

ADDITIONAL ITEMS

7.2	CORPORATE AND STRATEGIC SERVICES: (CLLR E GROENEWALD (MS))
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7.2.4	ADDENDUM TO DRAFT INTEGRATED DEVELOPMENT PLAN (2017-2022)
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1. PURPOSE OF REPORT

For Council to note and approve the amendments to be made to the Draft Integrated Development Plan (IDP) (2017-2022).

2. BACKGROUND

Various information in the current Draft IDP is based on out-dated information due to administrative challenges. The following amendments in the current draft document are herewith proposed:

PAGE NUMBER	AMENDMENT
5	Bottom of Table – Outlines IDP-related monitoring and evaluation activities for the 2015/16 year ahead, be <u>amended</u> to : Outlines IDP-related monitoring and evaluation activities for the <u>2017/18</u> year ahead.
42	First sentence on page – powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility, be amended to : Powers are vested in <u>her</u> to manage the day-to-day affairs. This means that <u>she</u> has an overarching strategic and political responsibility.
68	First paragraph – Apart from reflecting an understanding of the current realities of Stellenbosch Municipality and key global, national, regional and district level policy directive, the revision of the third generation IDP needs to take into account the views of citizens and interest groups as expressed through various processes and forums, be <u>amended</u> to : Apart from reflecting an understanding of the current realities of Stellenbosch Municipality and key global, national, regional and district level policy directive, the <u>Fourth Generation IDP</u> needs to take into account the views of citizens and interest groups as expressed through various processes and forums
143	Vision – Innovation Capital of South Africa; to be <u>amended</u> to : <u>Vision – Valley of Opportunity and Innovation</u>
143 - 145	Due to duplication the table consisting of Strategic objectives and Key strategies be <u>deleted</u> .
175	First paragraph – To achieve delivery on the third generation IDP strategic focus areas and objective, it is essential to align the municipal budget with strategy, be <u>amended</u> to :

	To achieve delivery on the <u>Fourth</u> generation IDP strategic focus areas and objective, it is essential to align the municipal budget with strategy.
209	First bullet – The extent to which the programme or project demonstrates measureable support for the strategic goals, focus areas and objectives of the Third generation IDP; be <u>amended</u> to The extent to which the programme or project demonstrates measureable support for the strategic goals, focus areas and objectives of the <u>Fourth</u> generation IDP.
209	10.3 HIGH LEVEL KEY PERFORMANCE INDICATORS AND TARGETS FOR 2017/2018 The High Level Key Performance Indicators and Targets for 2017/18 are attached below; be <u>amended</u> to 10.3 5 YEAR TOP LEVEL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN The 5 year Top Level Key Performance Indicators and Targets for 2017/2022 are attached below.
210 - 218	Be <u>replaced</u> with the attached APPENDIX 1 .
	That the Map of Stellenbosch : Proposed Urban Edges be included as the last page to Appendix 4 : Proposed Spatial Development Amendments (APPENDIX 2)

RECOMMENDED

- (a) that the above-mentioned amendments as reflected in the table be approved by Council; and
- (b) that the final draft IDP be updated with the above-mentioned amendments before it is advertised for public comment.

Meeting: Ref No:	7 th Council: 2017-03-29 9/1/2/1	Submitted by Directorate: Author: Referred from:	Strategic and Corporate Services Manager:IDP Special Mayco: 2017-03-27
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APPENDIX 1



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Five year Plan 2017-2022

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 001	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 4.4	Financial Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	Provide clean piped water to formal residential properties which are connected to the municipal water infrastructure network	Activity	Number of formal residential properties receiving piped water	All	23 000	Number	25000	25000	25000	25000	25000	Output
KPI 002	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 4.4	Financial Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	Provide electricity to formal residential properties connected to the municipal electrical infrastructure network for both credit and prepaid electrical metering	Activity	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	All	23 000	Number	25000	25000	25000	25000	25000	Output
KPI 003	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 4.4	Financial Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	Provide sanitation services to residential properties which are connected to the municipal waste water (sanitation/sewage) network	Activity	Number of residential properties which are billed for sewerage in accordance with the SAMRAS financial system	All	23 000	Number	25000	25000	25000	25000	25000	Output
KPI 004	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 4.4	Financial Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	Provision of refuse removal, refuse dumps and solid waste disposal to all residential account holders once a week	Activity	Number of formal residential properties for which refuse is removed	All	23 000	Number	25000	25000	25000	25000	25000	Output
KPI 005	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 4.4	Financial Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	Provide free basic water in terms of the equitable share requirements to indigent account holders	Activity	Monthly provisioning of free basic water in terms of the equitable share requirements to indigent account holders (KL per account holders)	All	10	KI	10	10	10	10	10	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 006	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 4.4	Financial Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	Provide clean piped water to registered indigent account holders which are connected to the municipal water infrastructure network	Activity	Number of indigent account holders receiving free basic water	All	5 000	Number	6000	6000	6000	6000	6000	Output
KPI 007	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 4.4	Financial Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	Provide free basic electricity to registered indigent account holders connected to the municipal electrical infrastructure network	Activity	Provide free basic electricity to indigent account holders in terms of the equitable share requirements measured in terms of quantum approved (Free kw basic electricity per indigent household)	All	60	Kwh	100	100	100	100	100	Output
KPI 008	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 4.4	Financial Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	Provide free basic electricity to registered indigent account holders connected to the municipal electrical infrastructure network	Activity	Number of indigent account holders receiving free basic electricity which are connected to the municipal electrical infrastructure network	All	5 000	Number	6000	6000	6000	6000	6000	Output
KPI 009	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 4.4	Financial Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	Provide free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets)	Activity	Number of indigent account holders connected to the sanitation/sewerage network and are billed for sewerage services	All	5 000	Number	6000	6000	6000	6000	6000	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 010	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 4.4	Financial Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	Provide free basic refuse removal, refuse dumps and solid waste disposal to registered indigent account holders	Activity	Number of indigent account holders receiving free basic refuse removal	All	5 000	Number	6000	6000	6000	6000	6000	Output
KPI 011	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.9	Financial Services	SFA 4 - Dignified Living	MFA 37 Municipal Financial Viability and Management	The % of the Municipality's capital budget spent on capital projects by 30 June annually {(Total Actual capital Expenditure/Approved Capital Budget) x 100}	Project (Capital)	% of the Municipality's capital budget spent by 30 June annually {(Total Actual capital Expenditure/Approved Capital Budget) x 100}	All	90	Percentage	90	90	90	90	90	Outcome
KPI 012	NKPA 4	NDP 1	PSO 1	CWDM 1	PDO 1.1	Planning & Economic Development	SFA 1 - Valley of Possibility	MFA 1 Local economic Development	Number of FTE's created through in terms of Expended Public Works Programme	Programme	Number of FTE's Created as a % of the possible total given the allocated budget	All	84	Percentage	90	90	90	90	90	Outcome
KPI 013	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.6	Strategic & Corporate Services	SFA 5 - Good Governance And Compliance	MFA 26 Human Resources	The number of people from employment equity target groups employed (to be appointed) in the top three occupational levels of management in compliance with the municipality's approved employment equity plan	Programme	Number of appointments made in the three highest levels of management annually in compliance with the municipality's approved employment equity plan	All	5	Number	5	5	5	5	5	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 014	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.6	Strategic & Corporate Services	SFA 5 - Good Governance And Compliance	MFA 26 Human Resources	The percentage of a municipality's payroll budget actually spent on implementing its workplace skills plan ((Total Actual Training Expenditure / Total annual payroll Budget)x100)	Programme	% of municipality's payroll budget actually spent on implementing its workplace skills plan ((Total Actual Training Expenditure/ Total Annual payroll Budget) x100)	All	0.8	Percentage	0.4	0.8	0.8	0.8	0.8	Outcome
KPI 015	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.9	Financial Services	SFA 5 - Good Governance And Compliance	MFA 34 Income	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue – Operating Conditional Grant	Activity	Debt to Revenue (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant	All	55	Percentage	35	35	35	35	35	Outcome
KPI 016	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.8	Financial Services	SFA 5 - Good Governance And Compliance	MFA 34 Income	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	Activity	% of outstanding service debtors (Total outstanding service debtors/ revenue received for services)	All	20	Percentage	20	20	20	20	20	Outcome

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 017	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.8	Financial Services	SFA 5 - Good Governance And Compliance	MFA 34 Income	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June annually ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).	Activity	Cost coverage as at 30 June 20172018 ((Cash and Cash Equivalents – Unspent Conditional Grants - Overdraft) + Short Term Investment)/ Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).	All	6	Number	6	6	6	6	6	Output
KPI 018	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.5	Office of the Municipal Manager	SFA 5 - Good Governance And Compliance	MFA 32 Legal Services, compliance and control environment	Review the Risk based audit plan and submit to the Audit Committee	Activity	Reviewed RBAP submitted to the Audit Committee	All	1	Number	1	1	1	1	1	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 019	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.5	Office of the Municipal Manager	SFA 5 - Good Governance And Compliance	MFA 32 Legal Services, compliance and control environment	Approve an Audit Action Plan by 28 February annually to address the issues raised in the Audit Report for the relevant financial year	Activity	Audit action plan developed and approved by 28 February annually	All	1	Number	1	1	1	1	1	Output
KPI 020	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.5	Office of the Municipal Manager	SFA 5 - Good Governance And Compliance	MFA 32 Legal Services, compliance and control environment	Review the risk register and submit to the Risk Management Committee	Activity	Reviewed risk register submitted to the Risk Management Committee	All	1	Number	1	1	1	1	1	Output
KPI 021	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.1	Strategic & Corporate Services	SFA 5 - Good Governance And Compliance	MFA 27 Information Communication Technology	Review the ICT Backup Disaster Recovery Plan and submit to the Portfolio Committee	Activity	Reviewed ICT Backup Disaster Recovery Plan submitted to Portfolio Committee	All	1	Number	1	1	1	1	1	Output
KPI 022	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.4	Strategic & Corporate Services	SFA 5 - Good Governance And Compliance	MFA 29 Communications	Review the Communication Strategy and submit to the Portfolio Committee	Activity	Reviewed Communication Strategy submitted to Portfolio Committee	All	1	Number	1	1	1	1	1	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Munic ipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Bas eline as at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 023	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.1	Strategic & Corporate Services	SFA 5 - Good Governace And Complia nce	MFA 27 Inform ation Comm unicati on Techn ology	Review the Strategic ICT Plan and submit to the Portfolio Committee by 31 March annually	Activity	Reviewed Strategic ICT Plan submitted to the Portfolio Committee by 31 March annually	All	1	Number	1	1	1	1	1	Output
KPI 024	NKPA 11	NDP 4	PSO 5	CWDM 1	PDO 5.4	Strategic & Corporate Services	SFA 5 - Good Governace And Complia nce	MFA 30 Integr ated Develo pment Planni ng	Compile and submit the draft IDP to council by 31 March annually	Activity	Draft IDP compiled and submitted to council by 31 March annually	All	1	Number	1	1	1	1	1	Output
KPI 025	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.6	Strategic & Corporate Services	SFA 5 - Good Governace And Complia nce	MFA 26 Huma n Resou rces	Submit the reviewed organisational structure to Council for approval	Activity	Report on the Reviewed implementation of the organisational structure submitted to the Portfolio committee	All	1	Number	1	0	0	0	0	Output
KPI 026	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.8	Financial Services	SFA 5 - Good Governace And Complia nce	MFA 34 Incom e	Achieve an average payment percentage of 93% by 30 June annually (Gross Debtors Closing Balance + billed revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/ Billed Revenue) x 100	Activity	(Gross Debtors Closing Balance + billed revenue – Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue) x 100	All	93	Percentage	93	93	93	93	93	Outcome

