promote and fulfil the rights in the Bill of Rights.'*

Rural development is a central pillar of the struggle against unemployment, poverty and inequality. High levels of rural poverty and inequality inhibit the growth of the economy and undermine any efforts to ensure that growth is more equitably shared amongst citizens.

Although agriculture is not a local government mandate, Council has a developmental role to play in facilitating and advancing rural development to bring about sustainable change in the socio-economic situation of the area and to support economic growth. This developmental role is further emphasized in sections 152 and 153 of the South African Constitution.

The objects of Local Government in particular are set out in section 152 of the Constitution, which reads thus:

"(1) the objects of local government are-

- (a) to provide democratic and accountable government for local communities;*
- (b) to ensure the provision of services to communities in a sustainable manner;*
- (c) to promote social and economic development*
- (d) to promote safe and healthy environment and;*
- (e) to encourage the involvement of communities and community;*
- (f) Organization in the matters of local government.*

(2) A municipality must strive with its financial and administrative capacity to achieve the objectives as set out in this sub-section.

(3) The Constitution further determines that local government shall have the developmental duties as set out in section 153 that reads as follows:

'A municipality must-

- (4) Structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and*
- (5) Participate in national and provincial development programs."*

A reformist policy, particularly incorporating previous disadvantaged groups, is to be implemented in line with the above objectives prescribed for local governments. This policy must at all times include the fair distribution of the land with particular reference to optimal production and allocation to suitable qualifying beneficiaries.

Considering the fact that the bulk of Stellenbosch municipal agricultural land has already been allocated in long term leases, there is limited agricultural land available which can be gainfully applied. A further hindrance is the availability of water without which agricultural land is virtually worthless as far as viticulture and fresh produce is concerned.

It is therefore incumbent on the administration of the Municipality to ensure that the limited land currently available is optimized for the benefit of the community as a whole without taking away from the historical heritage which ensures economic progress.

4.3 Sustainable development

Implicit in the concept of sustainable development is the requirement that a broader view of the Stellenbosch economy is always at the forefront of the process; the town and surrounds are highly dependent on the historical heritage and tourism and agriculture which are the main sources of job creation.

Sustainability in this instance implies the use of land to feed urban residents and to provide for additional economic value, but not to harm the aesthetic appearance and ambiance of the countryside which is the attraction for tourism income.

Due regard for the scarcity of water and prudent use of other resources together with the application of innovative new methods of farming lies at the bottom of these efforts.

Recognition should be given to the wealth of farming experience on the one hand but a lack of business acumen on the other which should direct any training efforts towards access to markets and proper planning for the longer term. It is also essential that new farmers pool their resources to obtain maximum value for their produce.

As the right Partner can add immeasurable value to particularly HDI beneficiaries it is incumbent on the Operational Committee to facilitate, where possible, that such a Partner is introduced and that the required steps is followed to ensure that an equitable arrangement is reached with the HDI not forfeiting more than 49% of the shares.

4.4 Council powers

The Council is permitted to:

- 4.4.1 Reserve and manage immovable property in its ownership for municipal purposes in a manner that supports its strategic objectives and permit such property to be enclosed and cultivated.
- 4.4.2 Reserve and manage immovable property in its ownership for municipal purposes aligned with operational needs.
- 4.4.3 Acquire immovable property and rights in property by way of private treaty, cession, donation and expropriation to support its strategic objectives.
- 4.4.4 Alienate immovable property and rights in property by way of direct sale, public tender, auction and donation.
- 4.4.5 Let immovable property in its ownership on a long term or short term basis by way of direct negotiation or public tender.

- 4.4.6 Acquire, use or dispose of any capital assets owned by the Municipality, unless it is precluded from so doing by law or the conditions under which such immovable assets were acquired by the Municipality.

4.5 Guidelines for land allocation

The Policy prescribes the following guidelines to be followed by Council for the allocation and management of municipal agricultural land within the framework of compliance with the applicable legislation and regulations:

- 4.5.1 In a bid for municipal agricultural land, where bidders are equally competitive; preference will be given to HDIs.
- 4.5.2 In this event cognisance should be taken of Chapter 7 of the Draft policy on the Management of Municipal Immoveable property that deals with “preference points”.
- 4.5.3 4.5.3. Special affirmative measures towards HDI’s may be applied by the Municipality to ensure fairness in the disposal process of agricultural land in accordance with the Preferential Procurement Regulations.
- 4.5.4 Ensure the protection or advancement of persons, or categories of persons, disadvantaged by previous unfair discrimination.
- 4.5.5 Market forces will always be the point of departure in any land or property transaction and this must be recognised and acknowledged.
- 4.5.6 Preference will be given to bids that support economic development initiatives on a macro scale, including tourism initiatives;
- 4.5.7 May enter into Public Private Partnership agreements but only in accordance with the provisions of Section 120 of the MFMA.
- 4.5.8 Aim to redress past land ownership patterns to reflect the population demographics of the Municipality.
- 4.5.9 Council reserves the right not to dispose of any portion of land.

4.5.10 Compliance with the Local Agenda 21 principles of sustainable development and environmental preservation.

4.5.11 Council will respect all current ownership and other vested rights to property.

Current long term lease agreements pertaining to agricultural land should be revisited, especially where land is not currently being optimally used, with the aim of achieving socio-economic development, providing access to land for eligible emerging farmers and in fulfilling council's strategic objectives. Local Economic Development should therefore on a continuous basis verify that land allocated on long term leaseholds to established farmers; industry and other bodies is used for the purpose for which it was allocated on a regular basis.

4.6 Institutional & Governance Structure

While the details can be worked out when appropriate, the institutional structuring for the implementation of this draft policy will consist of the following:

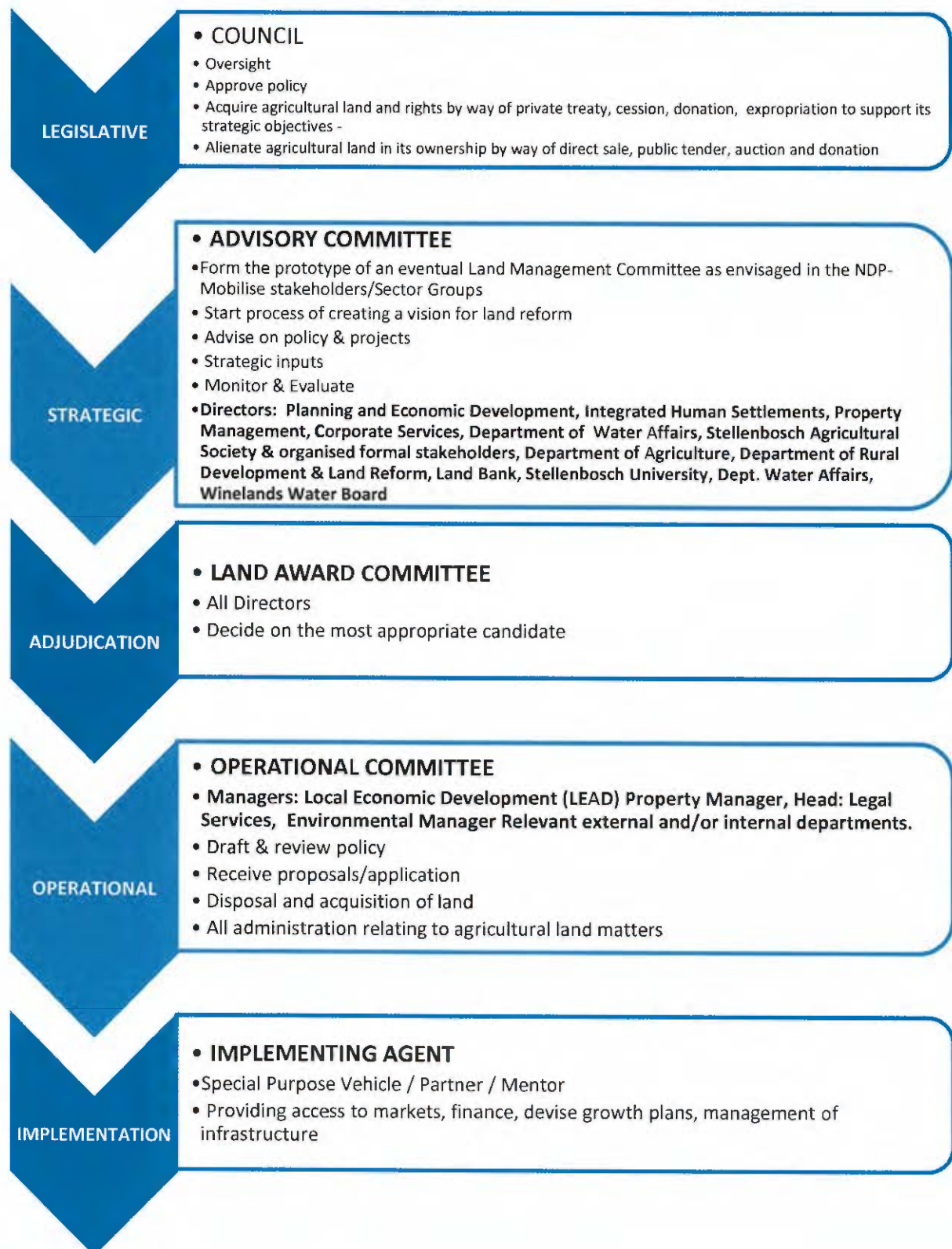


Figure 1: Institutional & Governance Structure

4.6.1 Compilation of a Strategic Advisory Committee:

It is suggested that a Committee be established to play a key role in municipal agricultural land administration and management in line with the applicable legislation as explained in section 3. The committee should ideally comprise of:

- The Municipal Manager (or assigned)
- Director: Planning and Economic Development (including officials from LED),
- Director: Integrated Human Settlements and Property Management (including officials from Property Management)
- Senior Legal Advisors of Legal Department;
- Western Cape Department of Agriculture;
- Department of Water Affairs
- Winelands Water Board
- Stellenbosch University
- Department of Rural Development and Land Reform
- Special Purpose Vehicle
- Organised stakeholders with formalised relationships, e.g. Agricultural Society
- Any other relevant stakeholder as approved by the Municipal Manager

Guided by the Policy principles as stated earlier, the responsibilities of the Strategic Advisory Committee are varied and include the following:

- Providing strategic land access management and information to Council (among others)
- Changing the existing land ownership patterns whilst respecting and upholding current property rights. This should be undertaken by terminating current leases where municipal agricultural land is not currently being used optimally;
- Ensure the productive and sustainable use of land to attain both household and food security as well as increase agricultural output;
- Provide sound and competent advisory service regarding municipal agricultural land allocations and matters of access;
- Identify where to acquire land from and identify eligible occupants based on specified criteria
- Ensure compliance with the relevant strategic plans, policies and legislation;
- Ensure equitable balance between interests of the public,
- Ensure that inter-departmental and inter-sectorial cooperation and alignment takes place;
- Ensure alignment with National Development Plan, Municipal Integrated Development Plan, Municipal Spatial Development Framework and other relevant development plans;
- Supporting the formulation and implementation of limitations on land holdings and monitor ownership patterns in the Stellenbosch Municipal area;

Coordinate the municipal agricultural land allocation system to ensure the success of implementing this policy;

4.6.2 Compilation of an Operational Committee

Guided by the Policy principles as stated earlier, the responsibilities of the Operational Committee are varied and include providing land administration and information to the Strategic Advisory Committee. It is recommended that the following departments form part of the Operational Committee:

- Property Management
- Local Economic Development
- Legal Services
- Environmental Management

The functions of this Committee will be to:

- Facilitate partnerships between established and emerging farmers, industry and government to facilitate investment, sustainability and efficiency of farming enterprises.
- Coordinate local support services.
- Receive and review land applications and/or proposals in terms of principles and specified criteria as set out in this policy and the applicable legislation.
- Maintain a database or register of land inventory and conduct a land audit periodically.

4.7 Criteria to obtain access to land

Rural development and land reform are not municipal functions per se; however, rural development has a spatial dimension and is implemented in municipal spaces. Therefore, the role of local government cannot be overemphasized.

As the custodian to relatively large tracts of land, Stellenbosch can make a meaningful contribution to Government's efforts to correct disparities in land use as a result of policies of a previous dispensation. The Municipality has a core responsibility to acquire and avail land, in the first instance, for its own use for purposes of developing and maintaining municipal infrastructure, promoting service delivery and for facilitating social and economic development and spatial integration.

The Municipality has a further responsibility in terms of acquiring, managing, developing and releasing its land and other immovable assets and rights on behalf of its residents and ratepayers. In this regard, the key consideration is that the best interests of the Municipality (and thus its residents) should be paramount in all land transactions that the Municipality enters into.

Beneficiaries will be selected from lists compiled from advertising in all the printed media in Stellenbosch. The advertisements will specify the size and type of land available and for which type of farming or land use the land is earmarked. Applicants for land lease must complete a set of documents obtainable from LED which will specify inter alia:

- What documents should be attached to the application (ID's etc.)

- Type of application (Cooperative, Trust or individual Farmer)
- Farming category: Community gardens; emerging farmers; commercial farmers
- Agricultural beneficiation: Development or use of existing or agreed infrastructure for value adding by refinement, bottling, packaging, processing, etc.
- A business plan covering:
 - Proposed business model
 - Production viability
 - Market access
 - Financial Viability
 - Support Services
 - Financial model.
- Further criteria as occasioned by the needs of the specific project, which may include, where appropriate:
 - A residential requirement (e.g. must have been a resident of Stellenbosch for a period of 10 years or more);
 - Experience in farming and/or business management at an appropriate level;
 - A means test income requirement;
 - Monthly cash flow or banking statements
 - Assets owned without encumbrance
 - Assets available but encumbered
 - Partnership and cooperation with a mentor if required;
 - Attendance of human development opportunities as prescribed;
 - Compliance with the policies of the Municipality and other applicable legislation and with the rules and regulations as set out by the Municipality from time to time.
- The criteria and process to be determined by the Municipal Manager and may vary on project to project basis based on the following principles:
 - Must be a South African citizen
 - Must be an adult.
 - Must be of a previous disadvantaged group
 - Must at least have been a permanent resident of Stellenbosch Municipal Area (minimum 5 years) on a sliding scale.
 - Must have a proven agriculture track record weighted by the fact that such a person have been employed in an overseeing capacity.
- Supply chain guidelines to be followed.

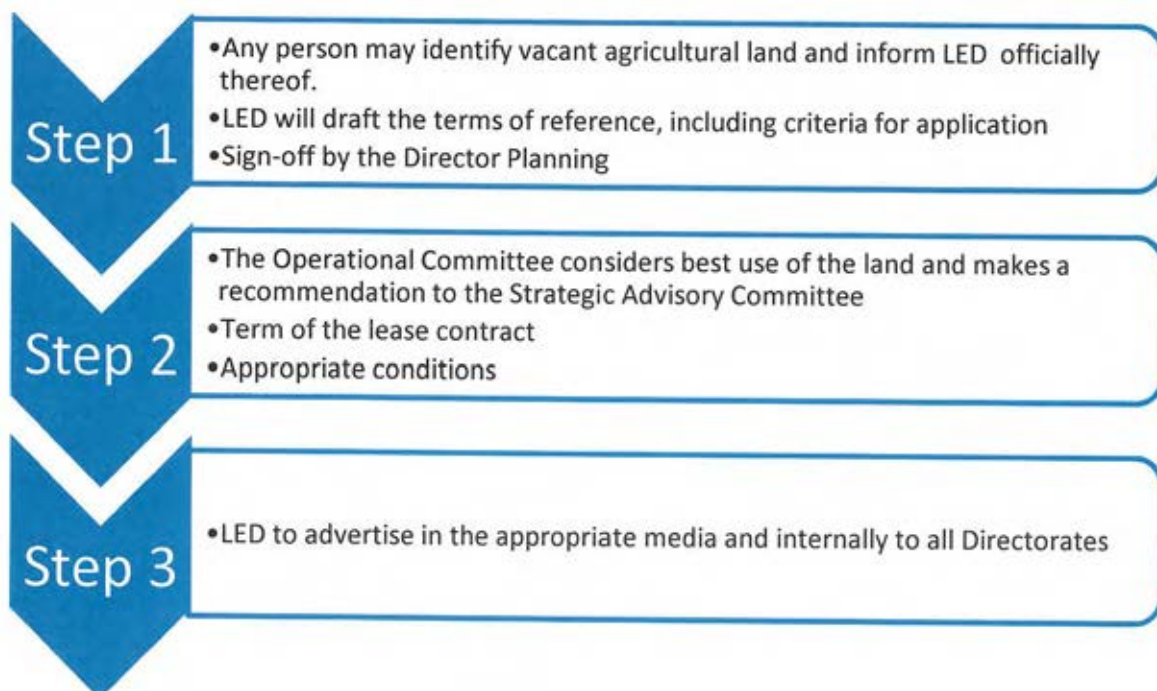
4.8 Exclusions

Land allocation will exclusively be made available for agricultural purposes and beneficiation of locally produced products. Due to the fact that the historical character and rural ambiance is important to maintain the status quo of Stellenbosch as destination of choice which is responsible for an important part of the local economy, all efforts must be made to conserve the natural environment. Unless by special decision of the Municipal Council, no agricultural land will be made available for industrial, residential, special nodal developments or any such developments that may take away from the charisma of the District or reduce farmland as a resource

- No permanent land rights for inefficient land users. Therefore continuous review, evaluation and increased productivity checks will be put in place;
- Immediate exclusion for any fraudulent activities by beneficiaries in application, during process or after allocation resulting in disqualification and prohibition of future participation (of the beneficiary or beneficiary group);
- Ensure land access only to capable, skilled, hardworking groups without farming activities in other regions of South Africa or internationally;
- Discourage speculative and unproductive land use.
- Save with prior approval, the municipal agricultural land may only be used for the purpose for which occupation was granted and purposes regularised by the relevant zoning schemes.

4.9 Process to acquire land or rights on agricultural land

The disposal of agricultural land and the awarding of rights in agricultural land will be dealt with in terms of this policy and the applicable legislation.