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 027	NKPA 2	NDP 2	PSO 4	CWDM 2	PDO 4.4	Human Settlements & Property Management	SFA 5 - Good Governance And Compliance	MFA 19 Informal Settlements	Provide 50 additional waterborne toilet facilities to informal settlements	Activity	Number of waterborne toilets facilities provided	2; 12; 13; 14; 15; 18; 21	50	Number	50	50	50	50	50	Output
KPI 028	NKPA 8	NDP 2	PSO 4	CWDM 2	PDO 4.1	Human Settlements & Property Management	SFA 4 - Dignified Living	MFA 21 New Housing (PMU)	Serviced erven for low cost housing development	Activity	Number of erven serviced	All	190	Number	100	100	100	100	100	Output
KPI 029	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 4.1	Human Settlements & Property Management	SFA 4 - Dignified Living	MFA 20 Housing Administration	Compile and sign 200 transfer documents for ownership of low cost houses	Activity	Number of transfer documents compiled and signed	All	200	Number	200	200	200	200	200	Output
KPI 030	NKPA 8	NDP 2	PSO 4	CWDM 2	PDO 4.1	Human Settlements & Property Management	SFA 4 - Dignified Living	MFA 21 New Housing (PMU)	Construct 100 top structures	Activity	Number of top structures constructed	All	100	Number	100	100	100	100	100	Output
KPI 031	NKPA 8	NDP 2	PSO 4	CWDM 2	PDO 4.4	Human Settlements & Property Management	SFA 4 - Dignified Living	MFA 19 Informal Settlements	Install 50 taps in informal settlements	Activity	Number of taps Installed	All	50	Number	50	50	50	50	50	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 2017/18	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Delivery Indicator
KPI 032	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 4.4	Engineering Services	SFA 4 - Dignified Living	MFA 22 Water Services	Limit unaccounted for electricity to less than 11% annually {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl Free basic electricity)) / Number of Electricity Units Purchased and/or Generated} × 100}	Programme	{{(Number of Electricity Units Purchased and/or Generated – Number of Electricity Units Sold (incl Free basic electricity)) / Number of Electricity Units Purchased and/or Generated} × 100}	All	11	Percentage	11	11	11	11	11	Outcome
KPI 033	NKPA 2	NDP 2	PSO 4	CWDM 1	PDO 2.1	Engineering Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	80% Weighted Average effluent quality achieved in terms of requirements as regulated by the water use license for all Waste Water Treatment Works	Programme	% effluent quality	All	80	Percentage	80	80	80	80	80	Outcome
KPI 034	NKPA 2	NDP 2	PSO 4	CWDM 1	PDO 4.4	Engineering Services	SFA 4 - Dignified Living	MFA 22 Basic Service Delivery	90% Weighted Average water quality achieved as per micro, chemical, operational and physical determinants in terms of the Blue Drop requirements regulated by SANS 241 for all Water Treatment Works	Programme	% Average water quality achieved as per micro, chemical, operational and physical determinants	All	90	Percentage	90	90	90	90	90	Outcome
KPI 035	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 4.4	Engineering Services	SFA 4 - Dignified Living	MFA 8 Water Services	Limit unaccounted for water	Programme	Percentage of unaccounted for water calculated in terms of standard IWA formula	All	25	Percentage	25	22	20	18	15	Outcome
KPI 036	NKPA 8	NDP 2	PSO 4	CWDM 1	PDO 2.1	Engineering Services	SFA 2 - Green and Sustainable Valley	MFA 9 Solid Waste Management	Implementation of the Integrated Waste Management Plan and report quarterly to the Portfolio Committee	Activity	Quarterly reporting on the implementation of the Integrated Waste Management Plan	All	1	Number	4	4	4	4	4	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Directorate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 037	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 2.1	Engineering Services	SFA 2 - Green and Sustainable Valley	MFA 9 Solid Waste Management	Implementation of the Waste Management Bylaw and report quarterly to the Portfolio Committee	Activity	Quarterly reporting to the Portfolio Committee on the implementation of the Waste Management Bylaw developed and submitted to the Portfolio Committee	All	1	Number	4	4	4	4	4	Output
KPI 038	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 3.1	Community & Protection Services	SFA 3 - Safe Valley	MFA 14 Fire & Disaster Management	Review the Disaster Management Plan and submit to the Portfolio committee annually	Activity	Reviewed Plan submitted to Portfolio Committee annually	All	1	Number	1	1	1	1	1	Output
KPI 039	NKPA 3	NDP 4	PSO 3	CWDM 1	PDO 3.1	Community & Protection Services	SFA 4 – Good Governance and Compliance	MFA 39 Law Enforcement, Security Services & Land Invasion	Review the Safety and Security Strategy and submit to the Portfolio Committee by 31 March annually	Activity	Revised Safety and Security Strategy submitted to the Portfolio Committee by 31 March annually	All	1	Number	1	1	1	1	1	Output
KPI 040	NKPA 2	NDP 9	PSO 4	CWDM 1	PDO 3.4	Community & Protection Services	SFA 3 - Safe Valley	MFA 16 Sport and Facility Management	Review the Sport Management Plan and submit to the Portfolio committee by 30 June annually	Activity	Reviewed plan submitted to the Portfolio committee by 30 June annually	All	1	Number	1	1	1	1	1	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 041	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 3.1	Community & Protection Services	SFA 4 – Good Governance and Compliance	MFA 39 Law Enforcement, Security Services & Land Invasion	Report quarterly to the Portfolio Committee on the enforcement of municipal By-Laws on public open spaces, municipal owned property and municipal owned land	Activity	Number of reports submitted	All	4	Number	4	4	4	4	4	Output
KPI 042	NKPA 9	NDP 8	PSO4	CWDM 1	PDO 1.1	Planning & Economic Development	SFA 1 - Valley of Possibility	MFA 3 Land-Use Management	Report quarterly to the Portfolio Committee on the process of land-use applications within the prescribed/ legislated periods	Activity	Number of reports submitted	All	4	Number	4	4	4	4	4	Output
KPI 043	NKPA 9	NDP 8	PSO4	CWDM 1	PDO 1.1	Planning & Economic Development	SFA 1 - Valley of Possibility	MFA 4 Building Development Control	Report quarterly to the Portfolio Committee on the process of building plan applications within the prescribed /legislated periods	Activity	Number of reports submitted	All	4	Number	4	4	4	4	4	Output
KPI 044	NKPA 4	NDP 1	PSO 1	CWDM 1	PDO 1.2	Planning & Economic Development	SFA 1 - Valley of Possibility	MFA 1 Local economic Development	Provide training to entrepreneurs and SMME's	Programme	Number of training events	All	4	Number	4	4	4	4	4	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 045	NKPA 11	NDP 4	PSO 5	CWDM 1	PDO 1.3	Planning & Economic Development	SFA 1 - Valley of Possibility	MFA 13 Spatial Planning / Environmental, Heritage & Cultural Management	Finalise the SDF in line with the Integrated Development Plan and submit it to the Council annually	Key initiative	SDF Amendment submitted to Council annually	All	1	Number	1	1	1	1	1	Output
KPI 046	NKPA 4	NDP 1	PSO 1	CWDM 1	PDO 1.2	Planning & Economic Development	SFA 1 - Valley of Possibility	MFA 1 Local economic Development	Develop a guiding document and review annually to link SMME to open market opportunities	Key initiative	Submit guiding document to the Portfolio Committee	All	New KPI	Number	1	1	1	1	1	Output
KPI 047	NKPA 4	NDP 1	PSO 1	CWDM 1	PDO 1.2	Finance	SFA 1 - Valley of Possibility	MFA 7 Supply Chain Management	Update and implement the preferential procurement policy annually		Reviewed policy submitted to Council	All	New KPI	Number	1	1	1	1	1	Output
KPI 048	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 1.2	Engineering Services	SFA 1 - Valley of Possibility	MFA 7 Supply Chain Management	Construct Bus and Taxi shelters	.	Number of Bus and Taxi shelters constructed	All	New KPI	Number	2	2	2	2	2	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 049	NKPA 9	NDP 9	PSO 5	CWDM 3	PDO 5.3	Strategic & Corporate Services	SFA 5 - Good Governance And Compliance	MFA 26 Human Resources	Development of personal development plans for employees entering performance agreements		% of personal development plans compiled for employees compiling personal agreements	All	New KPI	Percentage	100	100	100	100	100	Output
KPI 050	NKPA 3	NDP 4	PSO 3	CWDM 1	PDO 3.1	Community & Protection Services	SFA 3 - Safe Valley	MFA 39 Law Enforcement, Security Services & Land Invasion	Sign and update MOU's with safety stakeholders in WC024 annually.	Key initiative	Number of signed MOU's	All	New KPI	Number	1	1	1	1	1	Output
KPI 051	NKPA 3	NDP 9	PSO 3	CWDM 1	PDO 3.2.	Community & Protection Services	SFA 3 - Safe Valley	MFA 39 Law Enforcement, Security Services & Land Invasion	Register new and monitor existing neighbourhood watches in all wards annually.	Key initiative	Number of neighbourhood watches registered	All	New KPI	Number	4	5	5	5	3	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 052	NKPA 3	NDP 4	PSO 3	CWDM 1	PDO 3.3	Community & Protection Services	SFA 3 - Safe Valley	MFA 39 Law Enforcement, Security Services & Land Invasion	Identify and map crime hot spots in all wards.	Key initiative	Compiled and updated ward maps indicating crime hotspots	All	New KPI	Number	22	22	22	22	22	Output
KPI 053	NKPA 3	NDP 4	PSO 3	CWDM 1	PDO 3.3	Community & Protection Services	SFA 3 - Safe Valley	MFA 39 Law Enforcement, Security Services & Land Invasion	Convert crime hot spots into safe spaces by addressing the cause of crime in the identified hot spots.	Key initiative	Compiled and updated ward maps indicating safe nodes created	All	New KPI	Number	4	4	4	4	4	Output
KPI 054	NKPA 3	NDP 2	PSO 3	CWDM 1	PDO 3.3	Community & Protection Services	SFA 3 - Safe Valley	MFA 39 Law Enforcement, Security Services & Land Invasion	Introduce appropriate technology and extent Close Circuit Television coverage to all wards.	Key initiative	Number of CCTV cameras installed	All	New KPI	Number	4	4	4	4	4	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baselin e as at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 055	NKPA 3	NDP 4	PSO 3	CWDM 1	PDO 3.3	Planning & Economic Development	SFA 3 - Safe Valley	MFA 17 Community Development	Facilitate the registration of early childhood development centres	Programme	Number of early childhood development centre registration documents submitted to the registering authority	All	New KPI	Number	4	4	4	4	4	Output
KPI 056	NKPA 3	NDP 4	PSO 3	CWDM 1	PDO 3.4	Planning & Economic Development	SFA 3 - Safe Valley	MFA 17 Community Development	Develop, facilitate and implement youth programs in partnership with public and private institutions	Project	Number of programs established	All	New KPI	Number	4	4	4	4	4	Output
KPI 057	NKPA 4	NDP 1	PSO 1	CWDM 1	PDO 3.4	Planning & Economic Development	SFA 1 - Valley of Possibility	MFA 1 Local economic Development	Develop, facilitate and implement entrepreneurial programs	Project	Number of projects / programs established	All	New KPI	Number	4	4	4	4	4	Output
KPI 058	NKPA 6	NDP 2	PSO 4	CWDM 2	PDO 4.2	Human Settlements & Property Management	SFA 4 - Dignified Living	MFA 23 Property Management	Identify and map all current and planned social infrastructures	Project	Updated plan and map with current and planned social infrastructure	All	New KPI	Number	1	1	1	1	1	Output
KPI 059	NKPA 6	NDP 8	PSO 2	CWDM 2	PDO 4.4	Human Settlements & Property Management	SFA 4 - Dignified Living	MFA 19 Informal Settlements	Implement the access to basic services program and report quarterly to the Portfolio Committee	Project	Number of reports submitted	All	New KPI	Number	4	4	4	4	4	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baselin e as at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 060	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.1	Strategic & Corporate Services	SFA 5 - Good Governance And Compliance	MFA 27 Information Communication Technology	Align and integrate current Management Information systems.	Project	Report from Management Information systems	All	New KPI	Number	1	0	0	0	0	Output
KPI 061	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.2	Finance	SFA 1 - Valley of Possibility	MFA 7 Supply Chain Management	Update the asset management policy	Project	Updated policy submitted to the Council annually	All	New KPI	Number	1	1	1	1	1	Output
KPI 062	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.9	Finance	SFA 5 - Good Governance And Compliance	MFA 7 Supply Chain Management	Report annually on the implementation of the asset management policy	Activity	Report submitted to Portfolio Committee	All	New KPI	Number	1	1	1	1	1	Output
KPI 063	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.9	Finance	SFA 5 - Good Governance And Compliance	MFA 7 Supply Chain Management	Establish an asset management section as part of the organisation structure.	Project	Establish asset management section	All	New KPI	Number	1	0	0	0	0	Output
KPI 064	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.9	Finance	SFA 5 - Good Governance And Compliance	MFA 39 Municipal Financial Viability and Management	Implement the Municipal Standard Chart of Accounts.	Project	Report on the quarterly implementation of MSCOA to the Portfolio Committee	All	New KPI	Number	4	4	4	4	0	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Directorate	STRATEGIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Programme/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 2017/18	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Delivery Indicator
KPI 065	NKPA 4	NDP 1	PSO 1	CWDM 1	PDO 1.1	Planning & Economic Development	SFA 1 - Valley of Possibility	MFA 1 Local economic Development	Develop local economic hubs	Key initiative	Report to the Portfolio Committee on the status of the economic hub development	All	New KPI	Number	2	2	2	4	4	Output
KPI 066	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 5.1	Strategic & Corporate Services	SFA 5 - Good Governance And Compliance	MFA 26 Human Resources	Develop and update a policy register and display it's status on the municipal website as well as the portfolio committee	Project	Status report from the Municipal website submitted to the municipal website and the Portfolio Committee	All	New KPI	Number	1	1	1	1	0	Output
KPI 067	NKPA 10	NDP 8	PSO 4	CWDM 1	PDO 2.1	Engineering Services	SFA 2 - Green and Sustainable Valley	MFA 9 Solid Waste Management	Minimise the % of Construction waste at landfill site	Activity	% saving on landfill site space use	All	New KPI	Percentage	5	5	5	5	5	Outcome
KPI 068	NKPA 10	NDP 8	PSO 4	CWDM 1	PDO 2.1	Strategic & Corporate Services	SFA 5 - Good Governance And Compliance	MFA 30 Integrated Development & Planning	Development of a Centralised Customer Care strategy by 31 December 2017	Project	Developed strategy by submitted to the Portfolio Committee	All	New KPI	Number	1	0	0	0	0	Output
KPI 069	NKPA 10	NDP 8	PSO 4	CWDM 1	PDO 5.7	Community & Protection Services	SFA 5 - Good Governance And Compliance	MFA 39 Law enforcement, Fire and Traffic Services	Report quarterly to the Portfolio Committee on the Stellenbosch Safety Initiative projects undertaken	Activity	Report with feedback submitted to the Portfolio Committee	All	New KPI	Number	4	4	4	4	4	Output

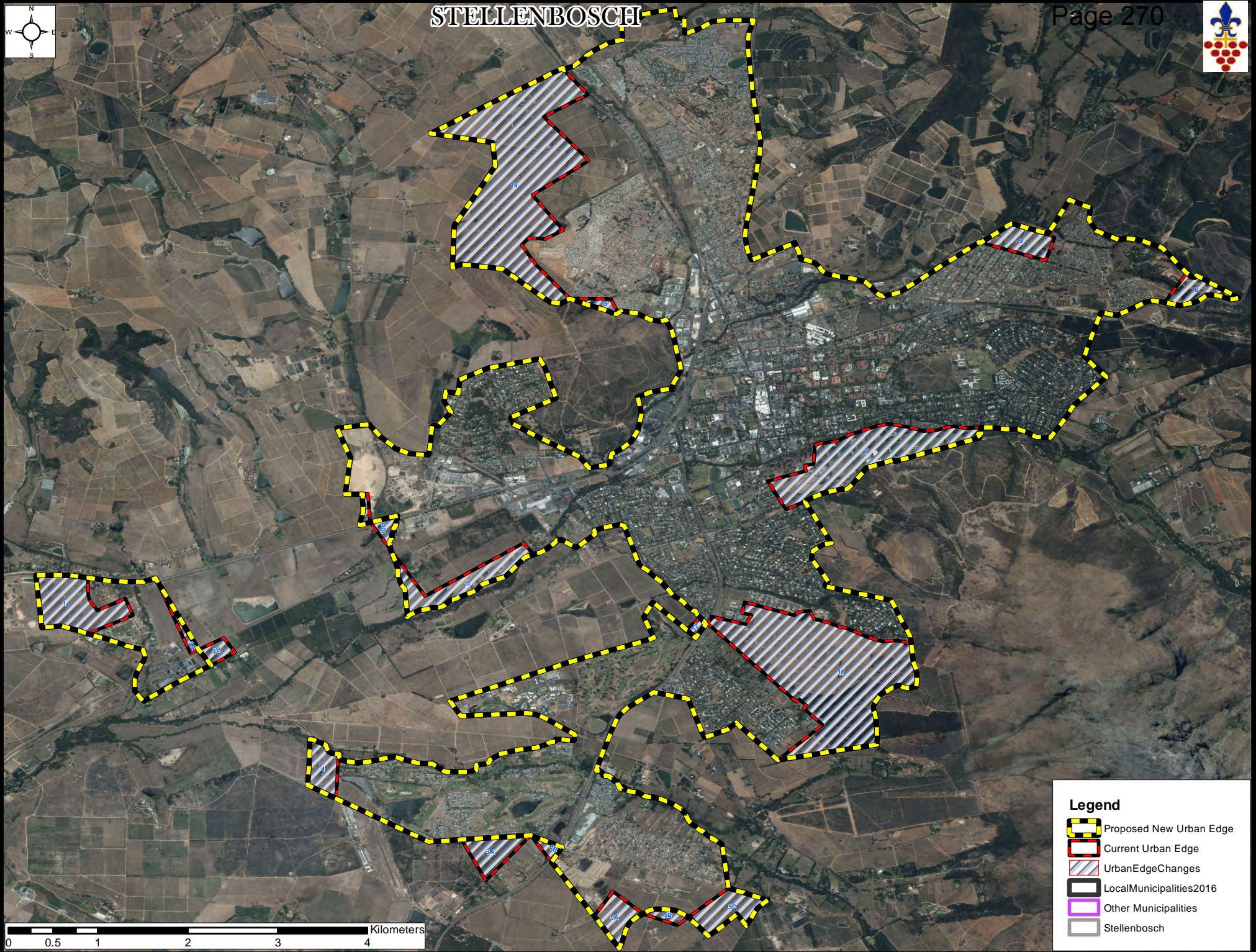
IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 070	NKPA 9	NDP 8	PSO 5	CWDM 3	PDO 1.1	Planning & Economic Development	SFA 1 - Valley of Possibility	MFA 17 Community Development	Review Grant in aid policy and submit it to Council annually	Activity	Policy submitted to Council	All	New KPI	Number	1	1	1	1	1	Output
KPI 071	NKPA 8	NDP 2	PSO 4	CWDM 1	PDO 1.1	Human Settlements	SFA 1 - Valley of Possibility	MFA 17 Community Development	Upgrading of flats, 'The Steps' according to the needs identified within the WCO24	Capital Project	Report with recommendations submitted to the Portfolio Committee	All	New KPI	Number	1	1	1	1	1	Output
KPI 072	NKPA 8	NDP 2	PSO 8.4	CWDM 1	PDO 4.1	Human Settlements	SFA 4 - Dignified Living	MFA 17 Community Development	Convert the Kayamandi Hostels in sustainable living units to promote dignify living	Capital Project	Quarterly report on the status of development	All	New KPI	Number	4	4	4	4	4	Output
KPI 073	NKPA 10	NDP 4	PSO 4	CWDM 1	PDO 4.1	Planning & Economic Development	SFA 4 - Dignified Living	MFA 15 Spatial Planning, Heritage and Environmental Management	Develop and distribute a green living guide for the Greater Stellenbosch community to promote sustainable living practices	Activity	Developed guide with proof of distribution by June 2019	All	New KPI	Number	0	1	0	0	0	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Directorate	STRATE GIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Programme/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 2017/18	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Delivery Indicator
KPI 074	NKPA 10	NDP 4	PSO 4	CWDM 1	PDO 4.1	Planning and Development	SFA 4 - Dignified Living	MFA 15 Spatial Planning, Heritage and Environmental Management	Draft a guiding document to encourage the design and construction of sustainable settlements	Activity	Draft policy developed and submitted to the Portfolio Committee	All	New KPI	Number	0	1	0	0	0	Output
KPI 075	NKPA 8	NDP 4	PSO 4	CWDM 3	PDO 3.2	Community & Protection Services	SFA 5 - Good Governance And Compliance	MFA 39 Law enforcement, Fire and Traffic Services	Report quarterly to the Portfolio Committee on Stellenbosch Safety Initiative projects undertaken	Activity	Report with feedback submitted to the Portfolio Committee	All	New KPI	Number	4	4	4	4	4	Output
KPI 076	NKPA 11	NDP 4	PSO 5	CWDM 1	PDO 4.2	Planning and Economic Development	SFA 4 - Dignified Living	MFA 15 Spatial Planning, Heritage and Environmental Management	Develop an spatial development framework and table it to the Portfolio Committee by 30 June 2018	Activity	Spatial Development Framework submitted to the Portfolio Committee by 30 June 2018	All	New KPI	Number	1	0	0	0	0	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Director ate	STRATE GIC FOCUS AREAS (SFA)	Munic ipal KPA	Indicator (Activity/Project/Program me/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Bas elin e as at 16/1 7	Target Type	Target 20 17/18	Target 20 18/19	Target 20 19/20	Target 20 20/21	Target 20 21/22	Delivery Indicator
KPI 077	NKPA 11	NDP 4	PSO 5	CWDM 1	PDO 5.4	Strategic and Corporate Services	SFA 5 - Good Governan ce And Complia nce	MFA 30 Integr ated Devel opme nt & Planni ng	Develop an integrated structures stakeholder engagement process and submit it to the Portfolio Committee	Activity	Submitted stakeholder engagement process document	All	New KPI	Number	1	0	0	0	0	Output
KPI 078	NKPA 11	NDP 4	PSO 5	CWDM 1	PDO 5.4	Strategic and Corporate Services	SFA 5 - Good Governan ce And Complia nce	MFA 30 Integr ated Devel opme nt & Planni ng	Update ward plans for all wards using participatory planning and geo-mapping June annually	Key Initiative	Submitted ward plans on the web	All	New KPI	Number	1	1	1	1	1	Output
KPI 079	NKPA11	NDP 4	PSO 5	CWDM 1	PDO 5.4	Strategic and Corporate Services	SFA 5 - Good Governan ce And Complia nce	MFA 30 Integr ated Devel opme nt & Planni ng	Develop community based planning tool to improve on ward plans by December 2017	Key Initiative	Developed tool utilised for the improvement of ward plans	All	New KPI	Number	1	0	0	0	0	Output
KPI 080	NKPA 9	NDP11	PSO5	CWDM3	PDO 5.4	Strategic and Corporate Services	SFA 5 - Good Governan ce And Complia nce	MFA 30 Integr ated Devel opme nt & Planni ng	Develop a social impact module to measure results of development projects implemented within the WC024	Key Initiative	Module developed	All	New KPI	Number	1	0	0	0	0	Output