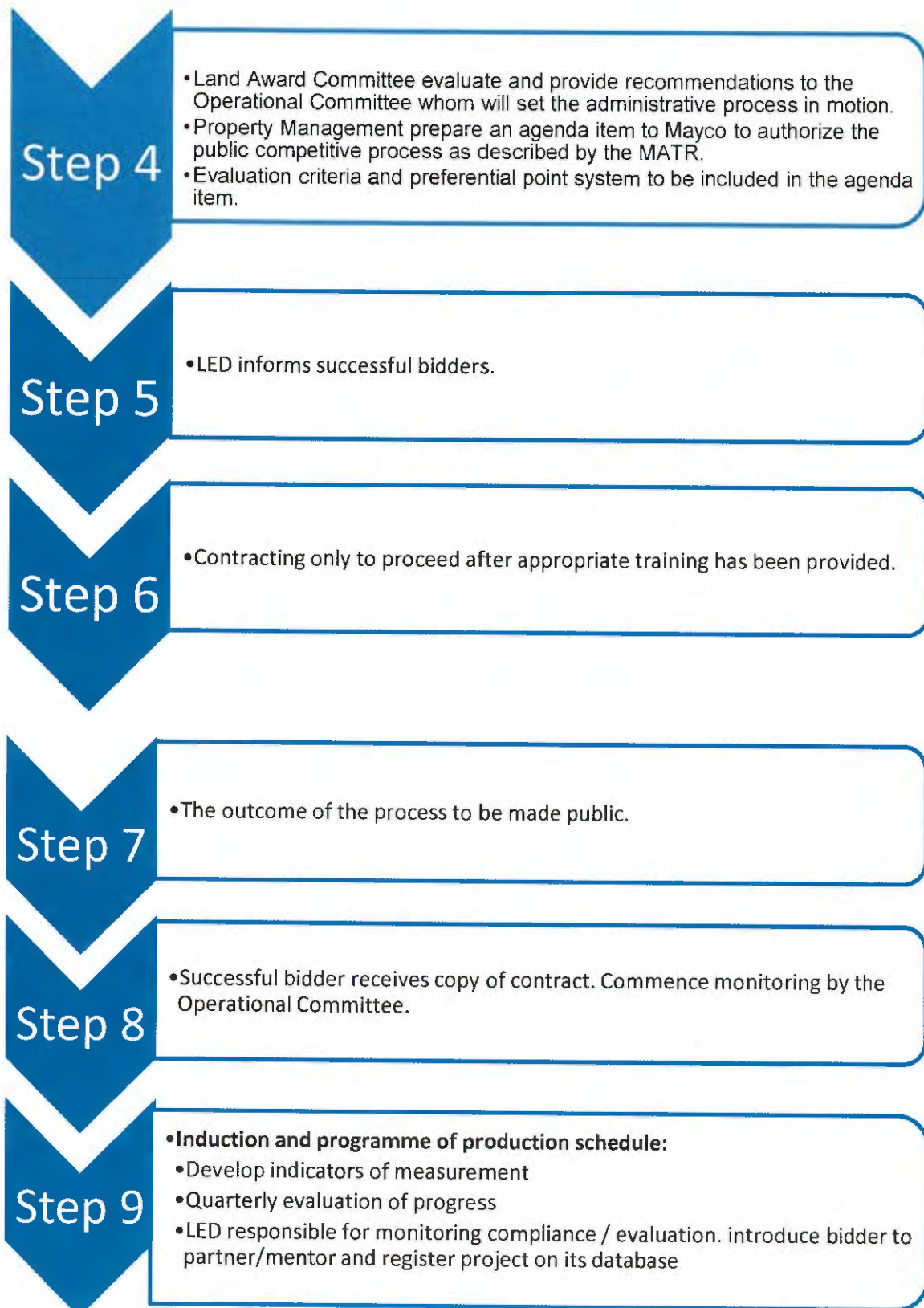


Figure 2: Process to acquire land or rights on agricultural land

4.10 Monitoring and evaluation

The municipality does not have the capacity to monitor and evaluate the progress of agricultural land and the farming practices in general. It is therefore imperative that Partners / Mentors must be found to assist in the process to not only mentor a new generation farmers but also take up the responsibility to oversee proper farming processes that is in the best interest of Stellenbosch.

It will however be in the best interest of Stellenbosch municipality to have its own database of Partners / Mentors and therefore LED will set a process in motion to identify willing and able persons, with expertise not only in agriculture, but also in other aspects (e.g. beneficiation) relating to farming enterprises.

4.11 Policy Review process

- This Policy shall come into effect on the date of the Council resolution;
- This Policy may be reviewed annually and when required by way of Council resolution.

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6 ANNEXURE A: Municipal land under leasehold

6.1 Land currently under long term leasehold

Property description	Size	Lessee	Contract Period
29	40 ha, no water	Vacant	
165/1	0,14 ha, no water	Vacant	
165/1A	10,5 ha, no water	Vacant	
183	1,55ha, no water	Vacant	
183A	35.54 ha, 12,0 ha water	W.S Smit Boerdery (Edms) Bpk	01/04/1994- 31/03/2044
183B	11 ha, 3 ha water	W.S Smit Boerdery (Edms) Bpk	01/04/1994- 31/03/2044
183C	8,5 ha, 2 ha water	W.S Smit Boerdery (Edms) Bpk	01/04/1994- 31/03/2044
183D	24 ha, 8 ha water	Joretha Boerdery	01/04/1994- 31/03/2044
183E	21,84 ha, 7 ha water	Devon Valley Boerdery (Edms) Bpk	01/04/1994- 31/03/2044
183F	8,13ha, 3 ha water	Devon Valley Boerdery (Edms) Bpk	01/04/1994- 31/03/2044
183G	0,43 ha, No water	Devon Valley Boerdery (Edms) Bpk	01/04/1994- 31/03/2044
183/23	20,5 ha, 8 ha water	W.S Smit Boerdery (Edms) Bpk	01/04/1994- 31/03/2044
203/2A	4,36 ha, 2 ha water	Devon Valley Boerdery (Edms) Bpk	01/04/1994- 31/03/2044
279A	6,8 ha, 5 ha water	Asara Properties (Pty) Ltd	01/04/1994- 31/03/2044
279BN	25,3 ha, no water	Vacant	
279D	5 ha, no water	Vacant	
295/3	70,4 ha, 10 ha water	Stellenbosch Golf Club	20/12/1994- 31/03/2041
Remainder Erf 376			
Remainder Erf 9190			
352/2	.0297 ha, no water	Okkie Jooste Kampterrein	24/03/1934-23/03/2033
352/2 other	174,8 ha, no water	MTO	24/03/1934-23/03/2033
368/2	3,5 ha, no water	Vacant	
369/C	3,5 ha, no water	Vacant	
369F	8,5 ha, 2,5 ha water	Paradyskloof Boerdery (Edms) Bpk	01/04/1991-31/03/2041
369P	60,5 ha, 25 ha water	KWV (Pty) Ltd	01/04/1991-31/03/2041
369T	1,2 ha, no water	Paradyskloof Tennis Club	21/06/1999-20/06/2041
369U	0,31 ha, 0,1 ha water	Paradyskloof Boerdery (Edms) Bpk	01/04/1991-31/03/2041
369V	2,84 ha , 0,9 ha water	Paradyskloof Boerdery (Edms) Bpk	01/04/1991- 31/03/2041
369W	38,1 ha, 11,4 ha water	Paradyskloof Boerdery (Edms) Bpk	01/04/1991 31/03/2041
377A	9,42 ha, no water	Vacant	
377B	16,27 ha, no water	Goedvertrouw (Kirsten)	01/04/2007-31/03/2032
377C	36 ha, 10 ha water (Originally 39,4ha see erf 9190)	J.P Roux & Son	01/09/1999-31/03/2041
Lease Area 2 of over Rem Erf 9190 (Originally part of 377 C)	3,4 ha, no water	J.P Roux & Son	01/09/1999-31/03/2041
Lease area 1	16,2241 ha, 12 ha water	Blaauwklippen Agricultural	01/09/1999-31/03/2041

over Rem		Estate	
Farm 377 (Originally part of 377F)			
Portion 13 of 491/1	11,36 ha, 5 ha water	Spier Holdings (Pty) Ltd (Newshelf 31 (Pty) Ltd	01/04/1999-31/03/2041
502AA	11,1 ha, 6 ha water	Spier Holdings (Pty) Ltd (Newshelf 31 (Pty) Ltd	01/04/1999-31/03/2041
502AB	17,5 ha, 9 ha water	Spier Holdings (Pty) Ltd (Newshelf 31 (Pty) Ltd	01/04/1999-31/03/2041
502AC	3,5 ha, 1 ha water	Roulou Boerdery Trust	01/04/1999-31/03/2041
502AD	8 ha, 3 ha water	Roulou Boerdery Trust	01/04/1999-31/03/2041
502AE	27,4 ha, 8 ha water	Roulou Boerdery Trust	01/04/1999-31/03/2041
502AF	14,1 ha, 4 ha water	Roulou Boerdery Trust	01/04/1999-31/03/2041
502AG	13,3 ha, 4 ha water	Roulou Boerdery Trust	01/04/1999-31/03/2041
502AH	7,2 ha, 2 ha water	Roulou Boerdery Trust	01/04/1999-31/03/2041
502AJ	10,7 ha, 3 ha water	Roulou Boerdery Trust	01/04/1999-31/03/2041
502AK	22,5 ha, 8 ha water	Poker Hill Vineyards (Pty) Ltd	01/04/1999-31/03/2041
502AL	13,5 ha, 4 ha water	Poker Hill Vineyards (Pty) Ltd	01/04/1999-31/03/2041
502AM	8,56 ha, 3 ha water	Vacant	
502AN	28,5 ha, 9 ha water	Paul Roos Boerdery (Edms) Bpk	
502AP	7 ha, 2 ha water	Vacant	
502AQ	8 ha, 3 ha water	Paul Roos Boerdery (Edms) Bpk	
502AR	4 ha, 1 ha water	Paul Roos Boerdery (Edms) Bpk	
502AS	26,5 ha, no water	H. W. Gebers	
502AU	8,9ha, no water	Vacant	
205AW	6 ha, no water	Vacant	
502AX	6,96 ha, 2,3 ha water	R Myburgh Boerdery	01/04/1991-31/03/2041
502AY	4,28 ha, 1,3 ha water	H.C Myburgh Boerdery	01/04/1991-31/03/2041
502BB	18,84 ha, 6 ha water	Roulou Boerdery Trust	01/04/1991-31/03/2041
502BC	8,5 ha, 2,5 ha water	H.C Myburgh Boerdery	01/04/1991-31/03/2041
502BD	8,5 ha, 3 ha water	Roulou Boerdery Trust	01/04/1991-31/03/2041
502BE	11 ha, 4 ha water	Roulou Boerdery Trust	01/04/1991-31/03/2041
502BFN	15,5 ha, 6 ha water	Vacant	
502BH	65,5 ha, 26 ha water	Organic Small Farm Holding Trust	01/04/1991-31/03/2041
505BJ	5,9 ha, 3 ha water	Limberlost Berry Farm	01/04/1991-31/03/2041
502BK	72 ha, 22 ha water	Roulou Boerdery Trust	01/04/1991-31/03/2041
502BL	12 ha, 4 ha water	Medi-Prop cc	01/04/1991-31/03/2041
502BM	5,35 ha, 1 ha water	Vacant	
502E	15,5 ha, 5,2 ha water	Gielie Hanekom Trust	01/04/1991-31/03/2041
502L	28,2 ha, 2 ha water	Stellenbosch Vliegveld Maatskappy	01/04/1991-31/03/2021
502M	5,1 ha, 3 ha water	Higgs Trust (Pty) Ltd	01/04/2002-31/03/2041
502N	4,2 ha, 1,5 ha water	Stellenbosch District Riding Club	01/04/1991-31/03/2021
502R	28,8 Ha, 8 ha water	Roulou Boerdery Trust	01/04/1991-31/03/2041
502S	23,6 ha, 7,9 ha water	Gielie Hanekom Trust	01/04/1991-31/03/2041
502T	11,3 ha, 3,8 ha water	Gielie Hanekom Trust	01/04/1991-31/03/2041
502V	21,6 ha, 8 ha water	Vacant	
502W	9 ha, 3 ha water	Gielie Hanekom Trust	01/04/1991-31/03/2041
502X	7,8 ha, 2 ha water .6855ha – sub-leased	Die Groothoek Trust Sub-lease of 6855 ha to Stellenbosch Restaurant CC	01/04/1991-31/03/2041
527A	2 ha, 1ha water	G.J.C Norval	
527E	14,78 ha, 7 ha water	Blaauwklippen Agricultural	01/09/1999-31/03/2041

		Estate	
527F	53,5 ha, 8 ha water	Redlex 421 (Edms) Bpk	01/04/1991- 31/03/2041
527J	28,3 ha, 9 ha water	Nietbegin Boerdery	01/04/1991- 31/03/2041
528A	20,3 ha, 2 ha water	Mountain Breeze Caravan Park	01/04/1991- 31/03/2021
529C		cc	
529A	51,7 ha, 25 ha water	P.G Du Toit Boerdery	01/04/1991- 31/03/2041
529B	17,4 ha, 9 ha water	Redlex 421 (Edms) Bpk	01/04/1991- 31/03/2041
619/1	26 ha c/water	Vacant	
1024/1	43,7 ha, no water	Franschoek Trust	11/08/2012
Franschoek			
1135/1	127,2 ha, no water	Theewater Bevaria	20/06/2032
Lease area 1 over Rem Erf 9190 (Originally 377F)	6,418 ha, no water	Blaauwklippen Estate	Agricultural 01/09/1999-31/03/2041
Total leased	1 416.79ha		
Total vacant	286.34 ha		
Total	1703.13 ha		

6.2 Current vacant land

Property Description	Size	Total	Water
29(26)	40 ha No water	40	
165/1A	10.5 ha No water	10.5	
165/1B	0.14 ha No water	0.14	
279BN	25.3 ha No water	25.3	
368/2	20ha	20	
369/C	3.5 ha No water	3.5	
377A	9.42 ha No water	9.42	
502AM	8.56 ha 3 ha water	8.56	3
502AP	7 ha 2 ha water	7	2
502AU	8.9 ha No water	8.9	
502AW	6 ha No water	6	
502BFN	15.5 ha 6 ha c/water	15.5	6
502BM	5.35 ha 1 ha water	5.35	1
502V	21.6 8 ha water	21.6	8
619/1	26 ha c/water	26	
Total		207.77 Ha	20 Ha

6.3 Stellenbosch municipal land under Empowerment projects

Farm Number	Size (approximate)	Owner	Water available
377c	36 Ha	Eerste Oorkant Boerdery	10 ha water
2/9190	3.4 Ha	Eerste Oorkant Boerdery	No water
502 AX	TBC	TBC	TBC
502AY	TBC	TBC	TBC
502BC	TBC	TBC	TBC
502BH	65 Ha	Organic Small Farm Holding Trust	26ha water
502BL	12 Ha	Medi Prop	4ha water
502M	5.1 Ha (60%)	Higgs Trust (Pty) Ltd J de Munk	3 ha water
527F	53.5 Ha (51%)	Redlex 421 (Edms) Bpk	8ha water
529B	17.4 Ha (51%)	Redlex 421 (Edms) Bpk	9ha water
Total	212.16 Ha		

7.7 PROPOSED POLICY ON THE MANAGEMENT OF STELLENBOSCH MUNICIPALITY'S IMMOVABLE PROPERTY

File number : 7/P/5/Management of Stellenbosch Municipality's
Immovable Property

Compiled by : Director: Human Settlements and Property
Management

Report by : Municipal Manager

Delegated Authority : Council

Strategic intent of item:

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

1. PURPOSE OF REPORT

To consider the Draft Policy on the Management of Stellenbosch Municipality's Immovable Property.

2. BACKGROUND

Before the enactment of the Municipal Finance Act, No 56/2003 (MFMA) the disposal of Municipal Property was governed by Section 124 of the Municipal Ordinance, No 20 of 1974 and the directive(s) issued in terms thereof (circular LDC 4/1993). With the enactment of the MFMA in 2003, especially section 14 thereof, a new era dawned insofar as the disposal of Municipal (fixed) assets are concerned.

There were, however a number of uncertainties regarding the interpretation/applicability thereof, respectively taking into account that section 124 of the Municipal Ordinance was not repealed at that stage. (It has subsequently been repealed).

There was also uncertainty as to the applicability of the Preferential Procurement Policy Framework Act, No 5/2000 and the subsequent Preferential Procurement Regulations of 2001, insofar as it relates to the sale and letting of municipal immovable assets.

The Municipal Asset Transfer Regulations (August 2008) and New Preferential Procurement Regulations (2011), however provided much anticipated clarity on a number of issues.

Although the Municipal Asset Transfer Regulations deals in detail with the various aspects of Disposal Management, there are still grey areas which are not covered by the Regulations.

4. DISCUSSION

4.1 Legal Requirements

4.1.1 Constitution

4.1.1.1 Objects of Local Government

In terms of Section 152(1), the objects of local government are (*inter alia*):

- to provide accountable government for local communities;
- to ensure the provision of services to communities in a sustainable manner;
- to promote social and economic development; and
- to encourage the involvement of communities in the matters of local government.

4.1.1.2 Developmental duties of municipalities

In terms of section 153, a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community.

4.1.1.3 Bill of Rights

(a) Equality

In terms of section 9 everyone is equal before the law and has the right to equal protection. Equality includes the full and equal enjoyment of all rights and freedoms.

To promote the achievement of equality, legislative and other measures designated to protect or advance persons or categories of persons, disadvantaged by unfair discrimination may be taken.

(b) Just administrative action

In terms of section 33, everyone has the right to administrative action that is lawful, reasonable and procedurally fair.

(c) Property

In terms of section 25(1), no one may be deprived of property, except in terms of law of general application, and no law may permit arbitrary deprivation of property.

Subsection (2) allows for the expropriation of land in terms of law of general application for a public purpose or in the public interest. Public interest includes the nation's commitment to land reform, and to reforms to bring about equitable access to all South Africans natural resources.

In terms of subsection (5), the state must take reasonable legislative and other measures to foster conditions which enable citizens to gain access to land on an equitable basis.

In terms of subsection (8), no provision of section 25 may impede the state from taking legislative and other measures to achieve land reform, in order to redress the results of past racial discrimination.

4.1.2 Local Government: Municipal Finance Management Act, No 56/2003

4.1.2.1 Disposal of Capital Assets

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*.

*"Basic municipal service" is defined as a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment.

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.

In terms of subsection (5), any transfer of ownership of a capital asset in terms of this section must be **fair, equitable, transparent, competitive** and consistent with the municipality's supply chain management policy (still to be developed).

4.1.2.2 Supply Chain Management

Section 62(1)(f)(iv) requires that the municipal manager must ensure that the municipality has and implements a supply chain management policy in accordance with Chapter 11 of the Act, which allows managers to manage, and make them more accountable.

In terms of section 112, the supply chain management policy of a municipality must, *inter alia*, comply with a prescribed regulatory framework*, which must cover (*inter alia*) the following:

- the range of supply chain management **processes** that may be used, including tenders, quotations, auctions and other types of competitive bidding;

-
- when a municipality may or must use a particular type of process;
 - procedures and mechanisms for each type of process;
 - procedures and mechanisms for more flexible processes where the value of a contract is below a prescribed amount;
 - open and transparent pre-qualification processes for tenders or other bids;
 - competitive bidding processes in which only pre-qualified persons may participate.

In terms of subsection (2) such a regulatory framework must be fair, equitable, transparent, competitive and cost effective.

*"Prescribed" is defined as prescribed by regulation in terms of section 168 of the MFMA. In this regard the Minister has published the Municipal Supply Chain Management Regulations.