IDP Ref No	NKPA link	NDP link	PSO link	CWDM link	PDO link	Directorate	STRATEGIC FOCUS AREAS (SFA)	Municipal KPA	Indicator (Activity/Project/Programme/Key Initiative)	Indicator Type	Unit of Measurement	Wards	Baseline as at 16/17	Target Type	Target 2017/18	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Delivery Indicator
KPI 081	NKPA 11	NDP 4	PSO 5	CWDM 1	PDO 5.4	Strategic and Corporate Services	SFA 1- Valley of Possibility	MFA 30 Integrated Development & Planning	Monitor progress on the implementation of Joint planning Initiatives	Key Initiative	Quarterly progress reports to Directors forum	All	New KPI	Number	4	4	4	4	4	Output

APPENDIX 2



Legend

- Proposed New Urban Edge
- Current Urban Edge
- UrbanEdgeChanges
- LocalMunicipalities2016
- Other Municipalities
- Stellenbosch



7.3	ECONOMIC DEVELOPMENT AND PLANNING: [ALD JP SERDYN (MS)]
7.3.2	INNOVATION CAPITAL PROGRAMS: LOCAL ECONOMIC DEVELOPMENT HUBS FOR SMALL BUSINESSES

1. PURPOSE OF REPORT

To obtain approval for the use of municipal properties for the establishment of subsidised local economic development business incubation hubs on a tariff structure.

2. BACKGROUND

The Municipality owns numerous well located properties in nodes and central business areas, which could be used as local economic development hubs. The local economic development hubs (named incubators hereafter) will serve as incubators to provide entrepreneurs, start-up businesses or growth-orientated SMME's access to appropriate rental space and flexible leases, shared basic business services and equipment, technology support services. The hubs will also give start-up businesses access to the mainstream economic activities, where better market access could improve their success ratios.

3. DISCUSSION

3.1 A case for Local Economic Development Hubs

According to the National Business Incubation Association (US), business incubation is a business support process that accelerates the successful development of start-up and fledgling companies by providing entrepreneurs with an array of targeted resources and services.

Entrepreneurship/SMME should lead to job creation in the Stellenbosch Municipality where the current unemployment rate is 20%. Since 2014, there has been an 18% increase in creating start-ups out of necessity. This is due to SA's poor economic growth and high unemployment rates, according to the GEM report.

Experience has shown that entrepreneurs and small business owners want to mitigate both cost and risk in today's volatile economy. Thus access to affordable business support services improve dramatically the success rate of new ventures.

3.2 The Plan

Our plan for growth and jobs includes the establishment of effective incubators in vacant / under-utilised municipal buildings and properties in partnership with the private sector and the non-profit-organisation sector. These incubators will provide a place where start-ups can share affordable basic office and/or retail resources in a single location or business development support services. This type of approach is called "business incubation", like the support provided to an infant in the early

stages of life. These incubators are needed across the Stellenbosch Municipal area, which has of the highest business densities in the Cape Winelands District Municipality.

The Department intends using vacant municipal properties to leverage the services of organisations committed to deliver sustainable business solutions, customising space and services to suite new start-ups and growth orientated business' budgets.

Consequently the Department envisages incubators to augment the development and support of entrepreneurs and contribute as an essential ingredient to restructure the local economic-base of Stellenbosch and to reduce spatial inequalities between the traditional CBDs' and the old townships.

3.3 The mechanism to avail vacant properties /buildings as incubators

Firstly, different appropriately located and resourced properties (**APPENDIX 1**) have been identified across the Stellenbosch Municipal area which could be utilised for different types of incubators/hubs according to the need and opportunities for entrepreneurs in the respective areas. The idea is that the municipality complete all renovations to the buildings while it ensures that the appropriate land use rights are in place for the identified purpose.

The proposal is to lease these properties out to organisations committed to deliver sustainable business solutions, customising space and services to suite new start-ups and growth orientated businesses, based on a tariff structure to be approved by Council. These organisations will then also be responsible for the maintenance and management of the facilities / hubs. It is a similar approach followed with the Kayamandi Economic and Tourism Corridor (KETC), but spread over a wider area.

The preferred management and support organisations will be selected by means of an Expression of Interest based on criteria to be developed in consultation between the Directors: Planning & Economic Development, Integrated Human Settlement and Property and the Chief Financial Officer. A predetermined tariff structure will be in place, hence the preferred organisations will ONLY be selected on the strength of their proposals to meet the objectives of the LED Hubs / incubators, namely to provide affordable rental space and business support services for entrepreneurs and SMME's. A similar tariff structure and system applies at the Kayamandi Economic and Tourism Corridor (KETC) and it will be proposed to extend this tariff structure to all LED Hubs.

3.4 The roll-out

The properties and buildings identified for the purpose of incubators have been ranked (**APPENDIX 1**) according to the time it would take to establish the different hubs / incubators and the different concepts on which each will be based on.

4. FINANCIAL IMPLICATION

The implementation of the incubators will have financial implications, as the Municipality will generate less revenue from the properties which will

be available at a predetermined tariff. The implications are not fully quantified, as there is no clear indication of the potential open market revenue. However, the LED benefits, through transformation and SMME support for the poor and otherwise disadvantaged citizens, are sufficient to warrant approval of the proposals.

On the other hand the expenditure on service costs, maintenance and operations are reduced, as the operating entity must bear the risk involved with the property.

5. COMMENTS FROM RELEVANT DEPARTMENTS

5.1 DIRECTORATE FINANCIAL SERVICES

This Directorate supports the item.

5.2 PROPERTY MANAGEMENT

Comments attached as **APPENDIX 2**.

5.3 DIRECTORATE ENGINEERING SERVICES

This Directorate supports this initiative. Lease agreements between the municipality and the “Incubators” should accommodate the cost of Engineering services such as water, sewer, electricity and waste removal.

5.4 DIRECTORATE CORPORATE AND STRATEGIC SERVICES

This Directorate supports the item.

5.5 DIRECTORATE COMMUNITY AND PROTECTION SERVICES

This Directorate supports the item.

5.6 LEGAL COMMENTS

The Municipality has to comply with Chapter 4 of the Asset Transfer Regulation (“ATR”) and the Supply Chain Management Policy. A valuation should first be obtained to establish whether the value of the properties are in excess of R10 million and whether a public participation process needs to be followed. If the property’s value is less than R10 million, no public participation process is required. If the property is in excess of R10 million the process set out in regulation 35 and 36 of the ATR should be adhered to.

Furthermore, a tender process needs to be followed. In terms of the Supply Chain Management Policy, municipal properties must be let at market-related prices unless the plight of the poor or public interest demands otherwise. It can be argued that it is in the public interest to lease municipal properties at less than market-related prices at predetermined rates for purposes of enhancing start-up business, entrepreneurship, growth orientated SMME’s access to appropriate rental space, and flexible and affordable leases.

This list of properties should be incorporated under the recommendations. No reference is made to what the rate will be and how this will influence the successful tenderer's rental towards entrepreneurs and start-up business. Furthermore, the rates should be approved by Council with the budget process.

The recommendations of the item should be amended in line with the above. The item is supported, subject to the afore-mentioned.