4.1.3 Supply Chain Management Regulations (G.N.868/2005)

In terms of Section 40, a Municipality's Supply Chain Management Policy must provide for an effective system of disposal management for the disposal or letting of assets.

4.1.4 Municipal Asset Transfer Regulations (MATR)

The purpose of the Regulation is to give effect to the enabling provisions in the MFMA and to regulate all transfers and disposals of municipal assets, including transfers to private sector parties, other municipalities, municipal entities and national and provincial organs of state and the granting of temporary rights to use municipal assets (such as the leasing of assets).

4.1.5 Preferential Procurement Regulations

The new Preferential Procurement Regulations were promulgated on 8 June 2011. In terms hereof a new preference point system "*for acquisition of services, works or goods*" comes into operation on 7 December 2011, i.e. the Regulations is therefore not applicable insofar as it relates to the disposal of immovable property.

4.2 PROPOSED POLICY

4.2.1 Scope and Purpose

The purpose of the Policy is to provide a framework for the management and disposal of the municipality's land and other immovable capital assets that are not needed to provide the minimum level of basic municipal services and that are surplus to the municipality's requirements.

Hereto attached as **APPENDIX 1** is a copy of the Draft Policy on the Management of Stellenbosch Municipality's Immovable Property.

This Policy should be regarded as Stellenbosch Municipality's Disposal Management Policy (Section 40 of the Supply Chain Management Regulations), and once approved, will replace Chapter 5 of the Municipality's Supply Chain Management Policy, insofar as it relates to **immovable** assets.

4.2.2 Preference point system

Although municipalities are not obliged to implement a preference point system when disposing of immovable property or when awarding rights in immovable property, the achievement of equality is a fundamental goal to be attained. The policy therefore provides for a preference point system. The objectives of the preferred points system are to:

- (a) promote broad-based black economic empowerment;
- (b) promote the redress of current, skewed land ownership patterns;
- (c) enhance the economy of the municipal area;
- (d) give preference to marginalised groups in the society, including women and people with disability;
- (e) give preference to people residing in the municipal area;
- (f) ensure that the most appropriate developments take place; and
- (g) further an integrated approach to development.

4.2.3 Management of competitive bids

For Property transactions above a contract value of R1 000 000-00 or where the Municipal Manager deems it appropriate, taking into account the specific nature of the transaction, the Policy provides for the establishment of committees for the preparation of bid documents, the evaluation and adjudication of such bids.

4.2.4 Deviations

In terms of the policy the disposal of viable immovable property shall be affected-

- (a) by means of a process of public competition; and
- (b) at market value,

except when the public interest or the plight of the poor demands otherwise.

The policy however also provides for deviations:-

- (a) in respect of non-viable properties; and
- (b) in cases of emergency; specific circumstances, exceptional cases, where it is impractical or impossible, and other circumstances where the Municipal manager authorise such deviations.

In such circumstances the Municipal Manager must report such deviations to Council and must first advertise Council's intention so to act.

4. INPUTS BY OTHER DEPARTMENTS

4.1 CFO

The recommendations contained in this report are supported.

4.2 Legal Services

The inputs received from the legal department have been implemented.

5. CONCLUSION

The Draft Policy is needed to provide a framework for the future management of the municipality's immovable property.

RECOMMENDED

- (a) that the Draft Policy on the Management of Stellenbosch Municipality's immovable property, as per **APPENDIX 1**, be approved;
- (b) that Chapter 5 of the Supply Chain Management Policy be repealed insofar as it relates to immovable property; and
- (c) that the attached Policy be regarded as Stellenbosch Municipality's Disposal Management Policy, as required by Section 40 of the Supply Chain Management Regulations.

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

**ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE
MEETING: 2013-10-07: ITEM 6.1.6**

RECOMMENDED

- (a) that the proposed Policy on the Management of Stellenbosch Municipality's immovable property, as per **APPENDIX 1**, be approved by Council as a Draft Policy, subject to a public participation process;
- (b) that Chapter 5 of the Supply Chain Management Policy be repealed insofar as it relates to immovable property; and
- (c) that the attached Policy be regarded as Stellenbosch Municipality's Disposal Management Policy, as required by Section 40 of the Supply Chain Management Regulations.

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

MAYORAL COMMITTEE MEETING: 2013-10-16: ITEM 5.1.4**RESOLVED** (nem con)

- (a) that this matter be referred back to allow the Administration to conduct a workshop on this matter and to allow the Chief Financial Officer to peruse the document with the view of submitting inputs; and
- (b) that this matter be resubmitted to this Committee during November 2013 for consideration and subsequent recommendation to Council following the above-mentioned workshop.

**(ACTING DIRECTOR: HUMAN SETTLEMENTS AND
PROPERTY MANAGEMENT TO ACTION)****FURTHER COMMENTS BY THE MANAGER: PROPERTY MANAGEMENT**

Following the above resolution, the Policy was workshopped and discussed with the Chief Finance Officer. Find attached hereto as **APPENDIX 1** an updated version of the Policy following the above workshop and inputs by the Chief Financial Officer.

RECOMMENDED

- (a) that the proposed Policy on the Management of Stellenbosch Municipality's immovable property, as per **APPENDIX 1**, be approved by Council as a Draft Policy, subject to a public participation process;
- (b) that Chapter 5 of the Supply Chain Management Policy be repealed insofar as it relates to immovable property; and
- (c) that the attached Policy be regarded as Stellenbosch Municipality's Disposal Management Policy, as required by Section 40 of the Supply Chain Management Regulations.

**(ACTING DIRECTOR: HUMAN SETTLEMENTS AND
PROPERTY MANAGEMENT TO ACTION)****MAYORAL COMMITTEE MEETING: 2013-11-27: ITEM 5.1.2****RECOMMENDED BY THE EXECUTIVE MAYOR**

- (a) that the proposed Policy on the Management of Stellenbosch Municipality's immovable property, as per **APPENDIX 1**, be approved by Council as a Draft Policy, subject to a public participation process;
- (b) that Chapter 5 of the Supply Chain Management Policy be repealed insofar as it relates to immovable property; and

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- (c) that the attached Policy be regarded as Stellenbosch Municipality's Disposal Management Policy, as required by Section 40 of the Supply Chain Management Regulations.

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

17TH COUNCIL MEETING: 2014-01-16: ITEM 7.4

RESOLVED (nem con)

that the Policy be referred back to the Administration, inter alia, to consider the lease of agricultural land as a separate chapter as very particular criteria should be taken into account.

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

**FURTHER COMMENTS BY THE ACTING DIRECTOR: HUMAN
SETTLEMENTS AND PROPERTY MANAGEMENT**

The Manager: Property Management will report verbally at the meeting in this regard.

FOR CONSIDERATION

MAYORAL COMMITTEE MEETING: 2014-04-16: ITEM 5.1.2

RECOMMENDED BY THE EXECUTIVE MAYOR

- (a) that the proposed Policy on the Management of Stellenbosch Municipality's immovable property, as per **APPENDIX 1**, be approved by Council as a Draft Policy, subject to a public participation process;
- (b) that Chapter 5 of the Supply Chain Management Policy be repealed insofar as it relates to immovable property;
- (c) that the attached Policy be regarded as Stellenbosch Municipality's Disposal Management Policy, as required by Section 40 of the Supply Chain Management Regulations; and
- (d) that the Administration, concurrently with the above process, be tasked to draft an Agricultural Land Reform Policy, following a workshop involving all relevant stakeholders for subsequent consideration by Council.

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

19TH COUNCIL MEETING: 2014-04-23: ITEM 7.3

During debate on the matter, Councillor DA Hendrickse requested a point of explanation, which the Speaker denied. Councillor Hendrickse then requested a reason why his point of order was denied because the Rules of Order allowed it. The Speaker then gave his reason why he denied Councillor Hendrickse's point of explanation. While voting on the matter, Councillor Hendrickse again asked for a point of explanation, which the Speaker again denied. Councillor Hendrickse again asked why his point of explanation was denied and why he is not allowed to explain, whereby the Speaker requested Councillor DA Hendrickse to leave the Council Chamber. The Speaker then requested the law enforcement officials to remove Councillor DA Hendrickse from the Council Chamber, whereby Councillor DA Hendrickse left the Chamber at 16:35.

RESOLVED (nem con)

- (a) that the proposed Policy on the Management of Stellenbosch Municipality's immovable property, as per **APPENDIX 1**, be approved by Council as a Draft Policy, subject to a public participation process;
- (b) that Chapter 5 of the Supply Chain Management Policy be repealed insofar as it relates to immovable property;
- (c) that the attached Policy be regarded as Stellenbosch Municipality's Disposal Management Policy, as required by Section 40 of the Supply Chain Management Regulations; and
- (d) that the Administration, concurrently with the above process, be tasked to draft an Agricultural Land Reform Policy, following a workshop involving all relevant stakeholders for subsequent consideration by Council.

**(ACTING DIRECTOR: HUMAN SETTLEMENTS AND
PROPERTY MANAGEMENT TO ACTION)****COMMENTS BY THE MANAGER: PROPERTY MANAGEMENT****1. Notice calling for public inputs/comments**

Following the above decision by Council, notices were published in the Eikestad News and Paarl Post of 15 May 2014, calling for public inputs/comments by not later than 17 June 2014. A copy of the notice is attached as **APPENDIX 1**.

At the closing date two sets of comments/inputs were received; that of the Friends of Stellenbosch Mountain (FSM) hereto attached as **APPENDIX 2** and the Stellenbosch Ratepayers Association (SRA), hereto attached as **APPENDIX 3**.

Hereunder a discussion on the two sets of inputs/comments received.

2. Friends of Stellenbosch mountain

As indicated in their document, the inputs/comments received from the FSM focus on the role of the Green Economy and Green Growth, i.e. environmental management issues.

2.1 Sustainable development

The FSM rightfully highlighted the importance of a balanced approach, i.e a sustainable development approach when dealing with such an important portfolio of land. They further pointed out the importance of long-term sustainability *vis-à-vis* short term operational requirements. This was indeed the approach when compiling the policy.

In this regard Council's attention is specifically drawn to clause 6 (Guiding principles), which make it clear that the following principles and values should underpin Immovable Property acquisitions and disposals:

- (a) *The use of the Municipality's Immovable Property to promote social integration, to redress existing spatial inequalities, to promote economic growth, to build strong, integrated and dignified communities and to provide access to housing, services, amenities, transport and opportunities for employment.*
- (b) *The promotion of access by black people to the social and economic benefit of Immovable Property ownership, management, development and use.*
- (c) *The management of the Municipality's Immovable Property as a **sustainable resource**, where possible, by leveraging **environmental, social and economic** returns on such Immovable Property while the Municipality retains ownership thereof'.*

It is further important to note the content of clause 20, which deals with the "Most Appropriate Use Assessment", which must be done before any land is earmarked for disposal. Council's attention is specifically drawn to clause 20.2 and 20.3, which read as follows:

"20.2 The most appropriate use for a surplus property is one which achieves an optimum balance between the following three key elements of sustainable development:

- (a) *the **protection of ecological processes and natural systems**;*
- (b) *the **optimum financial return** to and economic development of the municipal area; and*
- (c) *the **enhancement of the cultural, economic, physical and social wellbeing of people and communities**.*

*20.3 **The three elements of sustainability will apply to all surplus Immovable Properties, however their significance and the relationships between them will vary for individual Immovable Properties**".*

2.2 Spatial categories and the law

The FSM suggested that the Policy must take into account and must implement the so-called bioregional planning categories and listed eco systems in the policy.

Although it is indeed important to take cognisance of the various pieces of environmental legislation, it must be emphasized that the purpose of the Draft policy is first and foremost a policy dealing with the management of municipal owned land and not a spatial planning document.

The Department does not agree with the proposal regarding the special categorisation of municipal land.

2.3 Environmental sustainability and the local economy

The department agree with most of the sentiments spelled out by the FSM and want to reiterate that this (sustainable development) was indeed taken serious when compiling the Draft Policy and when compiling the amendments. (2nd Draft)

The department also agree with the FSM statement that sustainability should not be viewed as a threat or irritating burden, but as an opportunity.

2.4 Specific proposals for amendments

Although a number of proposals have been taken up in the 2nd Draft policy, a number of suggestions however, could not be entertained. Council's attention is specifically drawn to paragraph 4.b.5 of the FSM's document, which suggested that the following be inserted as a new clause 2.3.3.

"The Municipality shall not transfer ownership of, or lease out an Immovable Property which

- a) *Hosts a threatened ecosystem as listed in terms of Section 52 (1) of the Biodiversity Act and the Government Notice GN 34809 or*
- b) *Is classified as a Core 1, Core2, or Buffer 1 area in terms of the Western Cape Provincial Spatial Development Framework unless such transfer or lease maintains or enhances the conservation status and environmental sustainability of such eco system or Area on that property, as **determined in a Record of Decision** of the NEMA Competent Authority in terms of the NEMA EIA Regulations".*

After having discussed this specific matter with the Head: Environmental Management, the following compromise proposal was included in the 2nd Draft Policy:

"The Municipality shall not transfer ownership of, or lease out for a period exceeding ten (10) years, any Immovable Property, or portion thereof which is classified as a Core 1, Core 2 or Buffer 1 area in terms of the Western Cape Provincial Spatial Development Framework unless it is satisfied that such

transfer or lease will at least maintain or enhance the conservation status and environmental sustainability of such eco system or Area on that property”.

According to the FSM Section 21.2.2.1, dealing with deviations, attempts to circumvent important checks and balances. They subsequently suggested the scrapping of a number of these deviations. Although this was never the attention of the Draft Policy to circumvent important checks and balances, the Department agree that some of the deviations could be misused.

Accordingly a number of deviations were indeed deleted in the 2nd Draft Policy, as suggested by the FSM. According to the FSM the Points System in Chapter 7 is deficient because they do not differentiate between the bioregional categories and disregard the environmental and sustainability aspects and legislation. They subsequently proposed a new Points System.

This department do not agree with this assumption/proposal.

3. Stellenbosch Ratepayers Association

3.1 Need for a Broad Strategic and Financial Outlook

A lot of emphasis is put on the issue of surplus property and the fact that Council has to decide thereon. It is further implied that the guiding principle must not be to sell immovable property, but to retain and utilise it for the welfare of future generations, by creating sustainable, additional income streams through joint venture, ect.

The department support this notion, but want to emphasise that it was never the intention of the policy to allow for “*asset stripping*” or the disposal of property “*to solve short term deficits or assist political agendas*” as alluded to in the SRA’s input. On the contrary, the Draft Policy is clear that the Municipality should use its Immoveable Property Portfolio as a sustainable resource. The municipality, however, also has an obligation to use its Immoveable Property Portfolio to redress social injustices and promote economic growth and access to housing. In this regard, please see the Guiding Principles contained in clause 6 (see par.2.1, *supra*).

3.2 Need for decision making at the highest level

This department agree that the management of the municipality’s Immoveable Property Portfolio called for “*wise minds and unbiased professional assistance*” and should definitely not be the job of so-called “*property management operatives*”. It is unclear why the assumption was made that the contrary is implied by the Draft Policy.

3.3 Need for public participation

This department agree that public participation is vital, as suggested by the SRA. For this purpose clause 16, dealing with mandatory consultation was specially inserted in the Draft Policy to deal with acquisition of property. The Asset Transfer Regulation, however, deals in detail with the public participation process insofar as it relates to the disposal of municipal owned property and awarding of rights in

Municipal property. For this reason a separate clause, dealing with public participation in general, were not inserted in the Draft Policy.

3.4 Need for a Holistic Approach

The SRA states that “*market forces cannot in all circumstances be the point of departure*”. This department agree with this. The Draft Policy is also very clear, where it states in clause 19.2.1.

“Unless otherwise provided for in this policy, the disposal of Viable Immovable Property shall be effected

- (a) *by means of a process of public competition; and*
- (b) *at market value **except when the public interest or the plight of the poor demands otherwise.***

Council’s intention is also draw to Chapter 7, dealing with a preference point System.

It is unclear why this issue is raised, creating the impression that the Draft Policy does not cater for exemption. Also see clause 44.2, which reads as follows:

“If the Municipality, on account of the public interest, particularly in relation to the plight of the poor, intends to Dispose of a Non-Exempted Immovable Property for less than market value it must take into account the following factors:

- (a) *the interests of the State and the local community;*
- (b) *the strategic and economic interests of the municipality, including the long-term effect of the decision on the municipality;*
- (c) *the constitutional rights and legal interests of all affected parties;*
- (d) *whether the interests of the parties to the transfer should carry more weight than the interest of the local community, and how the individual interest is weighed 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.*

3.5 Need for Integrated Planning

The Department agree with the statement that the Draft Policy “*cannot be dealt with as if standing apart from a raft of other Municipal, Provincial and National legislation*”. For this purpose clause 4.1 is clear:

*“The legislative framework for the management of the Municipality’s Immovable Property is contained in a **number of legislation, including but not limited to:***

- 4.1.1 *the MFMA, in particular section 14, which deals with disposal of capital assets (i.e Immovable Property as defined herein);*

4.1.2 the *MATR*, which governs –

a) the transfer and disposal of capital assets by municipalities and municipal entities; and

b) the granting by municipalities and municipal entities of rights to lease, use, control or manage capital assets”

Further, clause 20.4 states the following:

“In determining the most appropriate use of surplus properties, regard should be given to:

- (a) Spatial development framework(s);
- (b) Regional plans;
- (c) Sectoral studies/plans;
- (d) Government policies;
- (e) **Relevant legislation**; and
- (f) the views of interested and affected parties”.

3.6 Need for capacity

According to the SRA, after having “carefully considered” the Draft Policy, they came to the conclusion that there is a pressing need to provide the municipality with adequate capacity and suitably qualified personnel to carry out the important function of managing the municipality’s property portfolio.

This department agree with the notion that suitably qualified staff should be employed for this important function. It is, however not clear how the SRA concluded from the Draft Policy that the current staff is not adequately qualified.

3.7 Need to manage Risk

The reference to the 1988 statutory Guide Plan and the fact that Stellenbosch “cannot absorb much more development without destroying its asset” is unclear.

3.8 Need for consultation

This department agree that public participation is vital. For this purpose clause 16, dealing with mandatory consultation was specially inserted in the Draft Policy to deal with acquisition of property. The Asset Transfer Regulation, however, deals in detail with the public participation process insofar as it relates to the disposal of municipal owned property and awarding of rights in Municipal property.

The SRA concluded by stating that “in light of the above mentioned comments, the Draft Policy should be reviewed to address shortcoming”, but they do not offer/suggest any specific amendments.

4. Idas Valley Community Development Forum (IVCDF)

Hereto attached as **APPENDIX 4** is a copy of the inputs received from the IVCDF.

Although the comments/inputs received from the IVCDF was received after the closing date of 17 June 2014 (it was hand delivered on 9 July 2014), it was accepted.