6. CONCLUSION

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

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

RECOMMENDED

- (a) that approval be granted for the establishment of Local Economic Development hubs / incubators on the following properties as identified in **APPENDIX 1:**

RANK	PROPERTY	LOCATION	PURPOSE	MANAGEMENT	PROCESS
1	Erf 2235	Groendal (Mooiwater homestead / old youth house)	Business support Services incubator	Preferred service provider	Building/site maintenance; lease agreements; contractor relocation.
2	Public Place / POS north of Groendal Community Hall	Vacant office on play park land	Business Sector Offices	Preferred service provider	Lease agreement.
3	Erven 2751 and 6314 (Old Agricultural Hall)	Stellenbosch	Incubator and affordable rentals for Arts, crafts and tourism sector, including parking area	Preferred service provider	Building / site maintenance; lease agreements; illegal occupants' relocation; rezoning.
4	Erven 228, 229 and 230	Franschhoek (Triangle site)	Affordable rental space for shops and tourism activities	Preferred service provider	Building / site maintenance; lease agreements; staff relocation (Erven 228 and 229); site improvement; further lease agreements.

5	Re Erf 342	Klapmuts	Trading hub	Preferred service provider	Rezoning; services connections; lease agreements; container acquisition.
6	Erf 1538	Franschhoek (old tennis courts)	Parking/ business opportunity for a co-operative	Preferred service provider	Site improvement; lease/ management agreement.
7	Erven 1956, 1957, 6487, 6488 and 6490	Stellenbosch (Old clinic site and LED office)	Business Development Incubator and rental space (Arts, crafts, shops, offices, tourism activities)	Preferred service provider	Building / site maintenance; lease agreements; occupants' relocation.
8	Die Boord POS	Intersection Van Rheeede Rd and R44	Community market	Preferred service provider	Site improvement; lease/ management agreement.
9	Erf 721	Pniel (municipal office site)	Affordable rental space (Shops and tourism activities)	Preferred service provider	Rezoning; services connections; lease agreements; container acquisition.

- (b) that Council agrees to the approved tariff structure for the local economic development incubator hubs as applies to the Kayamandi Economic and Tourism Corridor (KETC);
- (c) that Council confirms that the properties are not required for the provision of the minimum level of basic municipal services in terms of Section 14 of the Local Government: Municipal Finance Management Act, 2003, Act 56 of 2003; and
- (d) that the Municipal Manager be authorised to follow the prescribed process for the leasing of the relevant properties in keeping with the Stellenbosch Tariff Structure as amended, through requesting proposals in line with the objectives of Local Economic Development.

Meeting:	7 th Council: 2017-03-29	Submitted by Directorate:	Planning and Economic Development
Ref No:	7/4/2/2/1 x 7/4/2/2/1-9	Author:	D Lombaard
Collab:		Referred from:	Mayco: 2017-03-22

APPENDIX 1 : IDENTIFIED BUILDINGS / PROPERTIES AND SCHEDULE FOR IMPLEMENTATION

SHORT TERM (6 months – 1 year)

RANK	PROPERTY	LOCATION	PURPOSE	MANAGEMENT	PROCESS
1	Erf 2235	Groendal (Mooiwater homestead / old youth house)	Business support / Services incubator	Preferred service provider	Building / site maintenance, lease agreements, contractor relocation
2	Public Place / POS north of Groendal Community Hall	Vacant office on play park land	Business Sector Offices	Preferred service provider	Lease agreement
3	Erven 2751 and 6314 (Old Agricultural Hall)	Stellenbosch	Incubator and affordable rentals for arts, crafts and tourism sector, including parking area	Preferred service provider	Building / site maintenance, lease agreements, staff relocation (Erven 228 and 229); site improvements, further lease agreements
4	Erven 228, 229 and 230	Franschhoek (Triangle site)	Affordable rental space for shops and tourism activities	Preferred service provider	Building / site maintenance, lease agreements, staff relocation (Erven 228 and 229), site improvements, further lease agreements.

MEDIUM TERM (2 years – 5 years)

RANK	PROPERTY	LOCATION	PURPOSE	MANAGEMENT	PROCESS
5	Re Erf 342	Klapmuts	Trading Hub	Preferred service provider	Rezoning, services connections, lease agreements, container acquisition
6	Erf 1538	Franschhoek (old tennis courts)	Parking / business opportunity for a co-operative	Preferred service provider	Site improvement, lease/management agreement
7	Erven 1956, 1957, 6487, 6488 and 6490	Stellenbosch (Old clinic site and LED office)	Development incubator and rental space (arts, crafts,	Preferred service provider	Site improvement, lease/management

			shops, offices, tourism activities)		agreement
8	Die Boord POS	Intersection Van Rheede Rd and R44	Community market	Preferred service provider	Site improvement, lease/management agreement.
9	Erf 721	Pniel (municipal office site)	Affordable rental space (shops and tourism activities)	Preferred service provider	Rezoning, services connections, lease agreements, container acquisition

Annexure 2

MANAGER: PROPERTY MANAGEMENT

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

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

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

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

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

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

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

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

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

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

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

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

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

1. **Erf 342 Klapmuts:** The land was earmarked for a mixed use development, including opportunities for housing, business, community facilities, etc. A tender was allocated to a developer to develop the area. Before using it for a different use, first conclude negotiations with successful tenderer. If the tender is not going to be entertained, consider the future of the site, which may include a specific area to be developed as an LED Hub, but not the area as a whole. Once an area has been identified and the use-right have been awarded, a call for proposal should be considered.
2. **Erven 228, 229 and 230 (Triangle site), Franschhoek:** This site lends itself to a total redevelopment, ideality for a Call for Proposal with specific outcome(s). A phased approach might also be followed, i.e first do the house in front and later the sites at the back (once alternatives have been considered for the staff-housing). Again, this Department would support the redevelopment of the area by a Developer/Investor with the purpose of creating economic opportunities for PD's residing in Franschhoek. We should not try to manage the facility ourselves.
3. **Erf 1538 Old tennis court site Franschhoek:** Support the idea of a formal parking area.
4. **Erf 2235 (Old Mooiwater homestead), Groendal:** A Call for Proposal is suggested, based on a 10 year lease with the view of developing a LED Hub benefitting PD's residing in Franschhoek.
5. **Portion of Erf 279: P.O.S North of Groendal Community Hall:** There are limited P.O.S's in the area. The development of this site is not supported. A portion of erf 412 could rather be set aside for the purpose of a LED Hub.
6. **Erven 2751 and 6314 (Old Agricultural Hall, Stellenbosch):** Before future utilisation of this site is considered, the current tender must first be sorted out, including zoning rights.
7. **Erven 1956, 1957 and other (Old Victoria Street Clinic), Stellenbosch:** The Provincial Government has just confirmed that

they are not going to use the facility for a clinic anymore. It is therefore available for use by the municipality. This property could be earmarked for a LED Hub. A design should be made on how to accomplish that; i.e. are we going to redevelop the property or are we going to follow a Call for Proposal route.

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

1. **Portion of Erf 5652 (P.O.S) Die Boord:** The land was previously earmarked for high density (flats) residential development. This could indeed work as a LED hub, but the format needs to be decided on. This, in turn, will inform the process to be followed, should development rights be awarded (following the formal closure of the P.O.S).
2. **Erf 721, Pniel (Office space):** It is not clear whether the Directorate want to use a portion of the municipal offices, or the land adjacent to the offices, the latter is supported.

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

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

7.4	FINANCIAL SERVICES: [CLLR S PETERS]
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7.4.2	ADDENDUM TO THE TARIFFS AND BUDGET AND RELATED POLICIES
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1. PURPOSE OF REPORT

To request Council to accept the addendum to the above-mentioned council item. The addendum includes the amendments to the main electricity tariffs as well as to include **Annexure A to Appendix 16: Development Charges**.

2. DISCUSSION

Electricity Tariff:

After consultation with the relevant Service Provider that was appointed for the Electricity Tariff Modeling, it was recommended that the Electricity tariffs be amended from 1.88% to 2.22%. **(APPENDIX 1)**.

Budget and Related Policies

Annexure A to Appendix 16: Development Charges Policy was omitted and need to be included in said Appendix. **(APPENDIX 2)**.

RECOMMENDED

- (a) that the Electricity Tariff be amended from 1.88% to 2.22%; and
- (b) that **Annexure A to Appendix 16: Development Charges**, be included.

Meeting: Ref no:	7 th Council: 2017-03-29 5/1/1/2015/2016	Submitted by Directorate: Author Referred from:	Chief Financial Officer Manager: Budget Office Special Mayco: 2017-03-27
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APPENDIX 1

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
1. Domestic		
Domestic: Life Line PP – 0 to 60amp single phase only (For qualifying indigent customers and receiving the first 60 units free per month) (DOM1)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh) (<= 50kWh)	83.86	85.72
Energy Rate (c/kWh) (51 - 300kWh)	104.76	107.09
Energy Rate (c/kWh) (301 - 600kWh)	159.61	163.16
Energy Rate (c/kWh) (> 600kWh)	180.41	184.42
Domestic PP Lifeline DOM1 BSST	0.00	0.00
Domestic: Regular PP (Using Prepaid Meters AND Less than 600kWh per month average previous Financial Year: 60 Ampere single and 3 - phase maximum) (DOM2)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh) (<= 50kWh)	83.86	85.72
Energy Rate (c/kWh) (51 - 300kWh)	130.96	133.87
Energy Rate (c/kWh) (301 - 600kWh)	159.61	163.16
Energy Rate (c/kWh) (> 600kWh)	178.76	182.73
Domestic: Regular (Using Prepaid Meters with more than 600kWh per month average previous Financial Year: 60 Ampere single and 3 - phase maximum) (DOM3)		
Fixed Charge per month	115.18	119.10
Energy Rate (c/kWh) (<= 50kWh)	83.86	85.72
Energy Rate (c/kWh) (51 - 300kWh)	107.38	109.77
Energy Rate (c/kWh) (301 - 600kWh)	152.18	155.56
Energy Rate (c/kWh) (> 600kWh)	178.76	182.73
Domestic: Regular (Using Credit Meters 60 Ampere single and 3-phase maximum) (DOM4)		
Fixed Charge per month	142.09	146.93
Energy Rate (c/kWh) (<= 50kWh)	83.86	85.72
Energy Rate (c/kWh) (51 - 300kWh)	107.38	109.77
Energy Rate (c/kWh) (301 - 600kWh)	152.18	155.56
Energy Rate (c/kWh) (> 600kWh)	178.76	182.73