4.1 Negative input/results the policy will cause previously disadvantaged communities of Stellenbosch

It is unclear why the IVCDF assume that the policy will have a negative input/result for the previously disadvantaged communities of Stellenbosch.

In the Preamble of the Draft Policy, it is stated clearly that "*the inequitable spread of ownership of Immovable Property throughout the municipal area and the historical causes thereof are recognised and the municipality acknowledge that it has a leading role to play in redressing these imbalances by ensuring that the Immovable Property assets under its control are dealt with in a manner that ensures the greatest possible benefit to the Municipality and the Community that it serves*"

In clause 6 of the Draft Policy, it is stated that the municipality "*should use its Immovable Property to:*

- a) *promote social integration, to redress existing spatial inequalities to promote economic growth, to build strong, integrated and dignified communities and to provide for access to housing, services, amenities, transport and opportunities for employment.*
- b) *to promote access by Black people to the social and economic benefit of Immovable Property ownership, management, development and use"*

For this reason the municipality has introduces a separate Chapter dealing with a Preference Point System, where provision is made, under certain circumstances of a 60/40 points system, meaning that as much as 40 points (out of a total of 100) can be allocated for PDI's.

4.2 It is a fact that previous disadvantaged communities have not enjoyed any benefit in the past

Although the Draft Policy acknowledge the injustices of the past, it is factually wrong to state that previously disadvantaged communities have not received any benefit from municipal land. Many housing projects were successfully implemented in the past, including projects in Idas Valley.

4.3 We cannot allow past apartheid legislation, policies and practices to be revived

This statement is totally unfounded and does not warrant further comment.

4.4 Citizens have the right to know what is happening under their noses

This department agree with this notion. As a matter of fact the Preamble to the Draft Policy states that the Municipality want to “*create a culture of accountability, openness and transparency in its administration and in the exercise of its power of the performance of its function, by giving effect to the right to just administrative action*”.

4.5 The majority of the population had to feed of the crumbs the municipality had to offer, a recent case in point being the open air gym in Ida’s Valley

This statement does not warrant further comments.

4.6 We refuse to participate in providing inputs into a unilaterally pre-authorised by-law

Noted.

4.7 At face value the proposed by-law (*sic*) appears to be just and equitable

This department agree with this comment; this was indeed the purpose of compiling the Draft Policy, to ensure a “*just and equitable*” dispensation when it comes to the management of municipal-owned property. In the Preamble to the Policy it is stated that “*Stellenbosch Municipality is required and committed to manage its Immovable Property in a fair, transparent and equitable manner*”.

4.8 Specific questions

4.8.1 Does the municipality currently have a by-law (dealing) with the management of property management)?

No. For this reason, the other 3 related questions are not applicable. As it is mentioned in clause 4 of the policy, the disposal of municipal assets is currently governed by the MFMA and ATR as well as other property related legislation (e.g. dealing with contracts).

4.8.2 What is meant by a large number of immovable properties?

During 2005 a comprehensive audit of all municipal-owned properties has been compiled. This information is available on request.

4.8.3 Will PDI’s have access to agricultural land?

Yes, if one look at the Preferential Points System, as much as 40 point will be allocated for PDI’s.

4.8.4 Explain “*greater possible benefit to the municipality and the community*”

As indicated in clause 3.2 of the Draft Policy, this means that “*the key consideration, when considering the acquisition, management development or disposal of municipal property, should be the best interest of the municipality (and thus its residents) rather than that of individuals should be paramount in all Immovable Property transaction that the municipality enters into*”

4.8.5 Does custodian not imply that ownership resides with someone else, and that they (the community) should be consulted in this matter?

Please note, however that "*Local Black people*" means Africans, Coloured and Indians, as referred to in the B-BBEE Act, No. 53 of 2005. Yes, indeed the community should be consulted. For this reason the Community was indeed given an opportunity to make input. Also note that elected politicians were part of the consultation process.

4.8.6 Do you agree that public meetings are the only form of participation?

No, this is one way of public participation.

4.8.7 Please unpack the intention of the Municipality in respect of BEE

The intention of the policy is clear, as already described in detail under paragraph 4. The term "BEE" is further described in the definition Section as "the economic empowerment envisaged by the BEE Act of all black people including women, workers, youth, people with disabilities and people living in rural areas through diverse but integrated socio-economic strategies that include, but are not limited to-

- (a) increasing the number of black people that manage, own and control enterprises and productive assets;
- (b) facilitating ownership and management of enterprises and productive assets by communities, workers cooperatives and other collective enterprises;
- (c) human resources and skill development;
- (d) achieving equitable representation in all occupational categories and levels in the workforce;
- (e) preferential procurement; and
- (f) investments in enterprises that are owned or managed by black people.

4.8.8 Provide examples of categories of Immovable Property which is not needed to provide the minimum level of basic municipal services

It is not clear what is meant by the question. "*Basic Municipal Service*" is described in the definition section as "a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment. "*All the agricultural land, e.g is not needed to provide basic municipal services*".

4.8.9 Please define and explain "surplus".

In terms of Section 14(1) of the MFMA the Municipality may not dispose of any municipal land that is needed (or might in future be needed) to provide the minimum level of basic municipal services. By implication,

all other Immovable Property is theoretically "*surplus*", i.e may be disposed of. However, the policy is clear that the Municipality shall only dispose of Immovable Property in "*circumstances where the Municipality is satisfied that it cannot derive a reasonable economic and/or social and/or environmental return from continued ownership of the Immovable Property*". Putting it differently, the disposal of an Immovable Property shall be the last resort.

4.8.10 Does the municipality owns enough land for the housing need of its citizens?

The municipality probably owns enough land, but the problem is that is not necessary situated in the right areas, i.e within the urban edge, earmarked for development. For this reason it might be necessary to dispose of some land and use the proceeds to buy alternative land that is situated within the urban edge.

4.8.11 Have the municipality considered all unintended consequences of disposing of all its farms?

No, because that it definitely not the intention of the Draft Policy to dispose of all its farms.

5. Proposed Amendments

After having studied the inputs/comments referred to above, a number of amendments have been made to the Draft Policy, in an effort to accommodate some of the specific proposals received. A copy of the 2nd Draft Policy, with track changes, is attached as **APPENDIX 4**.

RECOMMENDED

- (a) that the comments/inputs of the Friends of Stellenbosch Mountain, Stellenbosch Ratepayers Association and the Idas Valley Community Development Forum be noted;
- (b) that the proposed amendments as indicated in the 2nd Draft Policy (**APPENDIX 1**), be approved;
- (c) that the 2nd Draft Policy on the Management of Stellenbosch Municipality's Immovable Property, attached as **APPENDIX 1**, be approved as Council's Policy; and
- (d) that the Policy on the Management of Stellenbosch Municipality's be regarded as **Stellenbosch Municipality's Disposal Management Policy**, as prescribed by the Supply Chain Management Regulations.

(ACTING DIRECTOR: HUMAN SETTLEMENT TO ACTION)

**ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE
MEETING: 2014-08-06: ITEM 5.1.1****RECOMMENDED**

- (a) that the comments/inputs of the Friends of Stellenbosch Mountain, Stellenbosch Ratepayers Association and the Idas Valley Community Development Forum be noted;
- (b) that the proposed amendments as indicated in the 2nd Draft Policy (**APPENDIX 1**), be approved;
- (c) that the 2nd Draft Policy on the Management of Stellenbosch Municipality's Immovable Property, attached as **APPENDIX 1**, be approved as Council's Policy; and
- (d) that the Policy on the Management of Stellenbosch Municipality's be regarded as **Stellenbosch Municipality's Disposal Management Policy**, as prescribed by the Supply Chain Management Regulations.

**(ACTING DIRECTOR: HUMAN
SETTLEMENT TO ACTION)**

MAYORAL COMMITTEE MEETING: 2014-08-13: ITEM 5.1.5**RECOMMENDED BY THE EXECUTIVE MAYOR**

- (a) that the comments/inputs of the Friends of Stellenbosch Mountain, Stellenbosch Ratepayers Association and the Idas Valley Community Development Forum be noted;
- (b) that the proposed amendments as indicated in the 2nd Draft Policy (**APPENDIX 1**), be approved;
- (c) that the 2nd Draft Policy on the Management of Stellenbosch Municipality's Immovable Property, attached as **APPENDIX 1**, be approved as Council's Policy; and
- (d) that the Policy on the Management of Stellenbosch Municipality's be regarded as **Stellenbosch Municipality's Disposal Management Policy**, as prescribed by the Supply Chain Management Regulations.

**(ACTING DIRECTOR: HUMAN
SETTLEMENT TO ACTION)**

22ND COUNCIL MEETING: 2014-08-20: ITEM 7.7

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

After the meeting resumed, it was

RESOLVED (nem con)

that this matter be referred back to the Administration and that same be resubmitted at a next meeting for consideration.

**(ACTING DIRECTOR: HUMAN
SETTLEMENT TO ACTION)**

23RD COUNCIL MEETING: 2014-09-23: ITEM 7.1**RESOLVED** (nem con)

- (a) that an Ad Hoc Committee of Council be established;
- (b) that the latter shall comprise of a member of each political party;
- (c) that the Executive Mayor appoint the Chairperson;
- (d) that the investigation shall include a Policy for immovable property as well as a Policy for agricultural land;
- (e) that external experts be invited to advise the Committee; and
- (f) that an investigation and recommendations be submitted to Council at the meeting to be held on 26 November 2014.

**(ACTING DIRECTOR: HUMAN
SETTLEMENT TO ACTION)**

**FURTHER INPUTS BY THE DIRECTOR: INTEGRATED HUMAN
SETTLEMENTS & PROPERTY MANAGEMENT**

Following the above Council resolution, consultants were appointed by the Director: Planning & Economic Development to compile a Policy on the management of Council-owned Agricultural Land. A draft policy has recently been approved by Council, whereafter it was advertised for public input/comments. A final draft policy will serve at Council on 15 June 2016.

Following a recent presentation to members of the Mayoral Committee and Directors on the Draft Policy for the Management of Stellenbosch Municipality's Immovable Property (Second Draft), the various Directorates were given an opportunity to make further comments/input.

Further comment/inputs were received from the Director: Strategic and Corporate Services and the Director: Planning and Economic Development, which were incorporated into the policy. (Now Draft 3)

Please find hereto attached as **APPENDIX 1** an updated 3rd Draft Policy, for consideration by Council.

Taken into account that Council has already approved the policy as a draft policy on 2014-04-23, subject to a public participation process, and seeing that the public inputs were discussed in detail above, it is

RECOMMENDED

- (a) that the comments/inputs of the Friends of Stellenbosch Mountain, Stellenbosch Ratepayers Association, Idas Valley Community Development Forum, as well as the recent inputs received for the DS&CS and DPED, be noted;
- (b) that the 3rd Draft Policy on the Management of Stellenbosch Municipality's Immovable Properties, attached as **APPENDIX 1**, be approved as Council's Policy with immediate effect; and
- (c) that Chapter 5 of the Supply Chain Management Policy be replaced with the document attached as **APPENDIX 2**, with immediate effect.

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

MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 6.1.2

RECOMMENDED BY THE EXECUTIVE MAYOR

**KINDLY NOTE: THE RECOMMENDATION OF THE
EXECUTIVE MAYOR WILL BE
DISTRIBUTED UNDER SEPARATE
COVER IN DUE COURSE.**

APPENDIX 1



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

POLICY ON

THE MANAGEMENT OF STELLENBOSCH MUNICIPALITY'S IMMOVABLE PROPERTY

Directorate: Integrated Human Settlements

Department: Property Management

3rd Draft (2016-06-08)

PREAMBLE

Stellenbosch Municipality is the owner of a large number of Immovable Properties. In the exercise of its powers, duties and functions the Municipality has the right to acquire, hold, enhance, lease and alienate Immovable Property. The inequitable spread of ownership of Immovable Property throughout the municipal area and the historical causes thereof are recognized, and the Municipality acknowledges that it has a leading role to play in redressing these imbalances by ensuring that the Immovable Property assets under its control are dealt with in a manner that ensures the greatest possible benefit to the Municipality and the community that it serves.

WHEREAS Stellenbosch Municipality is the custodian of the Immovable Property of the Municipality and is responsible for the proper management and administration thereof;

WHEREAS Stellenbosch Municipality is required and committed to manage its Immovable Property in a fair, transparent and equitable manner; and

WHEREAS Stellenbosch Municipality realise that Immovable Property held by it, should be dealt with in a manner which will ensure the greatest benefit to the Municipality and the public in a sustainable manner;

AND IN ORDER TO-

- make available economic opportunities in the municipality;
- promote an efficient administration and good governance; and
- create a culture of accountability, openness and transparency in its administration or in the exercise of its powers or the performance of its functions, by giving effect to the right to just administrative action,

NOW THEREFORE this policy provides, as follows:

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CHAPTER 1: INTERPRETATION, SCOPE, PURPOSE AND OBJECTIVES OF POLICY**1. DEFINITIONS**

1.1 In this policy, unless inconsistent with the context, the following expressions bear the meanings assigned to them below:

“**acquisition**” means to acquire by way of purchase or lease.

“**adequate notice**” means a notice period of not less than 30 days within which representations, comments or objections may be made.

“**advertise**” means the giving of adequate notice of the nature and purpose including the material substance of the proposed administrative actions, by publishing a notice in one or more of the local newspapers, and where deemed necessary by the Municipal Manager, any additional form of notice, which may include-

- (a) serving of a notice; or
- (b) displaying on a notice board; or
- (c) holding a public meeting.

“**agricultural allotments**” means portions of agricultural land, demarcated and set aside for “*bona fide*” emerging farmers.

“**alienate**” means to dispose with ownership of Immovable Property in favour of another person with the intention of transferring the ownership of the Immovable Property to the acquirer thereof.

“**BBBEE Act**” means the Broad-Based Black Economic Empowerment Act, 53 of 2003.

“**BEE**” means the economic empowerment envisaged by the BEE Act of all black people including women, workers, youth, people with disabilities and people living in rural areas through diverse but integrated socio-economic strategies that include, but are not limited to-

- (a) increasing the number of black people that manage, own and control enterprises and productive assets;
- (b) facilitating ownership and management of enterprises and productive assets by communities, workers cooperatives and other collective enterprises;
- (c) human resources and skill development;
- (d) achieving equitable representation in all occupational categories and levels in the workforce;
- (e) preferential procurement; and
- (f) investments in enterprises that are owned or managed by black people.

“**basic municipal service**” means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

“**bid**” means a written offer submitted in a prescribed or stipulated form, in response to an invitation by the Municipality for a procurement or disposal, as part of the competitive bidding process of the Municipality;

“**Black people**” means Africans, Coloured and Indians, as referred to in the B-BBEE Act, No. 53 of 2005.

“**Buffer 1**” means endangered areas of biodiversity overlapping with extensive agriculture.

“**calendar month**” means a period extending from a specific day in one calendar month to the preceding day in the following month;

“**chief financial officer**” means a person designated in terms of Section 80(2)(a) of the MFMA.

“**close**” in relation to a public street or public place, means to close for all public purposes or for vehicular or pedestrian traffic only.

“**Core 1**” means proclaimed national parks, provincial and municipal nature reserves, mountain catchment areas, unprotected but critically endangered areas of biodiversity;

“**Core 2**” means river and ecological corridors outside areas earmarked for urban development

“**corrupt practice**” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the selection process or in contract execution;

“**commercial service**” means a commercial service as defined in section 1 of the MATR;

“**competitive bidding process**” means a process whereby prospective bidders are invited through public media to submit bids and such bids are administered in a fair, transparent, competitive and cost effective manner;

“**constitution**” means the Constitution of the Republic of South Africa, 1996

“**Council**” means the Municipal Council of the Municipality of Stellenbosch and includes any Political Structure, Political Office Bearer, Councillor or Official, acting under delegated authority.

“**disposal**”, means the sale, exchange, donation, or letting of Immovable Property, the conclusion of any form of land availability agreement in respect of immovable property with any person and the registration of any real or personal right in respect of Municipal land, including servitudes;

“**EIA**” means Environmental Impact Assessment in terms of the NEMA Regulations promulgated by G.N. R 543/2010

“**emergency**” means an emergency dispensation in which one or more of the following conditions are present –

the possibility of human injury or death;

the prevalence of human suffering or deprivation of rights;

the possibility of damage to property, or suffering and death of livestock and animals;

the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the Municipality as a whole;

the possibility of serious damage occurring to the natural environment;

the possibility that failure to take necessary action may result in the municipality not being able to render an essential service; and

the possibility that the security of the state could be compromised.

“exchange” means the simultaneous acquisition and disposal of Immovable Property or any right in respect of Immovable Property in terms of an agreement between the Municipality and any other party or parties where the compensation payable by the parties to each other, are offset and only the difference, if any, is payable to the appropriate party.

“fair market value” means the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller after proper marketing wherein the parties have each acted knowledgeable, prudently, and without compulsion.

“fraudulent practice” means a misrepresentation of fact in order to influence a selection process and includes:

collusive practices among bidders (prior to or after submission of proposals) designed to establish prices at artificial, non-competitive levels and to deprive the municipality of the benefits of free and open competition.

“high value” means that the fair market value of the Immovable Property exceeds R50 million or 1% of the total value of the capital assets of the Municipality as determined from the latest available audited annual financial statements of the Municipality, or such lower amount as may from time to time be determined by resolution of the Municipal Council;

“housing stock” means housing units that are leased to members of the public and or members of staff as well as subsidised housing units that are earmarked for disposal to qualifying beneficiaries.

“IDP” means the approved Integrated Development Plan of Stellenbosch Municipality, as provided for in Chapter 5 of the Systems Act.

“Immovable Property” includes, but is not limited to –

- (a) any land registered under separate title and includes the ownership therein, whether in full or reduced form, and any improvements in, on, over or under such land or unregistered land where the ownership can be determined/property or buildings or any share therein registered in the name of a person or entity,

including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person or entity;

- (b) a right to an exclusive use area held in terms of a notarial deed of cession;
- (c) a real right registered against Immovable Property in the name of a person or entity, excluding a mortgage bond registered against the Immovable Property;
- (d) any share in a share block company as defined in section 1 of the Share Blocks Control Act, 59 of 1980;
- (e) a "public place" or "public street" as defined in this policy ;
- (f) Immovable Property as defined in section 107 of the Deeds Registries Act, 47 of 1937; and including property consisting of land, buildings, crops, or other resources still attached to or within the land or improvements or fixtures permanently attached to the land or a structure on it.

"Income tax act" means Act 58/1962

"land" means-

- (a) any land registered under separate title and includes the ownership therein, whether in full or reduced form, and any improvements in, on, over or under such land; or
- (b) unregistered land where the ownership can be determined.

"lease" means the letting of Municipal land/Immovable Property/buildings in terms of which the use and enjoyment of the land/property/building is granted for a specified period exceeding 1 month without ceding legal ownership in the asset or any form of land availability agreement in respect of Immovable Property and letting has a corresponding meaning.