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
Domestic: Renewable Energy (DOM5) GENERATION FOR OWN USE		
Domestic: Regular PP (Using Prepaid Meters AND Less than 600kWh per month average previous Financial Year: 60 Ampere single and 3 -phase maximum)		
DOM 5.1:		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh) (<= 50kWh)	83.86	85.72
Energy Rate (c/kWh) (51 - 300kWh)	130.96	133.87
Energy Rate (c/kWh) (301 - 600kWh)	159.61	163.16
Energy Rate (c/kWh) (> 600kWh)	178.76	182.73
Domestic: Regular (Using Prepaid Meters with more than 600kWh per month average previous Financial Year: 60 Ampere single and 3-phase maximum)		
DOM 5.2:		
Fixed Charge per month	115.18	119.10
Energy Rate (c/kWh) (<= 50kWh)	83.86	85.72
Energy Rate (c/kWh) (51 - 300kWh)	107.38	109.77
Energy Rate (c/kWh) (301 - 600kWh)	152.18	155.56
Energy Rate (c/kWh) (> 600kWh)	178.76	182.73
Domestic: Regular (Using Credit Meters 60 Ampere single and 3-phase maximum)		
DOM 5.3:		
Fixed Charge per month	142.09	146.93
Energy Rate (c/kWh) (<= 50kWh)	83.86	85.72
Energy Rate (c/kWh) (51 - 300kWh)	107.38	109.77
Energy Rate (c/kWh) (301 - 600kWh)	152.18	155.56
Energy Rate (c/kWh) (> 600kWh)	178.76	182.73
Domestic: Renewable Energy (DOM6) GENERATION FOR OWN USE & EXPORT		
Reading cost R/pm	140.00	70.00
Basic Charge	142.09	145.25

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE
TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
Inport		
Energy Rate (c/kWh) (<= 50kWh)	83.86	85.72
Energy Rate (c/kWh) (51 - 300kWh)	107.38	109.77
Energy Rate (c/kWh) (301 - 600kWh)	152.18	155.56
Energy Rate (c/kWh) (> 600kWh)	178.76	182.73
Export		
Low Season		
Peak c/kWh	80.39	82.18
Standard c/kWh	55.32	56.55
Off Peak c/kWh	36.00	36.80
High Season		
Peak c/kWh	246.41	251.89
Standard c/kWh	74.66	76.32
Off Peak c/kWh	40.55	41.45
2. Commercial		
Commercial: Life Line (<20Ampere maximum, Single & three phase Pre Paid Only for micro entrepreneurial businesses) (COM1)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	187.39	191.56
Commercial: Low (= 40Ampere maximum, Pre Paid single & three phase only) (COM2)		
Fixed Charge per month	138.00	142.70
Energy Rate (c/kWh)	142.09	145.25
Commercial: Regular PP only (80Ampere, single and 3 - phase) (COM3)		
Fixed Charge per month	243.00	251.27
Energy Rate (c/kWh)	172.71	176.55
Commercial: Credit meters (80Ampere, single and 3 - phase) (COM4)		
Fixed Charge per month	268.00	277.11
Energy Rate (c/kWh)	163.63	167.27

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

**ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE
TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017**

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
Commercial: Renewable Energy (COM 5) GENERATION FOR OWN USE		
Commercial: Low (40Ampere maximum, Pre Paid single & three phase only)		
COM 5.1:		
Basic charge	138.00	141.07
Energy charge	142.09	145.25
Commercial: Regular PP only (80Ampere, single and 3-phase)		
COM 5.2:		
Basic charge	243.00	248.40
Energy charge	172.71	176.55
Commercial: Credit Meters (80Ampere, single and 3-phase)		
COM 5.3:		
Basic charge	268.00	273.96
Energy charge	163.63	167.27
COMMERCIAL: Renewable Energy (COM 6) GENERATION FOR OWN USE & EXPORT		
Reading cost R/pm	140.00	70.00
Basic Charge	268.00	273.96
Inport		
Energy Rate (c/kWh)	163.63	167.27
Export		
Low Season		
Peak c/kWh	80.39	82.18
Standard c/kWh	55.32	56.55
Off Peak c/kWh	36.00	36.80
High Season		
Peak c/kWh	246.11	251.58
Standard c/kWh	74.66	76.32
Off Peak c/kWh	40.55	41.45
3. Agricultural		
Agricultural: Regular (Prepaid and Credit meters maximum 80Amp 3 phase) (AGR1)		
Fixed Charge per month	281.00	290.56
Energy Rate (c/kWh)	170.89	174.69

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
AGRICULTURAL: Renewable Energy (AGRI 2) GENERATION FOR OWN USE		
Fixed Charge per month	281.00	290.56
Energy Rate (c/kWh)	170.89	174.69
AGRICULTURAL: Renewable Energy (AGRI 3) GENERATION FOR OWN USE & EXPORT		
Tarif fsimilar as AGRI 1		
Reading cost R/pm	140.00	70.00
Fixed Charge per month R/pm	281.00	287.25
Inport		
Energy Rate (c/kWh)	170.89	174.69
Export		
Low Season		
Peak c/kWh	80.39	82.18
Standard c/kWh	55.32	56.55
Off Peak c/kWh	36.00	36.80
High Season		
Peak c/kWh	246.41	251.89
Standard c/kWh	74.66	76.32
Off Peak c/kWh	40.55	41.45
4. Industrial		
Industrial: Low Voltage > 80 Amp (IND1)		
Fixed Charge per month	1557.00	1609.93
Energy Rate (c/kWh)	83.03	84.88
Notified Demand (R/kVA)	38.00	38.84
Maximum Demand Charge (R/kVA)	211.00	215.69
INDUSTRIAL (IND1.1): Renewable Energy - GENERATION FOR OWN USE		
Industrial: Low Voltage > 80 Amp (IND1)		
Fixed Charge per month	1557.00	1609.93
Energy Rate (c/kWh)	83.03	84.88
Notified Demand (R/kVA)	38.00	38.84
Maximum Demand Charge (R/kVA)	211.00	215.69

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
INDUSTRIAL (IND 1.2): Renewable Energy - GENERATION FOR OWN USE & EXPORT		
Industrial: Low Voltage > 80 Amp		
Fixed Charge per month	1,557.00	1609.93
Reading cost R/pm	70.00	70.00
Inport		
Energy Rate (c/kWh)	83.03	84.88
Notified Demand (R/kVA)	38.00	38.84
Maximum Demand Charge (R/kVA)	211.00	215.69
Export		
Low Season		
Peak c/kWh	80.39	82.18
Standard c/kWh	55.32	56.55
Off Peak c/kWh	36.00	36.80
High Season		
Peak c/kWh	246.41	251.89
Standard c/kWh	74.66	76.32
Off Peak c/kWh	40.55	41.45
Industrial: Medium Voltage (IND2)		
Fixed Charge per month	2945.00	3045.13
Energy Rate (c/kWh)	81.71	83.53
Notified Demand (R/kVA)	37.31	38.14
Maximum Demand Charge (R/kVA)	208.94	213.58
INDUSTRIAL (IND2.1): Renewable Energy - GENERATION FOR OWN USE		
Fixed Charge	2945.00	3045.13
Energy Rate (c/kWh)	81.71	83.53
Notified Demand (R/kVA)	37.31	38.14
Maximum Demand Charge (R/kVA)	208.94	213.58
INDUSTRIAL (IND 2.2): Renewable Energy - GENERATION FOR OWN USE & EXPORT		
Tariff similar as IND2		
Fixed Charge per month	2945.00	3045.13
Reading cost R/pm	70.00	70.00

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
Inport		
Energy Rate (c/kWh)	81.71	83.53
Notified Demand (R/kVA)	37.31	38.14
Maximum Demand Charge (R/kVA)	208.94	213.58
Export		
Low Season		
Peak c/kWh	80.39	82.18
Standard c/kWh	55.32	56.55
Off Peak c/kWh	36.00	36.80
High Season		
Peak c/kWh	246.41	251.89
Standard c/kWh	74.66	76.32
Off Peak c/kWh	40.55	41.45

PLEASE NOTE, FOR ALL TARIFFS WHERE THERE IS A MAXIMUM DEMAND CHARGE AS PART OF THE TARIFF: In the event that the access demand is exceeded more than once in a financial year, a 10% additional fee (to be used for Bulk-Levy Contributions) will be levied as from the second month that the demand has exceeded and for each month exceeding thereafter.

5. Municipal

Municipal: Street and Traffic lights (MUN1)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	180.80	184.82
Municipal: Low Voltage <80 Amp (MUN2)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	164.35	168.00
Municipal: Low Voltage >80 Amp (MUN3)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	75.33	77.00
Maximum Demand Charge (R/kVA)	223.00	227.96
Municipal: Medium Voltage (MUN4)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	67.45	68.95
Maximum Demand Charge (R/kVA)	217.00	221.82

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
6. Non Profit Organisations		
Non Profit Organisations : Single Phase 20 Amp Pre-payment (NPO1)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	175.12	179.01
Non Profit Organisations : Low Voltage Max 80 Amp Pre payment SARS Approved (NPO2)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	174.51	178.39
7. Sport		
Sport: Low Consumers and Pre-payment (SPO1)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	154.60	158.04
Sport: High Consumers Maximum Demand (SPO2)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	70.75	72.32
Maximum Demand Charge (R/Amp)	0.00	0.00
Maximum Demand Charge (R/kVA)	223.00	227.96
8. Time -of-Use		
1. Low Demand- Summer		
September - May		
Mondays- Fridays		
12:00am - 6:00am Off Peak		
06:00am - 7:00am Standard		
07:00am - 10:00am Peak		
10:00am - 6:00pm Standard		
06:00pm - 8:00pm Peak		
08:00pm - 10:00pm Standard		
10:00pm - 6:00am Off-Peak		
Saturday		
07:00am - 12:00pm Standard		
12:00pm - 06:00pm Off-Peak		
06:00pm - 08:00pm Standard		
08:00pm - 12:00am Off-Peak		
Sunday		
00:00- 24:00		

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE
TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
2. High Demand - Winter		
June - August		
Mondays- Fridays		
12:00am - 6:00am Off Peak		
06:00am - 9:00am Peak		
09:00am - 5:00pm Standard		
5:00pm - 7:00pm Peak		
07:00pm - 10:00pm Standard		
10:00pm - 6:00am Off-Peak		
Saturday		
07:00am - 12:00pm Standard		
12:00pm - 06:00pm Off-Peak		
06:00pm - 08:00pm Standard		
08:00pm - 12:00am Off-Peak		
Sunday		
00:00- 24:00		
Time of Use (Low Voltage) TOU1		
Fixed Charge per month	2,784.00	2,879.00
SUMMER: Demand Charge (R/kVA)	37.00	39.00
Access Charge (R/kVA)	37.00	39.00
Peak Energy (c/kWh)	123.49	126.24
Standard Energy (c/kWh)	81.37	83.18
Off-peak Energy (c/kWh)	61.02	62.38
Reactive Energy (c/kVArh)	0.00	0.00
WINTER: Demand Charge (R/kVA)	37.00	37.82
Access Charge (R/kVA)	37.00	37.82
Peak Energy (c/kWh)	387.25	395.86
Standard Energy (c/kWh)	116.23	118.81
Off-peak Energy (c/kWh)	68.29	69.81
Reactive Energy (c/kVArh)	16.15	16.51