"lease agreement" means a written agreement entered into between the Municipality and the lessee specifying rights and duties pertaining to the exclusive use of Immovable Property for a continuous period of time longer than thirty (30) calendar days, and which sets forth the terms and conditions of the use, management and control of the Immovable Property.

"Local Black people" means Africans, Coloured and Indians, as referred to in the B-BBEE Act, No. 53 of 2005, who normally reside within the municipal area of Stellenbosch Municipality;

"Local Disabled people" means people with disabilities who normally reside within the municipal area of Stellenbosch Municipality.

"Local women" means women who normally reside within the municipal area of Stellenbosch Municipality.

"MATR" means the Municipal Asset Transfer Regulations promulgated in terms of the MFMA and published in *Government Gazette* No. 31346 of 22 August 2008;

"MFMA" means the Local Government: Municipal Finance Management Act, 56 of 2003,

including any Regulations promulgated in terms thereof from time to time;

“municipality” means the Stellenbosch Municipality established in terms of Section 4 of the Establishment Notice (PN 489 of 22 September 2000), as amended;

“municipal area” means the area under the jurisdiction and control of Stellenbosch Municipality.

“municipal function” means any of those functions set out in Schedule 4 B and 5 B of the Constitution.

“municipal land audit (MLA)” means the audit of municipal owned properties which was conducted during 2003.

“municipal manager” means a person appointed in terms of Section 82 of the Municipal Structures Act, No 117 of 1998 as the head of the Municipality’s administration and accounting officer of the Municipality or his/her delegate.

“municipality’s property” or **“property”** means all the Immovable Property owned and managed by the Municipality in terms of this Policy;

“Municipal Systems Act” means the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).

“NEMA” means the National Environmental Management Act no 107 of 1998

“Non-Significant Property Right” means a Property Right in respect of the following categories of Immovable Property –

- a) Property rights in the Immovable Property with a Value more than R10 million, where the Property right is requested for a period less than 3 years; or.
- b) Property right in the Immovable Property with a Value less than R10 million, where the Property Right is requested for a period more than 3 years.

“non-viable Immovable Property” means Immovable Property that, owing to urban planning, physical constraints or extent cannot be developed on its own or function as a separate entity and that can therefore become functional only if used by an adjoining owner in conjunction with such owner’s Immovable Property;

“official” means an employee of the Municipality or a person seconded to the Municipality or contracted by the Municipality to work as a member of staff otherwise than as an employee as defined in section 1 of the MFMA;

“owner” in relation to Immovable Property, means the person in whose name that Immovable Property is registered in a deeds registry, which may include the holder of a registered servitude right or lease and any successor in title of such a person, and includes any person authorized to act as such by the registered owner, any person who in law has been entrusted with the control of such assets or a person to whom Immovable Property has been made available in terms of a land availability agreement.

“plight of the poor” means the needs of the people that are vulnerable and unable to meet their socio-economic needs independently or to support themselves and their dependents and are in need of social assistance.

“public interest” means disposal or letting to:-

- a) promote the achievement of equality by taking measures to protect or advance persons or categories of persons, disadvantaged by unfair discrimination;
- b) afford black people who are South African citizens a preference in respect of the disposal and letting of Immovable Property as envisaged in Section 9(2) of the Constitution;
- c) promote BBBEE through disposal and letting;
- d) ensure and promote first time home ownership and enterprise development of black people that qualify in terms of the Municipality’s GAP housing policy have access to adequate housing on a progressive basis;
- e) advance agricultural projects for land reform purposes;
- f) promote welfare and charitable purposes including non-profit rehabilitation facilities; shelters for the indigent and destitute, youth development and drug counseling; or
- g) foster equitable access to public amenities, social and/or sports clubs and similar organizations by providing discounted prices or rates in the event that the beneficiaries or the membership component of such institution or body consist of at least 50% black people and/or the membership or subscription fee of black people is less than 50% of the normal membership or subscription fee.

“property laws” means the relevant provisions of the MFMA and the MATR collectively;

“property right” means a right to use, control or manage an Immovable Property for a period exceeding a calendar month, as granted by the Municipality without ceding legal ownership in the Property. For the sake of clarity , a servitude, way leave or encroachment in, on, over or under Immovable Property granted by the Municipality, or a lease agreement entered into by the Municipality as lessor, constitutes a Property Right and it expressly excludes any reference to land use rights in terms of the Municipality’s Integrated Zoning Scheme/Bylaw;

“private treaty” means where the proposed disposal involves a disposal without public competition as defined in the MFMA to a non-government entity.

“property transaction” means either a Disposal of I m m o v a b l e Property or the granting of a Property Right in Immovable Property;

“public place” means any Immovable Property indicated on an approved plan, diagram or map as an open space of which ownership as such vests in the Municipality.

“public street” means-

- (a) any street which has at any time been-
 - (i) used without interruption by the public for a period of at least thirty years;

- (ii) declared or rendered such by a Municipality or other competent authority; or
 - (iii) constructed by the Municipality; and
 - (iv) constructed by someone other than the Municipality and which vests in the Municipality.
- (b) any Immovable Property, with or without buildings or structures thereon, which is shown as a street on-
- (i) any plan of subdivision or diagram approved by the Municipality or other competent authority and acted upon, or
 - (ii) any plan or diagram as defined in Section 15 of the Land Survey Act, 1997 (Act 8 of 1997), registered or filed in the office of the Registrar of Deeds or the Surveyor-General's office.
- unless such Immovable Property is on such plan or diagram described as a private street.

“real rights” means the rights to traverse privately owned property with servitudes which are notorially registered in the Deeds Office or contained in Title Deed Conditions

“SCM policy” means the Supply Chain Management Policy of the Municipality, as approved from time to time and implemented in terms of section 111 of the MFMA, read with the SCM Regulations;

“SCM regulations” means the Municipal Supply Chain Management Regulations promulgated in terms of the MFMA and published under GN 868 in *Government Gazette* No. 27636 of 30 May 2005;

“significant Property Right” means a Property Right with a value in excess of R10 million which is granted for a period exceeding 3 years;

“spatial development framework” means a spatial development framework referred to in Chapter 4 of Act No. 16 of 2013 Spatial Planning and Land Use Management Act, 2013 and the framework contemplated in Section 26(1)(e) of the Municipal Systems Act.

“Systems act” means the Local Government: Municipal Systems Act, 32 of 2000, including any Regulations promulgated in terms thereof from time to time;

“unsolicited bid” is a bid/proposal received from a developer to acquire Immovable Property, or rights in immovable property, that is owned by the Municipality, outside the normal bidding process, i.e. without the Municipality having asked for such proposal/bid.

“viable Immovable Property” means Immovable Property that can be developed and function as a separate entity capable of registration by the Registrar of Deeds.

- 1.2 Words not defined in this Policy have the meaning assigned to them in the MATR.

2. SCOPE AND PURPOSE

- 2.1 The purpose of this Policy is to provide a framework for the management and disposal of the municipality's Immovable Property that are not needed to provide the minimum level of basic municipal services and that are surplus to the municipality's requirements.
- 2.2 The Municipality's Immovable Property shall be disposed of in the manner as provided for in this policy. The Property Management Department is responsible for the administration of this Policy, and shall in this regard, in consultation with the Supply Chain Management Unit of the municipality, be responsible for the administration of the competitive bidding process relating to the disposal and leasing of the Municipality's Immovable Property.
- 2.3 In compliance with the provisions of section 14(1) of the MFMA, the Municipality shall not transfer ownership as a result of a sale or other transaction, or otherwise permanently dispose of an Immovable Property that is needed to provide the minimum level of basic municipal services. The following municipal services are classified as basic municipal services for the purposes of section 14(1) of the MFMA, and this classification must be used by the administration as criteria to compile a List of all Municipal Immovable Property and Buildings:
- a) Electricity services
 - b) Water services
 - c) Sanitation services
 - d) Refuse removal, refuse dumps and solid waste disposal services
 - e) Municipal Roads
 - f) Public Places
 - g) Cemeteries
 - h) facilities for the care and burial of animals
 - i) child care facilities
 - j) street lighting
 - k) traffic and parking
 - l) pounds
 - m) municipal airports
 - n) local amenities
 - o) local sport and community facilities
 - p) fences

3. RESPONSIBILITIES

- 3.1 The Municipality has a core responsibility to acquire and avail Immovable Property and buildings, in the first instance, for its own use for purposes of developing and maintaining municipal infrastructure, promoting service delivery and for facilitating social and economic development and spatial integration. Immovable Property unrelated to these responsibilities are, by implication, surplus to the municipality's requirements although future requirements must be acknowledged and hence the need to hold Immovable

Property in reserve. For any given property the Municipality must nevertheless decide in a Council meeting open to the public whether the Immovable Property is needed to provide the minimum level of basic municipal services.

- 3.2 The municipality has a further responsibility in terms of acquiring, managing, developing and releasing its Immovable Property, buildings and Property rights on behalf of its residents and ratepayers. In this regard the key consideration is that the best interests of the municipality (and thus its residents) rather than that of individuals should be paramount in all Immovable Property transactions that the municipality enters into.
- 3.3 Immovable Property and buildings affect the municipality's entire organization. Therefore, the municipality's policy in this respect must act in support of sectoral policies such as economic development, management and conservation of the environment and nature areas, land use, housing, social and community infrastructure, physical planning and infrastructure, and culture and recreation.

CHAPTER 2: POLICY FRAMEWORK, APPLICATION AND GUIDING PRINCIPLES

4. LEGISLATIVE AND POLICY FRAMEWORK FOR THE MANAGEMENT OF THE MUNICIPALITY'S IMMOVABLE PROPERTY

4.1 The legislative framework for the management of the Municipality's Immovable Property is contained in a number of legislation, including but not limited to:

4.1.1 the MFMA, in particular section 14, which deals with disposal of capital assets (i.e. Immovable Property as defined herein);

4.1.2 the MATR, which governs –

- a) the transfer and disposal of capital assets by municipalities and municipal entities; and
- b) the granting by municipalities and municipal entities of rights to lease, use, control or manage capital assets;

4.2 The object of this Policy is to provide a practical framework for the management of the Municipality's Immovable Property.

4.3 This Policy must be read together with and in accordance with the Property Laws and all other laws which deal with Immovable Property.

5. APPLICATION OF THE POLICY

5.1 Section 14 of the MFMA and the MATR apply to capital assets, which are defined in the MATR to include Immovable Property, as well as certain movable assets. This Policy only applies to Immovable Property.

5.2 This Policy does not apply to:

5.2.1 The municipality's housing stock or land for subsidised housing on municipal Immovable Property and the transfer of that municipal Immovable Property to beneficiaries of such subsidised housing.

5.2.2 Property owned by the Municipality which is subject to a Public Private Partnership.

5.3 In terms of section 40 of the Municipal Supply Chain Management Regulations, a Municipal Supply Chain Management policy must provide for an effective system of disposal management for the disposal and letting of assets. For that purpose of immovable assets of the municipality, this policy must be seen as the disposal management policy of the municipality.

6. GUIDING PRINCIPLES

- 6.1. The following principles and values should underpin Immovable Property acquisition and disposal activities:
- (a) The use of the Municipality's Immovable Property to promote social integration, to redress existing spatial inequalities, to promote economic growth, to build strong, integrated and dignified communities and to provide access to housing, services, amenities, transport and opportunities for employment.
 - (b) The promotion of access by black people to the social and economic benefit of Immovable Property ownership, management, development and use.
 - (c) The management of the Municipality's Immovable Property as a sustainable resource, where possible, by leveraging environmental, social and economic returns on such Immovable Property while the Municipality retains ownership thereof.

CHAPTER 3: RESERVATION AND MANAGEMENT OF IMMOVABLE PROPERTY

7. AUTHORITY TO RESERVE AND MANAGE IMMOVABLE PROPERTY

- 7.1 The Municipality may reserve and manage Immovable Property in its ownership for municipal purposes aligned with its operational needs and long term needs and sustainable development

8. KEY PRINCIPLES PERTAINING TO THE RESERVATION AND MANAGEMENT OF IMMOVABLE PROPERTY

- 8.1 Unless it is precluded from doing so by law or by the conditions in terms of which Immovable Property was acquired and subject to observation of due statutory process and alignment with the Municipality's strategic objectives, the Municipality may:
- (a) use Immovable Property in its ownership to promote social integration, to redress existing spatial inequalities, to build strong, integrated and dignified communities and to provide access to housing, services, amenities, transport and opportunities for employment on a temporary or permanent basis.
 - (b) reserve for future use Immovable Property in its ownership.
 - (c) enhance Immovable Property in its ownership by pursuing the amendment of existing rights, establishment of new rights and the provision of municipal services.
 - (d) improve Immovable Property in its ownership by the erection of structures thereon.
 - (e) permit Immovable Property to be managed on behalf of the Municipality, permit it to be enclosed and permit it to be cultivated.
- 8.2 When immovable property under the control or management of the Municipality is encroached upon, the Municipality may take such steps as may, in the opinion of the Municipality, be necessary to remove or regularize such encroachment. In such instances the Municipality may reduce the extent of a public place or public street which is encroached upon by the extent of the encroachment or by such greater or lesser extent as may, in the Municipality's interest, be desirable.

9. SERVICE LEVEL AGREEMENTS BETWEEN DEPARTMENTS OF THE MUNICIPALITY

- 9.1 In all circumstances where an Im m o v a b l e Property or Properties is/are reserved for a purpose which falls within a functional responsibility of another line department within the Municipality, the Municipality's Property Management Department will enter into a service level agreement (SLA) with that line department.
- 9.2 An SLA shall regulate the respective roles and responsibilities of the Property Management Department and the line department in respect of the following reserved

Immovable Property(ies):

- a) Immovable Properties used by the line department itself, for example, where the line department uses the Immovable Property(ies) for provision of a municipal service (where the municipal service is provided through an internal mechanism as provided for in the Systems Act);
- b) Immovable Properties used by third party service providers, for example, where the line department appoints a service provider to provide a municipal service;
- c) Immovable Properties in respect of which the line department has appointed a private party to manage the Immovable Property, for example, in terms of facilities management agreements.

9.3 The SLA's shall include provisions dealing with:

- a) the purpose for which an Immovable Property is reserved;
- b) a clear description of the purpose for which a private party is being appointed by the Municipality and the private party's contractual obligations in respect of both the purpose of its appointment (such as the provision of the service), as well as in respect of any Property Rights it may have been granted in respect of the Immovable Property;
- c) the manner in which both the appointment of the private party and the Property Transaction will be procured in accordance with the applicable policy provisions below;
- d) the entering into of contract(s) with the private party, and the allocation of the respective responsibilities of the line department and the Property Management Department in respect thereof;
- e) the distinct responsibilities of the Property Management Department and the line department in respect of monitoring and oversight of the use, control and management of the Immovable Property once the private party has been appointed;
- f) the line department's responsibilities in respect of the hand-over of reserved Immovable Property back to the Property Management Department once the line department no longer requires the Immovable Property for the purpose for which it was reserved.

9.4 Given that the Property Management Department is the custodian of the Municipality's Immovable Property, it is the only department within the Municipality that may conclude a contract with a successful tenderer in respect of a Disposal and the granting of a Property Right. Other line Departments may conclude agreements ancillary to Immovable Property assets including but not limited to Management Agreements and Facilities Management Agreements so far as such agreements do not grant the third party the right of tenure. The authority to conclude agreements, however, is subject to the System of Delegations, approved by the Municipality from time to time. This clause is not applicable on

the transfer of subsidised housing units to beneficiaries or the conclusion of lease agreements with Lessees of the Municipality's housing rental stock.

9.5 Where it becomes necessary or appropriate to do so, the Property Management Department and the line department shall endeavour to enter into a transaction-specific SLA.

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CHAPTER 4: ACQUISITION OF IMMOVABLE PROPERTY AND RIGHTS IN IMMOVABLE PROPERTY**10. AUTHORITY TO ACQUIRE**

- 10.1 The Municipality may acquire Immovable Property and rights in Immovable Property within or outside its municipal area by purchase, expropriation, exchange, donation, gift, lease or otherwise, subject to compliance with the procedures set out in this policy.;
- 10.2 The Municipality may expropriate Immovable Property in terms of the Expropriation Act (Act 63 of 1975), or any other applicable legislation from time to time, provided that such expropriation shall only be for public purposes or in the interest of the public and provided that such expropriation is necessary to fulfill a critical municipal function

11. GENERAL PRINCIPLES

- 11.1 The Municipality must ensure that decisions to acquire Immovable Property (land, property, buildings and land improvements) are based on sound business and planning principles which are fully in line with and compliant with:
- (a) The Municipality priorities and initiatives;
 - (b) Corporate and service plans;
 - (c) Planning Policies;
 - (d) Regional plans and area planning schemes; and.
 - (e) Sustainable development and management.
- 11.2 The Property Management Department undertakes the acquisition in conjunction with the service departments (purchase or expropriation) of Immovable Property (land) and rights in Immovable Property (servitudes) for municipal purposes on behalf of all the service departments.
- 11.3 It is the responsibility of a Service Department to timeously advise the Property Management Department of the Immovable Property or servitudes that are required in a particular financial year. The service department is required to furnish the Property Management Department with the full particulars of the Immovable Property or servitude(s) required. The particulars required must stipulate the erf or farm number if the entire erf or farm is required, or the coordinates and extent of the Immovable Property or servitude if a portion of a farm or erf or a servitude is required.
- 11.4 The Service Department is required to confirm that the acquisition is required for an approved municipal project and that funding has been approved on an approved budget for the payment of the purchase price and the costs that the Municipality will incur when transferring the Immovable Property or registering the Property right in the name of the Municipality in the Office of the Deeds Registry.

- 11.5 The municipality will purchase or acquire the Immovable Property or servitude at the market value of the Immovable Property or servitude as determined by a professional valuer or at such lesser amount as may be agreed to by the seller.
- 11.6 In the case of an expropriation the compensation payable for the Immovable Property or servitude shall be determined in accordance with prescripts of the legislation in terms of which the Immovable Property or servitude was expropriated.
- 11.7 Once the Immovable Property has been acquired, it will be reserved for the municipal purpose for which it was acquired and dealt with in accordance with the reservation procedures outlined above.

12. ASSESSMENT

- 12.1 Prior to arriving at a decision to acquire an Immovable Property the Municipal Manager is required to undertake a detailed assessment to ensure that:
- (a) the service delivery needs of the Municipality are best met by the proposed acquisition;
 - (b) that broader government objectives are also considered;
 - (c) the expenditure of public funds is justified and are approved; and
 - (d) the planned acquisition is in line with the approved Spatial Development Framework(s).
- 12.2 The Municipal Manager must ensure land acquisitions associated with infrastructure projects are consistent with (where relevant) Regional Plans, State Infrastructure Plans, Municipal Infrastructure Master Plans, or other plans that cover a significant proportion of the municipal area. This is to ensure strategic landholdings contribute to a range of social, economic and environmental outcomes sought by the Municipality, including the efficient, coordinated and timely provision of infrastructure.
- 12.3 In addition to the proposed acquisition being consistent with the objectives of planning policies and guidelines, the Municipal Manager need to consider other issues when undertaking the assessment, such as:
- (a) the reason why the preferred site or area best meets the Municipality's requirements;
 - (b) the Municipality's strategic land management plan;
 - (c) source of funding and value for money;
 - (d) alternative service delivery options;
 - (e) sharing of government resources e.g. co-location;
 - (f) method of acquisition;
 - (g) valuation of property;
 - (h) consultation with stakeholders;

- (i) availability of surplus government property;
- (j) risks associated with proposed transaction; and
- (k) site constraints e.g. cultural and heritage issues and servitudes.

13. SITE SELECTION

- 13.1 Evaluation criteria to allow assessment of the site for suitability for the intended purpose could include requirements for public transport, potential to meet future service demand, local support services, physical site requirements, size of site in proportion to service delivery strategies, financial benefits, municipal priorities and other future service requirements in proximity to the site and potential to collate or share facilities and services. A report should be prepared by the Service Department outlining the reasons for selecting the site as this will form the basis of the mandatory consultation process.
- 13.2 The Municipality's Municipal Land Audit (MLA) contains essential, surplus and under utilised properties. The Municipal Manager is required to review/consult the MLA to determine if suitable properties are available prior to any decision being made on seeking property on the open market.

14. VALUATIONS

- 14.1 Valuations are required in support of an acquisition decision and must be at current market valuation as determined by a qualified valuer(s).

15. METHODS OF ACQUIRING IMMOVABLE PROPERTY

The Municipality may acquire Immovable Property by:-

15.1 Open market (selection in a particular area/location of a suitable site)

The Municipality usually acquire Immovable Property through the open market place by either public auction or private sale.

15.2 Private treaty agreement (for site specific acquisition)

Private treaty contracts are suitable where the property has clear title or where clear title is reasonably achievable and the owner is willing to negotiate on reasonable terms.

15.3 Acquisition by expropriation

This method should only be used under circumstances where acquisition by agreement has been rejected as being unsuitable, or the Municipality has been unsuccessful in concluding an agreement with the owner and it can be shown that the Immovable Property required is site specific and essential.

16. MANDATORY CONSULTATION

- 16.1 The Municipality shall not acquire Immovable Property unless it has-
- (a) advertised its intention to acquire such *Immovable* Property; and

- (b) considered the objections (if any) lodged in accordance with the advertisement contemplated in sub clause (a).

16.2 When the Municipality advertises its intention as contemplated above, all material information relevant to the proposed transaction must be included in the advertisement, including, but not limited to the following:-

- (a) the description of the property, including the title description, street address and extent;
- (b) the contracting parties;
- (c) reason(s) for proposed acquisition;
- (d) the purchase price or lease amount of the Immovable Property;
- (e) market value of the Immovable Property;
- (f) how the acquisition is to be financed;
- (g) whether the transaction is reflected in the current budget; and
- (h) whether other alternatives have been considered.

16.3 If it is reasonable and justifiable under the circumstances, the Municipal Manager may depart from the above requirements. In determining whether such departure is reasonable and justifiable, the Municipal Manager must take into account all relevant factors, including-

- (a) the objects of the proposed transactions;
- (b) the nature and purpose of, and the need to take the decision;
- (c) the likely affect of the action;
- (d) the urgency of taking the action or the urgency of the matter; and
- (e) the need to promote an efficient administration and good governance.

17. APPROVAL PROCESS

17.1 Following the advertisement contemplated above, the Property Management Department shall compile an agenda item, motivating the acquisition of the Immovable Property(s) or rights in Immovable Property(s). The report should indicate which methods of acquisition was/will be used and why this specific method has been decided on.

17.2 The report must be considered by the person/committee who has the delegated authority to consider such application.

CHAPTER 5: DISPOSAL OF IMMOVABLE PROPERTY AND AWARDING OF RIGHTS IN IMMOVABLE PROPERTY

18. AUTHORITY TO DISPOSE OF IMMOVABLE PROPERTY

- 18.1 The Municipality may in terms of Section 14 of the MFMA, read with the MATR, dispose of Immovable Property or Property rights in Immovable Property by way of sale, letting or registration of a servitude once it is satisfied that such Immovable Property or Property rights is not required to provide the minimum level of basic municipal services and once it has considered the fair market value thereof as well as the economic and community value to be received in exchange for such Immovable Property or Property right.
- 18.2 The Municipality shall not transfer ownership of, or lease out for a period exceeding ten (10) years, any Immovable Property, or portion thereof which is classified as a Core 1, Core 2 or Buffer 1 area in terms of the Municipality's Spatial Development Framework- , unless it is satisfied that such transfer or lease will at least maintain or enhance the conservation status and environmental sustainability of such eco system or Area on that property.

19. DISPOSAL MANAGEMENT PRINCIPLES

19.1 Core Principles

In terms of section 14(5) of the MFMA, a Disposal of Im movable Property by the Municipality must be fair, equitable, transparent, competitive and consistent with the Municipality's SCM Policy.

19.2 General Principles pertaining to the disposal of Immovable Property and Property rights in Immovable Property

- 19.2.1 Unless otherwise provided for in this policy, the disposal of Viable Immovable Property shall be effected-
- (a) by means of a process of public competition; and
 - (b) at market value except when the public interest or the plight of the poor demands otherwise.
- 19.2.2 All transaction for the disposal of Immovable Property must be considered in accordance with this policy and other applicable legislation.
- 19.2.3 Before alienating Immovable Property or rights in Immovable Property the Municipality shall be satisfied that alienation is the appropriate methodology and that reasonable economic, environmental and social return cannot be derived whilst ownership of the Immovable Property or Property rights is retained by the Municipality.
- 19.2.4 The Municipality reserves the right to entertain unsolicited proposals for the development of Viable Immovable Property for development purposes, with the proviso that it is in line with the Municipality's strategic objectives and more specifically that it favours the promotion of black ownership, entrepreneurship and community upliftment.
- 19.2.5 The Municipality may grant occupation of its Immovable Property prior to the transfer thereof on condition that:

- 19.2.5.1 the land use rights have been determined and established;
 - 19.2.5.2 all required authorization and approvals in terms all relevant legislation have been granted;
 - 19.2.5.3 all conditions of the said approvals and authorisations have been met;
 - 19.2.5.4 a suitable sale has been entered into;
 - 19.2.5.5 the purchase price is paid in full or alternatively that an acceptable financial guarantee is provided to secure the purchase price;
 - 19.2.5.6 occupational rent is payable at a rate specified by the Municipality; and
 - 19.2.5.7 the Municipality is indemnified against any and all claims that may arise out of the occupation of the Immovable Property by the purchaser. Where an EIA assessment must be conducted, occupation before transfer may not be granted in terms of the NEMA EIA Regulations.
- 19.2.6 Viable Immovable Property purchased from the Municipality by a first time homeowner shall not, without the Municipality's prior written consent, and right of first refusal be resold within a period of 5 years of the date of transfer.

19.3 General principles and guidelines pertaining to the letting by the Municipality of Immovable Property

- 19.3.1 The Municipality's Immovable Property should be managed under the principles of sustainable development. Where possible, such management should synergize environmental, social and economic benefits on such Immovable Property while the Municipality retains ownership thereof.
- 19.3.2 Immovable Properties that have been let shall be inspected at reasonable time periods to ensure compliance with the terms and conditions of the agreement of lease.
- 19.3.3 No application for a lease agreement shall be processed by the Property Management Department unless;
 - 19.3.3.1 the land use rights have been determined and established by the Municipality through a process prescribed in the relevant By-law;
 - 19.3.3.2 all required authorisations and approvals in terms all relevant legislation have been granted;
 - 19.3.3.3 all conditions of the said approvals and authorisations have been met or the implementation thereof is made part of the specifications for the bid/ competitive process for the disposal.
- 19.3.4 No application for a lease agreement shall be processed by the Property Management Department unless the prescribed application fee as per tariff has been paid nor shall any proposed lease be advertised unless the application has confirmed, in writing , that it will adhere to land use conditions and, where applicable, a deposit as per prescribed rate to cover incidental costs has been paid.

20. MOST APPROPRIATE USE ASSESSMENT

- 20.1 Before an Immovable Property is declared as surplus, and earmarked for disposal or the awarding of rights, it must first be assessed for its most appropriate use.

- 20.2 The most appropriate use for a surplus property is one which achieves an optimum balance between the following three key elements of sustainable development:
- (a) the protection of ecological processes and natural systems;
 - (b) the optimum financial return to and economic development of the municipal area; and
 - (c) the enhancement of the cultural, economic, physical and social wellbeing of people and communities.
- 20.3 The three elements of sustainability will apply to all surplus Immovable Properties, however their significance and the relationships between them will vary for individual Immovable Properties.
- 20.4 In determining the most appropriate use of surplus properties, regard should be given to:
- (a) Spatial development framework(s);
 - (b) Regional plans;
 - (c) Sectoral studies/plans;
 - (d) Government policies;
 - (e) Relevant legislation; and
 - (f) The views of interested and affected parties.
- 20.5 Where appropriate, opportunities should be provided for community involvement in the assessment process.

21. METHODS OF DISPOSAL AND AWARDING OF RIGHTS

Subsequent to determining the most appropriate use of a property and after the Municipality has decided that the Immovable Property could be disposed of, or that rights may be awarded, the method of disposal or method of awarding rights should be determined.

The Municipality may use any of the following methods, depending on the circumstances pertaining the specific Immovable Property:

21.1 Competitive Processes

21.1.1 Formal Tender

- a) The type of a formal tender may vary, depending on the nature of the transaction:
 - i) Outright tender may be appropriate where the Immovable Property ownership is not complex, and the Municipality is seeking obligations to be placed on the successful tenderer which are clear and capable of specification in advance.

- ii) Qualified tenders/call for proposals will be appropriate where the Immovable Property ownership position is complex or the development proposals for the Immovable Property are insufficiently identified or otherwise incapable of detailed specification at the pre-tender stage.
 - iii) Call for proposals on a build-operate transfer (B.O.T) basis will be used if a developer is required to undertake the construction, including the financing, of a facility on Municipal-owned land, and the operation and maintenance thereof. The developer operates the facility over a fixed term during which it is allowed to charge facility users appropriate fees, rentals and charges not exceeding those proposed in its bid or as negotiated and incorporated in the contract, to enable the developer to recover its investment and operating and maintenance expenses in the project. The developer transfers the facility to the municipality at the end of the fixed term.
- b) The nature of the formal tender process is that a legally binding relationship is formed between the parties when the Municipality accepts a tender in writing. It is essential therefore, that every aspect of the disposal is specified in the tender documents. The tender documents could include a contract for sale or lease which could be completed with the tenderer's details, the tender price and be signed by the tenderer. A binding legal agreement is created upon the acceptance in writing of a tender by the Municipality.
 - c) Such a process may, depending on the nature of the transaction, include a two-stage or two-envelope bidding process (proposal call) in terms of which only those bidders that meet the pre-qualification criteria specified in the first stage are entitled to participate in the second stage.

21.1.2 Public Auction

- a) Disposal by public auction may be appropriate where there is no obvious potential purchaser and where speed and the best price can be obtained by auction.
- b) The decision to dispose of Immovable Property by way of public auction must be recorded in writing and must include-
 - (i) the reasons justifying a disposal by public auction;
 - (ii) the reserve price, if any, for the auction;
 - (iii) the authority for a staff member to attend the auction and to act on behalf of the Municipality.
- c) The contract for sale or lease must be ready for exchange at the auction.
- d) The binding contract will be made on the acceptance of the highest bid providing it has reached the reserve price. Contracts for the sale or lease will immediately be signed and exchanged.
- e) The terms and conditions of each auction shall be determined on a project-by-project basis, appropriate to the specific characteristics and attributes of the Immovable Property, and to the Municipality's strategic objectives.

- f) Where the services of an auctioneer are utilised, the auctioneer's commission shall be payable by the successful bidder and shall not form part of the financial offer to the Municipality.

21.1.3 Closed Tender

- a) If a Non-Viable Immovable Property has more than one adjacent owner and if such an Immovable Property is capable of being consolidated with more than one of the properties owned by such adjacent owners, then a closed bid will be called from all the registered owners of all the adjacent properties with which the Immovable Property can be consolidated.

21.1.4 Unsolicited proposals

- a) It is important that the municipality is in a position to entertain unsolicited proposals in exceptional circumstances. Such proposals may *inter alia* include property development proposals, land sales and leases. In this regard the following principles will apply:
 - i) Proposals received will be analysed and evaluated by the municipality in compliance with the relevant legislation;
 - ii) Realistic propositions will be advertised in the media to elicit competitive proposals or objections from the public;
 - iii) Should the advertisement elicit a response from the market, then a competitive proposal call will be initiated by means of an invitation to bid;
 - iv) The final lease or sale transaction will be submitted to the Municipal council for approval;
 - v) The prudent control will be by way of the market valuation certificate.

21.2 Non-Competitive Processes: Private Treaty Agreements

21.2.1 Non-Viable Immovable Property

In respect of Non-Viable Immovable Property which can only be utilised by one adjacent land owner, a Property Transaction(s) may be approved without any competitive process having been followed, including in response to an unsolicited application, on the basis that no purpose would be served by a competitive process but subject to the determination of the fair market value and public notice of the intent to dispose of the property.

21.2.2 Viable Property: Deviation from a Competitive process

21.2.2.1 The Municipal Manager may dispense with the competitive processes established in this policy, and may enter into a Private Treaty Agreement through any convenient process, which may include direct negotiations, including in response to an unsolicited application, but only in the following circumstances, and only after having advertised his or her intention so to act. Should any objections be received as a consequence of such a notice, such objections first be considered before a final decision is taken to dispense with the competitive process established in this policy. However, should any objections, be received from potential, competitive bidders, then a public competitive process must be followed. The advertisement referred to above should also be served on adjoining land owners, where the Municipal Manager is of the opinion that such transaction may have a detrimental effect on such adjoining land owner(s):

- (a) due to specific circumstances peculiar to the property under consideration, it can only be utilized by the one person/organization wishing to enter into the Property Transaction;
- (b) an owner of fixed immovable property who leases Municipal-owned immovable property, may be substituted by a successor-in title as deemed necessary on the same terms and conditions and/or additional terms and conditions;
- (c) sport facilities and other public amenities may be let by Private Treaty to Sport boards, Sport Federations and other similar bodies Community based bodies and non-professional sporting bodies shall be charged the tariff rentals as approved by the Municipality from time to time. Professional sport bodies and bodies operating for profit shall be charged a fair market related rental based on the market value of the property to be leased.
- (d) where unsolicited applications are received for access servitudes, right of ways and way leaves over municipal land, subject to approved tariff structure.
- (e) in exceptional cases where the Municipal Manager is of the opinion the public competition would not serve a useful purpose or that it is in the interest of the community and the Municipality, and where none of the conditions as set out in the policy provides for such exception, is permitted, and where they are not in conflict with any provision of the policy. In such cases the Municipal Manager must record full reasons for preferring such out-of hand sale or lease to those by public competition;

- (f) where any immovable property is offered for sale or lease by public competition, any remaining immovable property may be sold or leased out of hand by the Municipality at the upset price or higher, as long as it is satisfied that market prices are stable.

The upset price must be determined in such a way that it corresponds with a reasonable market value and must include the recoverable development costs such as municipal services, advertising and survey costs.

The position must be reviewed by the Municipality at least every six months. Not more than one erf may be sold out of hand to a purchaser where the demand for erven exceeds the number of erven available for sale;

- (g) where unsolicited applications/proposals are received from telecommunication companies to construct or put up communication infrastructure on Municipal owned Property, such as masts, dishes, ect, subject to approved tariff structure;
- (h) where encroachment applications are received from adjoining owners, including applications for outdoor dining permits, subject to approved tariff structure;
- (i) where the applicant is an organization receiving funding support from a government department-
which makes a substantial contribution towards the outputs of such a government department; or
whose contribution to such government departments outputs would depend upon or be substantially enhanced by gaining priority to a particular property;
- (j) where the applicant is an organization receiving funding support from the municipality for the rendering of a municipal function(s) within the municipal area, on behalf of the municipality;
- (k) where the land is part of a larger area of land that is proposed for development, redevelopment or regeneration. Also, the nature and complexity of the proposed development of the overall site is such that the Municipality's corporate objectives and best consideration can only be achieved by a sale to a purchaser with an existing interest in land in the area;
- (l) lease contracts with existing tenants of immovable properties, not exceeding ten(10) years, may be renegotiated where the Municipal manager is of the opinion that public competition would not serve a useful purpose or that renewal is aligned with the Municipality's strategic objectives and in the interest of the Community, subject to such renewal being advertised calling for public comment. The existing tenant shall give notice of the intention to renegotiate the lease at least six months before the date of termination;
- (m) where agricultural allotments becomes available, it can be allocated to qualifying emerging farmers on the waiting list for a lease period not exceeding 9 years and eleven months, subject to the approved tariff structure.

- (n) In an emergency limited to the awarding of temporary rights for a period not exceeding 6 calendar months. Should circumstances necessitate the extension of the 6 months period, the Municipal Manager shall compile a report and submit it, to Council, recommending such extension of time.

- 21.2.2.2 The Municipal Manager must record the reasons for any such deviation from the competitive disposal process in writing and report them to the Municipal Council within 60 days of the decision to deviate being taken.

21.2.3 Exchange of Land

- 21.2.3.1 Disposal by exchange of land will be appropriate when it is advantageous to the Municipality and other parties to exchange land in their ownerships and will achieve best consideration for the municipality.
- 21.2.3.2 The Municipal Council must authorise the disposal of land by exchange with another land owner for alternative land. Reasons for justifying this manner of disposal must be recorded in writing.
- 21.2.3.3 The exchange will usually be equal in value. However, an inequality in land value may be compensated for by other means where appropriate. In such circumstances the Municipality must seek an independent valuation to verify that “*best consideration*” will be obtained.

22. DISPOSAL AND LETTING OF IMMOVABLE PROPERTY FOR SOCIAL CARE USES

- 22.3.1 Social care is defined as services provided by registered welfare, charitable, non-profit cultural and religious organisations and includes, but is not limited to, the following types of uses :-
- (a) Place of Worship to the degree and for that portion of a facility being used for spiritual gathering by, and social/pastoral/manse/welfare caring and support to Worshippers and the broader Community;
 - (b) Child care facility insofar as it contributes to the functioning of a multi-use childcare facility and is operated on a non-profit basis;
 - (c) Schools or centres – utilised as homes for the handicapped and disabled persons.
Non-profit rehabilitation centres;
Homes/centres for indigent, battered or destitute persons;
Organisations for the homeless and elderly;
Youth activity centres;
Facilities for the accommodation, care and burial of animals; and
Cemeteries, NPO funeral parlours and non-profit crematoria.