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
Time of Use Low Voltage (TOU 1.1): Renewable Energy - GENERATION FOR OWN USE		
Similar as TOU 1		
Fixed Charge per month	2,784.00	2,879.00
SUMMER: Demand Charge (R/kVA)	37.00	39.00
Access Charge (R/kVA)	37.00	39.00
Peak Energy (c/kWh)	123.49	126.24
Standard Energy (c/kWh)	81.37	83.18
Off-peak Energy (c/kWh)	61.02	62.38
Reactive Energy (c/kVArh)	-	-
WINTER: Demand Charge (R/kVA)	37.00	39.00
Access Charge (R/kVA)	37.00	39.00
Peak Energy (c/kWh)	387.25	395.86
Standard Energy (c/kWh)	116.23	118.81
Off-peak Energy (c/kWh)	68.29	69.81
Reactive Energy (c/kVArh)	16.15	16.51
Time of Use Low Voltage (TOU 1.1): Renewable Energy - GENERATION FOR OWN USE & EXPORT		
Inport		
Reading Cost R/pm	70.00	70.00
Fixed Charge per month	2,784.00	2,879.00
SUMMER: Demand Charge (R/kVA)	37.00	39.00
Access Charge (R/kVA)	37.00	39.00
Peak Energy (c/kWh)	123.49	126.24
Standard Energy (c/kWh)	81.37	83.18
Off-peak Energy (c/kWh)	61.02	62.38
Reactive Energy (c/kVArh)	-	-
WINTER: Demand Charge (R/kVA)	37.00	39.00
Access Charge (R/kVA)	37.00	39.00
Peak Energy (c/kWh)	387.25	395.86
Standard Energy (c/kWh)	116.23	118.81
Off-peak Energy (c/kWh)	68.29	69.81
Reactive Energy (c/kVArh)	16.15	16.51

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE
TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
Export		
Low Season		
Peak c/kWh	80.39	82.18
Standard c/kWh	55.32	56.55
Off Peak c/kWh	36.00	36.80
High Season		
Peak c/kWh	246.41	251.89
Standard c/kWh	74.66	76.32
Off Peak c/kWh	40.55	41.45
Time of Use (Medium Voltage) TOU2		
Fixed Charge per month	5,016.00	5,187.00
SUMMER: Demand Charge (R/kVA)	36.00	38.00
Access Charge (R/kVA)	34.00	36.00
Peak Energy (c/kWh)	113.97	116.50
Standard Energy (c/kWh)	74.55	76.21
Off-peak Energy (c/kWh)	55.88	57.12
Reactive Energy (c/kVAh)	0.00	0.00
WINTER: Demand Charge (R/kVA)	36.00	38.00
Access Charge (R/kVA)	34.00	36.00
Peak Energy (c/kWh)	376.47	384.84
Standard Energy (c/kWh)	106.94	109.32
Off-peak Energy (c/kWh)	62.86	64.26
Reactive Energy (c/kVAh)	16.15	16.51
Time of Use Medium Voltage (TOU 2.1): Renewable Energy - GENERATION FOR OWN USE		
Fixed Charge per month	5,016.00	5,187.00
SUMMER: Demand Charge (R/kVA)	36.00	38.00
Access Charge (R/kVA)	34.00	36.00
Peak Energy (c/kWh)	113.97	116.50
Standard Energy (c/kWh)	74.55	76.21
Off-peak Energy (c/kWh)	55.88	57.12
Reactive Energy (c/kVAh)	-	-
WINTER: Demand Charge (R/kVA)	36.00	38.00
Access Charge (R/kVA)	34.00	36.00
Peak Energy (c/kWh)	376.47	384.84
Standard Energy (c/kWh)	106.94	109.32
Off-peak Energy (c/kWh)	62.86	64.26
Reactive Energy (c/kVAh)	16.15	16.51

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
Time of Use Medium Voltage (TOU 2.2): Renewable Energy - GENERATION FOR OWN USE & EXPORT		
Fixed Charge per month	5,016.00	5,187.00
Reading Cost R/pm	70.00	70.00
INPORT		
SUMMER: Demand Charge (R/kVA)	36.00	38.00
Access Charge (R/kVA)	34.00	36.00
Peak Energy (c/kWh)	113.97	116.50
Standard Energy (c/kWh)	74.55	76.21
Off-peak Energy (c/kWh)	55.88	57.12
Reactive Energy (c/kVArh)	-	-
WINTER: Demand Charge (R/kVA)	36.00	38.00
Access Charge (R/kVA)	34.00	36.00
Peak Energy (c/kWh)	376.47	384.84
Standard Energy (c/kWh)	106.94	109.32
Off-peak Energy (c/kWh)	62.86	64.26
Reactive Energy (c/kVArh)	16.15	16.51
Export		
Low Season		
Peak c/kWh	80.39	82.18
Standard c/kWh	55.32	56.55
Off Peak c/kWh	36.00	36.80
High Season		
Peak c/kWh	246.41	251.89
Standard c/kWh	74.66	76.32
Off Peak c/kWh	40.55	41.45

PLEASE NOTE, FOR ALL TARIFFS WHERE THERE IS A MAXIMUM DEMAND CHARGE AS PART OF THE TARIFF: In the event that the access demand is exceeded more than once in a financial year, a 10% additional fee (to be used for Bulk-Levy Contributions) will be levied as from the second month that the demand has exceeded and for each month exceeding thereafter.

9. Own Generation for Own Use

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

STELLENBOSCH MUNICIPALITY

TARIFF DESIGN MODEL

ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2017

	Approved 2016/2017 (VAT Excl)	Application 2017/2018 (VAT Excl)
10. Own Generation for Use and Export		
<p>Customers who wants to connect an Own Generation for Own Use and Export system to the municipal electrical grid and who wants to be reimbursed will have to do the following:</p> <ol style="list-style-type: none"> 1 The Municipality shall provide and install the requisite meters at the customer's cost. 2 The customer will stay on the existing purchase tariff. 3 For reimbursement the basic charge will be increased to include the automated meter reading cost 4 The reimbursement will only be for the export energy. 5 Customer not allowed to generate more than his total consumption per financial year. 		
11. Availability Fees (Per Annum)		
Availability		R 2,982.46
ALL TARIFFS EXCLUSIVE OF VAT		

APPENDIX 2

STELLENBOSCH MUNICIPALITY

DEVELOPMENT CHARGES POLICY

ANNEXURE A:

Development Charge Calculation Report

(Engineering input to Policy and Calculations)

(Draft 5 - 27 March 2017)

1. INTRODUCTION

iCE was appointed as a sub-consultant to STBB to provide the engineering input into the project for updating the policy and calculations for the charging of Development Charges by Stellenbosch Municipality.

The policy aspects and legal premise is addressed by STBB . This engineering report and annexures will be incorporated into the overall report and policy by STBB by reference.

iCE provided the previous report and policy in 2011. Subsequent to then, planning legislation has changed and the National Treasury Department compiled a "Policy Framework for Municipal Development Charges" Final Draft Version 7, and subsequent revisions currently at Version 10. Most of the principles therein are the same as previously, but there are many improvements which have clarified certain questions and unclear areas.

This report and calculations are based thereon. Not every aspect therein will be repeated but the main principles as they relate to the engineering aspects and cost calculation are reported on, and how they have been interpreted and applied to the situation of Stellenbosch Municipality.

2. DEFINITIONS

'bulk service' means the capital infrastructure assets associated with that portion of an external engineering service which is intended to ensure provision of municipal infrastructure services for the benefit of multiple users or the community as a whole; as indicated in the relevant masterplans.

'development charge' or 'DC' means a charge imposed by the Municipality on a developer in terms of any applicable law referred to in this policy, or a condition of the approval, payment of which will contribute towards the Municipal's expenditure on capital investment in municipal infrastructure services;

'external engineering service' means an engineering service situated outside the boundaries of a land area and which is necessary to serve the use and development of the land area; but which can fall within the site boundary where the characteristics of the site and the design so require.

'internal engineering service' means an engineering service within the boundaries of a land area which is necessary for the use and development of the land area and which is to be owned and operated by the Municipality or service provider;

'link service' means the capital infrastructure assets associated with that portion of an external engineering service which links an internal engineering service to the applicable bulk service;

3. PRINCIPLES OF PAYMENT FOR INFRASTRUCTURE & PREMISE FOR DEVELOPMENT CHARGES

The principles for payment for infrastructure to developments are as follows:

- Internal services must be provided and paid for by the developer.
- Link services must be provided and paid for by the developer, but it can be agreed that the Municipality installs these services and recovers the costs thereof from the developer.
- Bulk services must be provided by the Municipality, but the Municipality can recover the costs thereof from the developer, or it can be agreed that the developer installs these services in lieu of the charges applicable.

The premise for the above is that those who benefit from the services must pay for their portion thereof.

The resulting mechanism to achieve the above, is for the Municipality to levy a Development Charge for the provision of Bulk services to developers or the parties increasing the usage of bulk infrastructure, and for the provision of Link services for that development. This must be done in a fair and equitable manner to both parties. This report addresses and calculates the Development Charge for the Bulk Services portion. The Link services portion will need to be calculated on a case by case basis.

4. IDENTIFICATION OF BULK INFRASTRUCTURE:

Bulk infrastructure for the purposes of calculating DC's, has been identified as the following:

4.1 Water

- Raw water dams
- Water purification works
- Connections to CCT bulk water mains
- Reservoirs
- Pump-stations and rising mains
- Main feeder and distribution lines 200dia and larger
- Ancillaries

4.2 Sewer

- Main gravity collector sewers 200dia and larger
- Major pump stations and rising mains
- Waste-water treatment works
- Ancillaries

4.3 Stormwater

- Outfall culverts and canals
- Outfall pipes of 600dia and larger
- Attenuation facilities
- River works

4.4 Solid Waste

- Landfill sites infrastructure

- Landfill sites closure and rehabilitation
- Composting plants
- Transfer and drop-off stations
- Refuse truck plant

(not included is transport to internal or external landfill sites, as this is Operation and Maintenance covered by tariffs).

4.5 Roads

- Class 2 and 3 roads
- Selected Class 4 roads that serve the same function as Class 2/3
- Major intersections on above roads including traffic signals (not included are intersections to individual developments and additional lanes/widenings/signalisation due to individual developments, as identified and quantified in a TIA approved by the Municipality.)
- Bridges/underpasses
- Central public taxi ranks (not for individual developments)

4.6 Community Facilities

(This is a new category of infrastructure to be included. Although not included in other municipalities' DC's, collecting such as part of DC's reduces the need for the Municipality having to source funds by other means.)