21.3.2 The Municipality reserves the right to entertain unsolicited bids for the purchase or lease of viable immovable property for social care uses with the proviso that it abides by the Municipality's IDP objectives.

2nd DRAFT

CHAPTER 6 MANAGEMENT OF COMPETITIVE BIDS

23 MANAGEMENT OF COMPETITIVE BIDS

- 23.1 For Immovable Property transactions above a contract value of R1 Million (incl. of VAT) or where the Municipal Manager deems it appropriate, taking into account the specific nature of the transaction, he/she shall establish committees for the preparation of bid documents the evaluation and adjudication of such bids, as set out hereunder.

24. BID DOCUMENTATION FOR COMPETITIVE BIDS

- 24.1 The criteria to which bid documentation for a competitive bidding process must comply, must -

- (a) take into account -
- (i) the general conditions of contract and any special conditions of contract, if specified;
 - (ii) description of Immovable Property, including the erf number(s) and size thereof;
 - (iii) current zoning, land use and restrictive conditions;
 - (iv) nature of tenure to be granted;
 - (v) development parameter and guidelines;
 - (vi) an indication of whether the successful bidder will be responsible to apply for development rights, or whether such rights are already in place;
 - (vii) access to Immovable Property;
 - (viii) parking requirements;
 - (ix) time-frame for development and use;
 - (x) identification of suspensive conditions, if any, that will have to be met by the successful bidder before a legal binding relationship is formed;
 - (xi) availability of municipal services;
 - (xii) whether the successful bidder will have to make any contributions, over and above the tender amount, such as development contributions, contributions for the upgrade of services; ect.
- (b) include the preference points system to be used (if any), goals as contemplated in this policy and evaluation and adjudication criteria, including any criteria required by other applicable legislation;
- (c) Competitive bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;

- (d) if the value of the transaction is expected to exceed R10 million (VAT included), require bidders to furnish-
 - (i) if the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements-
 - (aa) for the past three years; or
 - (bb) since their establishment if established during the past three years;
 - (ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards the municipality or other service provider in respect of which payment is overdue for more than 30 days;
 - (iii) particulars of any property contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
- (e) stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.

25. PUBLIC INVITATION FOR COMPETITIVE BIDS

25.1 The procedure for the invitation of competitive bids, is as follows:

- (a) Any invitation to prospective developers/bidders to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the Municipality, or any other additional, appropriate ways, as determined by the Municipal Manager; and
- (b) The information contained in a public advertisement, must include, *inter alia*:-
 - (i) the deadline for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a long term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper;
 - (ii) a statement that bids may only be submitted on the bid documentation provided by the Municipality; and
 - (iii) date, time and venue of any proposed site meetings or briefing sessions;

25.2 The Municipal Manager may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.

25.3 Bids submitted must be sealed.

25.4 Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies.

26. PROCEDURE FOR HANDLING, OPENING AND RECORDING OF BIDS

26.1 The procedures for the handling, opening and recording of bids, are as follows:

- (a) Bids-
 - (i) must be opened in public;
 - (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired; and
 - (iii) received after the closing time shall not be considered and returned unopened immediately.
- (b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical also each bidder's total bidding price;
- (c) No information, except the provisions in subsection (b), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award; and
- (d) The Municipal Manager must-
 - (i) record in a register all bids received in time;
 - (ii) make the register available for public inspection; and
 - (iii) publish the entries in the register and the bid results on the website of the Municipality.
- (e) All original bid documents must be stored safely.

27. NEGOTIATIONS WITH PREFERRED BIDDERS

27.1 The Municipal Manager may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiations -

- (a) does not allow any preferred bidder a second or unfair opportunity;
- (b) is not to the detriment of any other bidder; and
- (c) does not lead to a lower price than the bidder has submitted, in a case of disposal of Immovable Property, or Property rights and;
- (d) does not lead to a higher price than the bidder has submitted, in a case of acquiring of Immovable Property, or Property rights.

27.2 Minutes of such negotiations must be kept for record purposes.

28. TWO-STAGE BIDDING PROCESS

28.1 A two-stage bidding process is allowed for-

- (a) large complex projects;

- (b) projects where it may be undesirable to prepare complete detailed technical specifications; or
- (c) long term projects with a duration period exceeding three years.

28.2 In the first stage technical proposals on conceptual design should be invited, subject to technical as well as commercial clarifications and adjustments.

28.3 In the second stage final technical proposals and priced bids should be invited.

29. COMMITTEE SYSTEM FOR COMPETITIVE BIDS

29.1 A Committee System for competitive bids above a contract value of R1 Million (including of VAT) is hereby established, consisting of the following Committees for each Immovable Property transaction or cluster of transactions as the Municipal Manager may determine:

- (a) a bid specification committee;
- (b) a bid evaluation committee; and
- (c) a bid adjudication committee.

29.2 The Municipal Manager appoints the members of each committee, taking into account Section 117 of the MFMA.

29.3 A neutral or independent observer, appointed by the Municipal Manager, may attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency.

30. BID SPECIFICATIONS COMMITTEES

30.1 Before placement of any invitations to perspective developers/bidders for the acquisition or disposal of Immovable Property, Property Rights a bid specification committee must compile the specifications for each such transaction.

30.2 Specifications-

- (a) must be drafted in an unbiased manner to allow all potential developers/bidders to make a bid/proposal;
- (b) must indicate each specific goal for which points may be awarded in terms of the points system set out in this policy. Such goals must be measurable and must be specified in the documentation accompanying the invitation to submit a bid. The measurable must clearly indicated how the bidder will be awarded a score out of the maximum points allocated; and
- (c) must be approved by the Municipal Manager prior to publication of the invitation for bids.

30.3 The Municipal Manager must appoint a bid specification committee when such a need arise. A specification committee must composed of one or more officials of the Municipality preferably *inter alia* the Manager responsible for Immovable Property Management, and may, when appropriate, include external specialist advisors.

- 30.4 No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.
- 30.5 No Councillor may be a member of such a Bid Specification Committee.

31. BID EVALUATION COMMITTEE

- 31.1 The function of a Bid Evaluation Committee involves the technical evaluation of the proposals submitted, including clarification interviews with short-listed proponents and the formulation of recommendations to the Bid Adjudication Committee in respect of the award of the tender or proposal call. The Bid Evaluation Committee will meet as often as is required, to complete a technical evaluation of the proposals in accordance with the set evaluation criteria and associated weighting. The scoring of the criteria will be by consensus, failing which the weighed average will apply.

Depending on the complexity of the proposal call, the evaluation process may involve other stages such as the short-listing of proponents for an interview with the Bid Evaluation Committee after initial scoring has been finalised. The purpose of this interview is for the Bid Evaluation Committee to obtain clarification on elements of a proposal, and/or confirmation of implied intentions.

- 31.2 A Bid Evaluation Committee must-
- (a) evaluate bids in accordance with the specifications and the points system set out in the Bid Document;
 - (b) evaluate each bidder's ability to execute the contract from a technical, financial and commercial point of view;
 - (c) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and
 - (d) submit to the Adjudication Committee a report and recommendations regarding the award of the bid or any other related matter.
- 31.3 The Municipal Manager must appoint a Bid Evaluation Committee when the need arise. A Bid Evaluation Committee must as far as possible be composed of-
- (a) officials who were members of the Bid Specification Committee; and
 - (b) at least one supply chain management practitioner of the Municipality.
- 31.4 The Municipal Manager may, at the request of a Bid Evaluation Committee authorize the appointment of an specialist advisor(s) to assist the Bid Evaluation Committee in the technical evaluation of the bids. Such advisor will not take part in the drafting of recommendations to the Bid Adjudication Committee, but will only advise the Bid Evaluation Committee on the technical evaluation of the bids.
- 31.5 No Councillor may be a member of such a Bid Specification Committee.

32. BID ADJUDICATION COMMITTEE

- 32.1 A Bid Adjudication Committee must-

- (a) consider the report and recommendations of the Bid Evaluation Committee; and
 - (b) either-
 - (i) depending on its delegations, make a final award, or a recommendation to the Municipal Manager to make the final award; or
 - (ii) make another recommendation to the Municipal Manager how to proceed with the relevant transaction.
- 32.2 The Municipal Manager must appoint a Bid Adjudication Committee when the need arise. A Bid Adjudication Committee must consist of at least four senior Managers of the Municipality, which must include-
- (a) the Chief Financial Officer or, if the Chief Financial Officer is not available, another Manager in the Budget and Treasury office reporting directly to the Chief Financial Officer and designated by the Chief Financial Officer; and
 - (b) at least one senior supply chain management practitioner who is an official of the Municipality; and
 - (c) a technical expert in the relevant field who is an official, if such an expert exists.
- 32.3 The Municipal Manager must appoint the Chairperson of the Committee. If the Chairperson is absent from a meeting, the members of the Committee who are present must elect one of them to preside at the meeting.
- 32.4 Neither a member of Bid Evaluation Committee, nor an advisor or person assisting the Evaluation Committee, may be a member of a Bid Adjudication Committee.
- 32.5 If the Bid Adjudication Committee decides to award a bid other than the one recommended by the Bid Evaluation Committee, the Bid Adjudication Committee must, prior to awarding the bid notify the Municipal Manager.
- 32.6 The Municipal Manager may-
- (i) after due consideration of the reasons for the deviation, ratify or reject the decision of the Bid Adjudication Committee;
 - (ii) if the decision on the Bid Adjudication Committee is rejected, refer the decision of the Adjudication Committee back to that Committee for reconsideration.
- 32.7 The Municipal Manager may at any stage of a bidding process, refer any recommendation made by the Evaluation Committee or the Adjudication Committee back to that Committee for reconsideration of the recommendation.
- 32.8 No Councillor may be a member of a Bid Adjudication Committee.

CHAPTER 7: PREFERENCE POINT SYSTEM

33. OBJECTIVES

33.1 Although municipalities are not obliged to implement a preference point system when disposing of Immovable Property or when awarding Property rights in Immovable Property, Stellenbosch Municipality is of the view that the achievement of equality is one of the fundamental goals to be attained. The objectives of the preferred points system are to:

- (a) promote broad-based black economic empowerment;
- (b) promote the redress of current, skewed land ownership patterns;
- (c) enhance the economy of the municipal area;
- (d) give preference to marginalised groups in the society, including women and people with disability;
- (e) give preference to people residing in the municipal area;
- (f) ensure that the most appropriate developments take place; and
- (g) further an integrated approach to development.

34. PUBLIC AUCTIONS

34.1 The Municipal Council may determine, on a project-by-project basis, appropriate to the specific characteristics and attributes of the Immovable Property involved, limitations on categories of people who may take part in a public auction with the view of furthering the objectives as set out above, without excluding any category of people to take part in such public auction.

35. OUTRIGHT TENDER / CLOSED TENDER

35.1 For Immovable Property transactions with a contract value up to R10 Million, the awarding of tenders shall be adjudicated on a maximum one hundred (100) points system, set out as follows:

- (a) **Price:** Sixty (60) points maximum. The highest financial offer shall score sixty (60) points, with lower offers scoring proportionally in relation to the highest.
- (b) **Status:** Forty (40) points maximum, which shall be measured and compiled as follows:
 - (i) Twenty (20) points maximum for local black people and local legal entities owned by black people. Points for legal entities will be proportionally allocated according to the percentage ownership by black people.

- (ii) Five (5) points maximum for local women and local legal entities owned by women. Points for legal entities will be proportionally allocated according to the percentage ownership by women.
 - (iii) Five (5) points maximum for local disabled people or legal entities owned by disabled people. Points for local legal entities will be proportionally allocated according to the percentage ownership by disabled people.
 - (iv) Ten (10) points maximum for local residents or legal entities owned by local residents. Points for legal entities will be proportionally allocated according to the percentage ownership by disabled people
- 35.2 For Immovable Property transactions with a contract value above R10 Million up to R50 Million, the awarding of tenders shall be adjudicated on a maximum one hundred (100) points system, set out as follows:
- (a) **Price:** Eighty (80) points maximum. The highest financial offer shall score eighty (80) points, with lower offers scoring proportionally in relation to the highest.
 - (b) **Status:** Twenty (20) points maximum for local black people and local legal entities owned by black people. Points for legal entities will be proportionally allocated according to the percentage ownership by black people.
- 35.3 For Immovable Property transactions with a contract value above R50 Million, the awarding of tenders shall be adjudicated on a maximum one hundred (100) points system, set out as follows:
- (a) **Price:** Ninety (90) points maximum. The highest financial offer shall score ninety (90) points, with lower offers scoring proportionally in relation to the highest.
 - (b) **Status:** Ten (10) points maximum for black people and legal entities owned by black people. Points for legal entities will be proportionally allocated according to the percentage ownership by black people.

36. QUALIFIED TENDERS/PROPOSAL CALLS

- 36.1 Unless otherwise determined by the Municipal Council for a specific transaction, the awarding of qualified tenders or proposal calls shall be adjudicated on a maximum one hundred (100) points system, set out as follows:
- (a) **Price:** Sixty (60) points maximum. The highest financial offer shall score sixty (60) points with lower offers scoring proportionally in relation to the highest offer.
 - (b) **Status:** Twenty (20) points for local black people and local legal entities owned by black people. Points for legal entities will be proportionately allocated according to the percentage ownership by black people.
 - (c) **Development Concept:** Twenty (20) points maximum, which shall be measured and adjudicated as per criteria to be agreed upon for the specific project.

37. MODIFICATIONS

- 37.1 The Municipal Council may adjust the scoring system set out in this section for a specific Immovable Property or group of Immovable Properties to enable it to achieve specific targets or a specific outcome.

38. NOTIFICATION OF PERFORMANCE POINT SYSTEM

- 38.1 The Tender/Call for proposal document(s) must stipulate the preference point system which will be applied in the adjudication of the specific tender.

39. EQUITY OWNERSHIP

- 39.1 Equity Ownership is tied to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company's shares that are owned by individuals, who are actively involved in the management of the enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.
- 39.2 Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with the degree of ownership.
- 39.3 Equity claims for a Trust may only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust.

40. TENDERS MUST BE AWARDED TO THE BIDDER SCORING THE HIGHEST POINTS

- 40.1 Tenders must be awarded to the bidder that scores the highest points in terms of the preference points system unless there are objective and reasonable criteria that justify the award of the tender to another tenderer.

41. QUALIFYING CRITERIA/TWO STAGE BIDDING

- 41.1 Criteria other than price, status and development concept, such as technical capability and environmentally sound practices, cannot be afforded points for evaluation. They can be specified in a call for tenders but they will serve as qualification criteria or entry level requirements, i.e a means to determine whether or not a specific tenderer is a complying tenderer in the sense of having submitted an acceptable tender. Only once a tender is regarded as a complying tenderer would it then stand in line for the allocation of points based on price, status and development concept.

CHAPTER 8 CONTRACTUAL OBLIGATIONS

42. TERMS AND CONDITIONS OF SALE

- 42.1 Regulations 17 and 30 of the MATR sets out the minimum terms and conditions that needs to form part of Sales Agreements. The terms and conditions listed below is supplementary to the above.
- 42.2 All costs pertaining to a transaction, inclusive of any costs relating to transfer, registration survey-, re-zoning-, sub-division-, consolidation-, advertisement- and relocation or provision of services cost shall be borne by an applicant, provided that the Municipality may waive its right to claim those costs if the reason for the sale is to rid the Municipality of a burden to maintain the Immovable Property or exercise control thereover.
- 42.3 Where applicable, existing services shall be secured by means of the registration of a servitude in favour of the Municipality.
- 42.4 When Immovable Property is sold, development must commence where, applicable, within 1 (one) year or such longer period as may be agreed to from the date of transfer or possession or in accordance with the provisions of the deed of sale or the development programme submitted by the purchaser and be completed in accordance with the provisions of the deed of sale or the development programme. The Municipality furthermore reserves the right to impose such conditions as deemed necessary, including a reversionary or penalty clause in the event that the development has not progressed as per the agreement, without limiting its rights to liquidated damage and reversionary clauses.
- 42.5 A reversionary clause must be inserted in the deed of sale if the Immovable Property is sold below market value or where the conditions of sale are not met.
- 42.6 Unless approved in writing by the Municipality, the Immovable Property may only be used for the purpose as approved by the Municipality and purpose regularized by the relevant by-laws and any applicable legislation.
- 42.7 Where a disposal agreement is subject to the implementation of land use and/or development conditions the agreement will incorporate suspensive conditions which could nullify the contract failing compliance with such land use or development conditions.

43. TERMS AND CONDITIONS OF LEASE

- 43.1 Regulation 45 of the MATR sets out the minimum terms and conditions that needs to form part of Lease Agreements. The terms and conditions listed below is supplementary to the above.
- 43.2 All cost pertaining to a transaction such as legal-, survey-, re-zoning-, sub-division-, consolidations-, advertisement-, relocation or provision of services cost shall be borne by the applicant.
- 43.3 The following deposits shall apply to leases where the rental is based on market value-
- (a) a deposit equal to 2 months rental for commercial transactions;

- (b) a deposit equal to 1 month's rental for residential and social services transactions.
 - (c) No deposit are payable in respect of encroachment agreements.
- 43.4 An owner of fixed Immovable Property who leases an adjoining municipal Immovable Property may be substituted by his successor in title for the duration of the remainder of the lease term on the same terms and conditions or additional terms and conditions as deemed necessary.
- 43.5 Lessees shall be liable for payment of rates and service charges, unless otherwise agreed upon.
- 43.6 The letting of lanes, public open spaces, road reserves shall be subject to the following:
- (a) closing off/securing to the Municipality's satisfaction;
 - (b) costs for the relocation or installation of services, where required, shall be for the account of the lessee; and
 - (c) securing of servitudes.
- 43.7 Lessees shall indemnify the Municipality against any possible claims arising from the lease or use of the Immovable Property.
- 43.8 No lessee of Immovable Property shall without the prior consent in writing of the Municipality, sublet such Immovable Property or any portion thereof or assign any right acquired by him in respect hereof and any such subletting or assignment without such consent shall be null and void.
- 43.9 Save with prior approval the Immovable Property may only be used for the purpose for which it was let and purposes regularized by town planning schemes.
- 43.10 Officials from the Municipality shall at all reasonable times be entitled to enter/inspect the Immovable Property, having regards for the right to privacy as contemplated in Chapter 2 of the Constitution.
- 43.11 All agreements shall contain a clause which requires the lessee to maintain the leased Immovable Property.
- 43.12 All agreements shall contain a clause which requires that improvements provided by the lessee and which the Municipality wishes to retain shall revert, free of charge, to the Municipality once the lease period has terminated and/or in the event the agreement, due to breach of conditions by the lessee, has been cancelled. Provision must also be made on how to deal with such improvements should the Municipality terminate the contract prior to the lapse of the lease period, where the lessee has not been in default.

- 43.13 All agreements shall contain a clause which states that the municipality reserves the right, where necessary, to resume Immovable Property let, or a portion thereof, and to cancel an existing lease in its entirety where such Immovable Property is required for operational purposes, in pursuance of the municipality's strategic objectives or in the interests of the community. In such an event the lessee shall be compensated for improvements established by him/her on a basis to be determined by an independent valuator, taking into account the remaining period of the lease agreement.

2nd DRAFT

CHAPTER 9: FAIR MARKET VALUES/RENTALS

44. CRITERIA FOR DETERMINING COMPENSATION AND FAIR MARKET VALUES

- 44.1 Immovable Property may be Disposed of only at market-related prices, except when the plight of the poor or the public interest which impact on the economic and community value to be received by the Municipality demand otherwise.
- 44.2 If the Municipality, on account of the public interest, particularly in relation to the plight of the poor, intends to Dispose of a Non-Exempted Immovable Property for less than market value it must take into account the following factors:
- (a) the interests of the State and the local community;
 - (b) the strategic and economic interests of the municipality, including the long-term effect of the decision on the municipality;
 - (c) the constitutional rights and legal interests of all affected parties;
 - (d) whether the interests of the parties to the transfer should carry more weight than the interest of the local community, and how the individual interest is weighed 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.
- 44.3 Subject to the Municipality's Section 14 Determinations and an In Principle Approval in respect of a specific Disposal, the Municipality shall Dispose of social care Immovable Properties at a purchase price of between 10% and 60% of fair market value subject to a suitable reversionary clause being registered against the title deed of the Immovable Property. In the event of the subject Immovable Property ceasing to be used for the purpose originally intended, reversionary rights are triggered and the Municipality reserves the right to demand compensation equal to the difference between the actual purchase price and the current fair market value of the Immovable Property, or that the Immovable Property be transferred into the ownership of the Municipality at no cost to the Municipality.
- 44.4 If the Municipality appoints a private sector party or Organ of State through a competitive bidding process as the service provider of a Commercial Service, the compensation payable to the Municipality in respect of the Disposal of Immovable Property as an integral component of the performance of that Commercial Service to that service provider, shall reflect fair market value.
- 44.5 Fair market value of Immovable Properties will be calculated as the average of the valuations sourced from two service providers, unless determined otherwise by the

Municipal Manager, taking into account the value of the property *vis-à-vis* the cost of obtaining such valuations.

45. CRITERIA FOR DETERMINING OF FAIR MARKET RENTALS

- 45.1 Immovable Property may only be let at market-related rates, except when the plight of the poor or the public interest which impact on the economic and community value to be received by the Municipality demand otherwise.
- 45.2 In respect of certain categories of Immovable Properties the Municipality shall be entitled to adopt below market-related tariffs in respect of Immovable Properties, leased to non-Profit Organisations, NGOs, Sporting Bodies, *bona fide* small farmers, ect. Such tariffs must form part of the municipality's tariff structure, approved from time to time.
- 45.3 The Municipality shall be entitled, in its sole discretion and from time to time, to specify the types of Immovable Property Transactions in respect of which applications are permitted to be made to the Municipality and to impose application fees, charges, rates, tariffs, scales of fees or other charges relating to the Immovable Property Transaction.
- 45.4 In such circumstances, the Municipality shall also be entitled not to process the application for the Immovable Property Transaction unless the applicant has:
- a) confirmed in writing that it will pay the Charges and bear all such costs in respect of the I m m o v a b l e Property Transactions as the Municipality may require (for example legal costs, survey costs, costs of rezoning, subdivision, and consolidations, advertising costs, cost of relocation or cost of provision of services); and/or
 - b) if required by the Municipality, has paid a deposit as specified by the Municipality to cover such incidental costs.
- 45.5 The fair market rentals of individual Immovable Properties will be calculated as the average of the valuations sourced from two service providers, unless determined otherwise by the Municipal Manager, taking into account the estimated rental(s) *vis-à-vis* the cost of obtaining such valuations.

CHAPTER 10 MISCELLANEOUS

46. MUNICIPAL LAND REGISTER (MLR)

- 46.1 The MLR is a computerized database that contains details of all municipal-owned Immovable Property.
- 46.2 The MLR database is electronically linked with the Geographical Information System of the Municipality to provide spatial information to complement the data stored in the MLR database.
- 46.3 As from date of commencement of this policy, all departments must record relevant details about their Master Infrastructure Plans and needs for Immovable Property in the MLR.
- 46.4 As a minimum requirement, sites for planned community infrastructure, municipal infrastructure, housing projects, ect must be recorded on the MLR.
- 46.5 All changes in the status of municipal-owned Immovable Properties must be recorded in the MLR.

47. STRATEGIC IMMOVABLE PROPERTY MANAGEMENT PLAN

- 47.1 As soon as possible after the approval of this policy the Municipality must, as part of its strategic planning process, develop and adopt a Strategic Immovable Property Management Plan.
- 47.2 Such a Strategic Immovable Property Management Plan must consist of at least-
- (a) A strategic analysis of the Municipality's Immovable Property portfolio (Land Audit), as well as state-owned Immovable Property within the municipal area.
 - (b) Categorisation of such Immovable Property-holdings, to include, but not limited to:-
 - (i) Immovable Property of strategic importance for, *inter alia*:-
 - (aa) housing purposes;
 - (bb) municipal infrastructure; and
 - (cc) public transport, -parking and related used
 - (dd) environmental conservation; and
 - (ee) heritage purposes
 - (ii) Immovable Property that should be retained for future generations;
 - (iii) Surplus Immovable Property, capable of being developed.
 - (iv) Immovable Property that should be acquired for strategic purpose.
 - (v) Immovable Property that should be exchanged for strategic purposes.
 - (c) A management plan for each category of Immovable Property.

- (d) A performance assessment of each category of Immovable Property.
- (e) The maintenance activities required for each category of Immovable Property.

- 47.3 The Strategic Immovable Property Management Plan must be developed within the context of approved spatial development frameworks, sectoral plans, planning related policies and regional plans.
- 47.4 When developing the SLMP, the public should be given ample opportunity to make inputs.
- 47.5 The Municipal Council must annually revise its Strategic Immovable Property Management Plan and must incorporate the revised plan into its IDP.

48. FRAUD AND CORRUPTION

- 48.1 Stellenbosch Municipality's policy is to require that bidders observe the highest standard of ethics during the selection and execution of contracts.
- 48.2 The Municipal Manager must reject a proposal for award if he/she determines that the person recommended for award, has engaged in corrupt or fraudulent activities in competing for the contract in question.
- 48.3 Where evidence in support of corrupt, fraudulent practices or criminal offences are reported and substantiated, the Municipal Manager is to initiate criminal proceedings against such business entity, official or other role player, and inform the Provincial Treasury and the Municipality of such measures.
- 48.4 Employees found guilty after a disciplinary process of conniving with bidders or contravening this Policy may be dismissed.
- 48.5 Bidders and their directors who have been found guilty of abusing this Policy will be barred/suspended from doing business with the Municipality and National Treasury will be informed accordingly.
- 48.6 The Municipality reserves the right to criminally prosecute any person found to have violated or abused this Policy.
- 48.7 The Municipality reserves the right to cancel or not to award bids to bidders found to:
- a) have unfairly influenced the process of award and have been found guilty of improper conduct;
 - b) have been convicted of fraud or corruption during the past 5 years;
 - c) have willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d) have been listed in the Registrar for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act No 12 of 2004.
- 48.8 All employees and/or officials are expected to assist the Municipality in fighting corruption and to this extent are encouraged to report all suspicious acts.

49. INDUCEMENTS, REWARDS, GIFTS AND FAVOURS TO OFFICIALS AND OTHER ROLE PLAYERS

- 49.1 No person who is a tenderer or prospective tenderer for municipal Immovable Property may either directly or through a representative or intermediary promise, offer or grant -

- (a) any inducement or reward to the municipality for or in connection with the award of a contract; or
- (b) any reward, gift, favour or hospitality to any official of the Municipality or other role player who may affect the outcome of a tender process.

49.2 The Municipal Manager must promptly report any alleged contravention of clause 49(1) to the Municipality.

50. OBJECTIONS AND COMPLAINTS

50.1 Persons aggrieved by decisions or actions taken in the implementation of this policy may

lodge within 14 days of the decision or action, a written objection or complaint against the decision or action to the Municipal Manager, or if the Municipal Manager is involved to the Executive Mayor.

51. RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES

51.1 The Municipal Manager must appoint an independent and impartial person, not directly involved in the adjudication processes:-

- (a) to assist in the resolution of disputes between the municipality and other persons regarding-
 - (i) any decisions or actions taken in the implementation of this policy; or
 - (ii) any matter arising from a contract awarded in terms of the Policy; or
- (b) to deal with objections, complaints or queries regarding any such decisions or actions or any matter arising from such contract.

51.2 The Municipal Manager or another official designated by the Municipal manager or Executive Mayor is responsible for assisting the appointed person to perform his or her functions effectively.

51.3 The person appointed must -

- (a) strive to resolve promptly all disputes, objections, complaints or queries received; and
- (b) submit monthly reports to the Municipal Manager or the Executive Mayor as the case may be, on all disputes, objections, complaints or queries received, attended to or resolved.

51.4 This paragraph must not be read as affecting a person's rights to approach a court at any time.

APPENDIX 2

CHAPTER 5: DISPOSAL MANAGEMENT SYSTEM

5.1 Goal

5.1.1 To give effect to:

- a) Regulation 40 of the Supply Chain Management Regulations which requires an effective system for the disposal of letting of assets including unserviceable, redundant or obsolete assets, and
- b) the Municipal Asset Transfer Regulations, subject to sections 14 and 90 of the MFMA and any other applicable legislation.

5.2 Disposal Management System

5.2.1 Subject to the provisions of the Municipal Asset Transfer Regulations:

- a) moveable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous to the Municipality;
- b) immovable property may:
 - i) be sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
 - ii) let only at market related rates except when the public interest or the plight of the poor demands otherwise and provided that all charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;
- c) in the case of the free disposal of computer equipment, the provincial department of education must first be approached to indicate within 30 days whether any of the local schools are interested in the equipment;
- d) in the case of fire arms, the National Conventional Arms Control Committee must approve any sale or donation of firearms to any person within or outside the Republic.

5.3 Transfer or permanent disposal of assets and the granting of rights

5.3.1 Non-exempted capital assets shall be transferred or permanently disposed of strictly in accordance with Chapter 2 of the Municipal Asset Transfer Regulations.

5.3.2 Exempted capital assets shall be transferred strictly in accordance with Chapter 3 of the Municipal Asset Transfer Regulations.

5.3.3 The granting of rights (where sections 14 and 90 of the MFMA do not apply) by the Municipality, shall be executed strictly in accordance with Chapter 4 of the Municipal Asset Transfer Regulations.

5.4 Policy on the management of the Municipality's Immovable Property

5.4.1 The management of Stellenbosch Municipality's immovable property shall be done in terms of the approved Policy on the Management of the Municipality's Immovable Property, as amended from time to time

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

File number : 7/2/1/1
Compiled by : Manager: Property Management (P Smit)
Report by : Director: HS & Property Management
Delegated Authority : Council

Strategic intent of item

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

1. PURPOSE OF REPORT

The purpose of this report is two-fold:

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

2. BACKGROUND

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

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

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

The 9 properties which was identified are:

- Erf 5652, Die Boord
- Erf 412, Groendal

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

2.2 Allocation of tenders

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

2.3 Consideration of Section 124 objections

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

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

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

2.4 Subsequent Council resolutions, dealing with some of the properties

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

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

RESOLVED (majority vote)

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

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

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

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

authorization processes may commence unless approved by Council; and

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

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

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

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

3. DISCUSSION

3.1 Properties where Council resolutions are in place

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

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

3.2 Remaining properties, where no Council resolutions are in place

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

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

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

3.3 Way forward

3.3.1 Development rights

There are effectively two ways in dealing with these properties:

- Option 1: a) Obtain development rights; whereafter
b) a Call for proposal (either on a long term lease basis or for disposal) is invited.
- Option 2: a) Agree on broad development framework, whereafter
b) a Call for proposal (either on a long term lease basis or for disposal) is invited

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

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

3.3.2.1 Disposals

In terms of Section 14 of the MFMA:-

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

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

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

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

- (a) R50 million;
- (b) one per cent of the total value of the capital assets of the municipality

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

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

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

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

3.3.2.2 Granting of rights to use, control or manage municipal capital assets**Decision-making process for municipalities**

In terms of Regulation 34

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

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

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

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

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

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

4. INPUTS BY OTHER DEPARTMENTS

4.1 CFO

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

4.2 Senior legal Advisor

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

4.3 Planning and Economic Development

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

4.4 Engineering Services

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

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

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

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

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

4.5 Public Safety & Community Services

None received.

5 CONCLUSION

From the above it is clear that:

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

RECOMMENDED

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

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

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

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

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

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

RECOMMENDED BY THE EXECUTIVE MAYOR

**KINDLY NOTE: THE RECOMMENDATION OF THE
EXECUTIVE MAYOR WILL BE
DISTRIBUTED UNDER SEPARATE
COVER IN DUE COURSE.**

APPENDIX 1



LIST OF PROPERTIES: TENDER 34 AND PARADYSKLOOF

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

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

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

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

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

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

LIST OF PROPERTIES: TENDER 34

1. Erf 825 and 6 others: Transvalia

1.1 The Site

1.1.1 Location

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

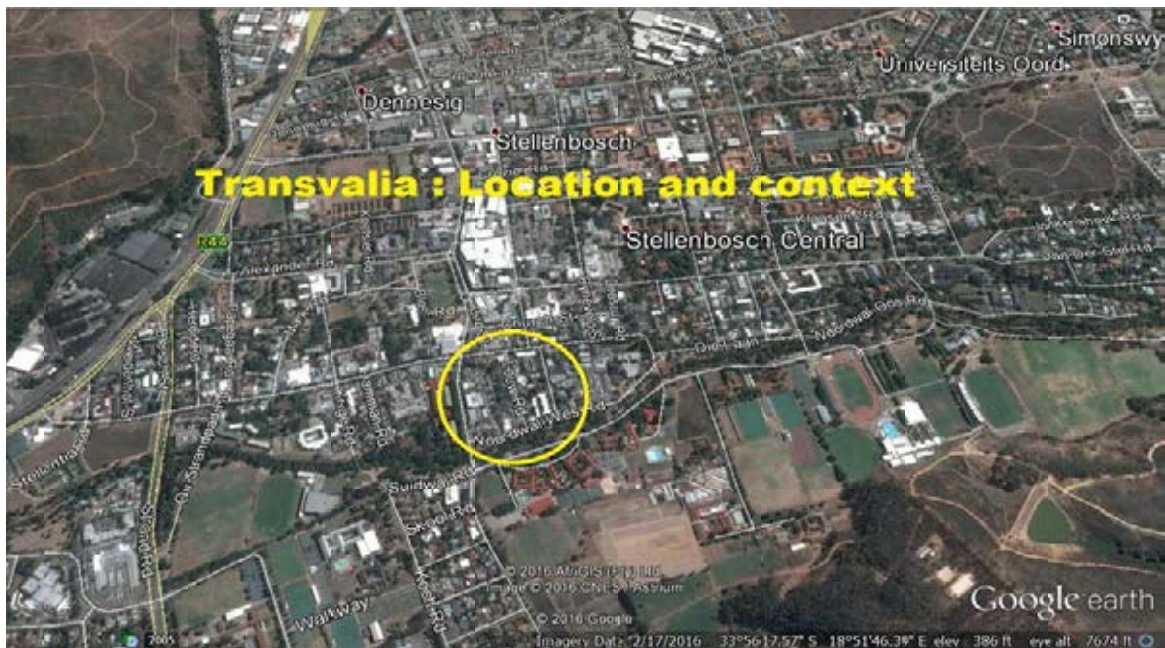


Fig 1: Location and context



Fig 2:

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

(b) Calls for proposals

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

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

(c) Proposal for public garage

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

A parking garage be constructed.

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

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

(d) Opportunities for Tourist Development

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

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

2. Erf 1962 and others: Town Hall

2.1 The site

2.1.1 Description and Context

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



Fig 1: Location and context



Fig 2

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

(c) Call for proposals

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

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

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

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

3. Erf 7001, Soekmekaar

3.1 The site

3.1.1 Location

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



Fig 1: Location and context**Fig 2****(b) Description and Context**

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

(c) Call for proposals

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

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

4. Erf 194, Merriman Avenue

4.1 The Site

4.1.1 Location

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



Fig 1: Location and context



Fig 2

(b) Calls for proposals

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

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

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

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

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

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

5. Erf 5652, Die Boord

5.1 The Site

5.1.1 Location

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



Figure 1: Location and context



Fig 2

(ii) Description and Context

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

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

(iii) Environmental and Physical Considerations

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

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

(iv) Calls for proposals

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

6. Erf 13420, Technopark

6.1 The Site

6.1.1 Location and Accessibility

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



Fig 1: Location and context



Fig 2

(b) Call for Proposals

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

7. Erf 739, Klapmuts

7.1 The site

7.1.1 Property description and context

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



Fig 1: Location and context



Fig 2

Property Description	:	Farm no 739, Paarl Division
Property Size	:	22,1039ha
Existing Zoning	:	Authority Zone for the 4ha waste transfer station and Open Space Zone 1 for the rest of the property.

(b) Call for proposals

Proposals were invited from all parties with the financial backing and experience to submit a proposal for the sale and development of the site. The site is within distance from the Klapmuts Village, therefore, the development proposals must focus on employment opportunities for this particular community.

Klapmuts and surrounding have a distinct rural atmosphere in an area with significant scenic beauty. Within this context, any new development should be in scale and in harmony with the natural and built surroundings. As such, large physical structures as well as activities that would generate smoke or noise pollution should be avoided.

The development of the site needs to make provision for both established and emerging entrepreneurs. Established industrialist can be accommodated on stand-alone sites and the emerging entrepreneurs in hive, which could function as incubators to allow entrepreneurs to gain entry into the markets. A study commissioned by Council, identified the following preferred economic activities for the Klapmuts area in terms of linkages to existing dominant activities in the region as well as adherence to the site specific characteristics (proposals are however not restricted to the listed activities below):

- (i) Manufacturing
- (ii) Wholesale, retail and repair
- (iii) Transport, storage and communication

There are two main residential products to serve this market in the region. The first consist of free standing single dwellings generally of one storey on plots between 300m² to 400m². Gross densities are typically in the region of 12 to 15 dwelling units per hectare.

The second is a higher density, usually double storey, group-housing format with gross densities approximately 25 dwelling units per hectare. Plots sizes will be in the region of 100m² to 200m². These can be developed as sectional title schemes rather than only private freehold.

Generally, planning policy encourages higher density urban settlements. However, to date freestanding units was preferred in Klapmuts. Market research should confirm the preferred format for this type of development.