- Community halls
- Libraries
- Municipal offices *
- Fire-stations *
- Public toilets *
- Neighbourhood /community/regional parks
- Community sports fields
- Stadiums
- Cemeteries

This infrastructure is especially required for the general residential population, but those marked with an asterisk also serve commercial and industrial areas.

5. DIVISION OF MUNICIPALITY INTO AREAS

5.1 Main areas

Stellenbosch Municipality is divided into specific towns/nodes. The nature of infrastructure and characteristics of different areas are such they will each have different amounts of infrastructure per unit of consumption.

It was therefore decided to divide the municipality into the following four main areas, for the purpose of calculating DC's:

- Stellenbosch Town
- Dwars River
- Franschhoek
- Klapmuts

This was decided on, on the basis of the main infrastructure essentially being self-contained for each of these areas.

Raithby was considered as a fifth area, but it was found that the resulting DC was extremely high compared to the average. This is due to the high sensitivity to a number of factors such as the low number of units being served by long link services and roads. After discussion with officials it was decided that Raithby should be treated in the same manner as other small-scale, isolated, rural/outlying "island" developments, as outlined below.

5.2 Outlying or island developments

The DC's to outlying or island developments as described above, should be calculated on an ad-hoc basis as and when they arise. Planning of bulk services based on actual layouts and consumption will need to be carried out, and the calculations based on the same principles of this report, in addition to the costs of the link services. Even though the DC's are still expected to be extremely high, they will be more accurate and better appropriated to the actual users, rather than broad assumptions based on high-order planning, to which the calculation has been found to be so sensitive on such a small scale.

There are some existing areas that are slightly remote from the town but that feed into or will feed into the town's infrastructure. Examples are Koelenhof and Vlottenburg outside Stellenbosch area, Wemmershoek outside Franschhoek and the northern node of Dwars River. These have been included with the town or main area that they connect to.

6. METHODOLOGY FOR CALCULATING DC'S

6.1 Calculation method

The basic principle behind a DC is that it must equate to the proportion of the total cost of providing all the respective bulk infrastructure that the development in question will use.

It must take into account whether there is already spare capacity within the existing network that it will use (which the developer must therefore pay for), or whether there is an existing shortfall which first needs to be made up (which the developer must not pay for) before the additional capacity for the development in question is created (for which the developer must pay). It can also be a combination of these scenarios.

The way in which all of the above can be encapsulated in a fair and equitable manner is as follows for each respective service:

- Choose a planning horizon in the future (say 20 years)
- Use town-planning scenarios and engineering masterplanning to determine what new services are required, such that at that point in the future, the joint capacity of existing and future services matches the number of consumption units that will be in place, being the existing amount plus the future development amount.
- Estimate the costs of the existing and future infrastructure, as though it was all being constructed at the present day, i.e. replacement cost for existing infrastructure or present-day cost for future infrastructure.
- Establish the number of consumption units that the total infrastructure will cater for i.e. existing consumption plus future consumption
- From the above calculate the cost per unit consumption factor
- The DC for the development in question is then calculated by multiplying the nett additional consumption needed for that development, by the cost per unit consumption factor.

6.2 Input to calculations, and assumptions

For each service, available service masterplans were used, and the town-planning/ future development scenario it was based on used. The planning horizon for different services may differ, but the planning scenario and therefore consumption amount will be consistent with the horizon used. Therefore the resulting cost per unit-consumption will be an accurate assessment of what to multiply the development's required consumption by. In addition, should planning change and different routes/infrastructure be required these DC's are still applicable, as the cost thereof per unit consumption will be similar. The intention is for the DC areas to be aligned with the latest SDF.

In all cases, cost estimates include the construction costs, P&G's, contingencies, professional fees and land costs as described for the individual services below. VAT is not included. It is to be noted that DC's are to cover initial capital costs only, and not ongoing operation and maintenance costs and depreciation – all of which are recovered via rates and tariffs.

Land-costs can vary considerably, depending on location, extent and existing zoning or usage. After discussion with the Municipality, based on recent expropriation history, varying costs for each area were used.

Historical usage is based on information where available. Where not available, and for future usage, accepted design tables and guidelines are used, adjusted for local circumstances where appropriate, all as indicated below for the individual services.

The information used and assumptions made for each service are as follows:

6.2.1 Water:

The unit of consumption used is kl/day.

For pipelines, reservoirs and pump stations the master-planning of GLS Consultants was used. For the other services, information obtained from the Municipality was used together with previous experience.

Land costs were only used for reservoirs and a typical length of connector pipe, WTW, pump stations and ancillaries, as it is assumed that the remainder of pipes will be in road reserves allowed for elsewhere,

6.2.2 Sewer:

The unit of consumption used is kl/d.

For pipelines, pump-stations and ancillaries, the master planning of GLS was used. For other services, being mainly the WWTW, information obtained from the Municipality was used together with previous experience.

Land costs were only used for WWTW and a typical length of connector pipe, and pump stations as it is assumed that the remainder of pipes will be in road reserves allowed for elsewhere.

6.2.3 Stormwater:

The information regarding the existing system was obtained from Element Consultants. In the future development areas, attenuation facilities to restrict the run-off from new developments from post-development to pre-development, was based on a typical pond design and area requirement. Together with this a reduced proportion of conduits and ancillaries per unit area of the new development areas was used.

The unit consumption used is the runoff coefficient multiplied by the area (i.e. $C \times ha$). Consumption units were estimated by dividing existing areas into high, medium and low run-off zones and multiplying by appropriate C factors respectively. A similar ratio was assumed for future developments.

6.2.4 Solid Waste:

The unit of consumption used is tons per week (t/wk).

Information was obtained from the Municipality. There is only one existing landfill site (Devon Valley) and this is very close to full capacity. Because there are no other suitable sites for a new landfill once this one is full, the refuse will have to be transported to sites outside the municipality. This will be an outsourced, ongoing operational cost and is therefore not included in the DC calculation as it will be recovered via tariffs. Only capital and land costs for the existing landfill is allowed for, together with capital and land costs to set up transfer stations, composting/recycling facilities and purchase trucks/plant.

6.2.5 Roads:

The existing road network, as well as masterplanning of future roads, have been drawn up by iCE in conjunction with the Municipality. These drawings are attached.

The costs hereof have been estimated, and include land costs for the reserves required at the values referred to in a previous section.

The heavier traffic generated by industrial and commercial traffic and resulting more expensive layerworks have been taken into account by the calculation of a different weighting to the average cost per unit consumption factor.

The unit of consumption is trips per day (trips/day). Consideration was given to trips in the peak hour. The former was decided on because trips/day is more readily understood and accepted, and the variations in interpretation leading to large differences is much less, and also because it would tend to make the commercial levies disproportionately high compared to the actual influence of their traffic on the overall road system. Too high a DC could lead to legal challenges and also stifle development. A commercial development will in any a case be expected to pay, over and above DC's, for the immediate intersection upgrades and widenings that are identified and quantified by an approved TIA, that are in addition to that allowed for in the DC calculations.

The trips per day have been calculated using the existing zonings/land uses and areas, and the expected mix of land use in the future development areas. Assumptions have been made on the average footprint coverage and unit densities, and the resulting number of units of GLA multiplied by trips per day obtained from the various accepted guidelines in this regard, and based on local circumstances.

6.2.6 Community Facilities:

For this category Provincial Guidelines as obtained from the Municipality townplanning department were used. Only categories of community infrastructure for which a Municipality is responsible were used, and are as listed in a previous section. The guidelines indicate how many, what size and the land requirements of each facility is required per number of the population.

The consumption-unit used is therefore "persons".

Land is valued as referred to in a previous section. The building coverage on the site was estimated based on various existing, and accepted current building costs used.

Some of this infrastructure also serves commercial and industrial developments, such as fire-stations, municipal offices and public toilets. The costs of those particular categories have been spread over those land-uses as well.

6.3 Special Considerations

6.3.1 Grants and subsidies:

Grants and or subsidies obtained for bulk infrastructure must be subtracted from the costs. These have been allowed for by examining the pattern of grants obtained over the last 5 to 10 years, as supplied by the Municipality, to obtain an average amount of grants per year, and then dividing by the required future infrastructure value divided by 20 years. The resulting percentage is then subtracted from the costs.

In addition, when provincial class roads are constructed, these are subsidised by the PGWC roads department. To allow for this, the portion obtained from PGWC for the provincial class roads portion in each area has been calculated and included in the percentage grants allowed for under roads.

6.3.2 Loans:

Outstanding loans used for bulk infrastructure that are still being paid for by the Municipality must be subtracted, as the repayments are recovered from rates and tariffs charged to end-users/owners. This is so that there is not a double-recovery from end-users which would be contradictory with the accepted principles.

6.4 Formula

All of the above culminates in the following formula to calculate the cost per unit consumption factor:

$$W = \frac{K_{tot}}{E_{tot}} - \frac{Lex}{E_{ex}}$$

where

W = cost per unit consumption factor.

$$K_{tot} = K_{ex} + K_{fut}$$

= cost of existing infrastructure + cost of future infrastructure.

$$E_{tot} = E_{ex} + E_{fut}$$

= existing consumption + future consumption

Lex = outstanding existing loans

For each service, this factor is multiplied by the nett additional consumption to be used by the development. This in turn is calculated for each land-use in the development and added up.

The land-use categories are covered in the next section, and the consumption rates to be used for each consumption-unit as well as its multiplication by the factor, is obtained from the "DC per land-use" tables in the Appendices.

The entire calculation, as well as deductions and other credits to be allowed for, can be carried out using a "DC Calculator Spreadsheet" to be provided to the Municipality, as described in a later section.

7. DIVISION INTO LAND-USES

In order to calculate the DC's for a development the consumption required by that development for each service must be calculated. This is done by firstly dividing the development into land-use categories and number of units or areas in those categories, and then by applying accepted consumption rates to those units or areas.

The land use categories used in this report and proposed to be used in the DC calculation, have been aligned with those categories of the new municipal zoning scheme. Some of these have been further divided into sub-categories, in order to reflect the different consumption rates used for those sub-categories.

These are listed as follows:

7.1 Residential

Single residential > 1000m²

Single residential > 500m²

Single residential > 250m²

- Single residential < 250m²
- Less formal residential > 250m²
- Less formal residential < 250m²
- Group residential > 250m²
- Group residential < 250m²
- Medium density residential > 250m²
- Medium density residential < 250m²
- High density residential - Flats
- High density residential - Student Rooms
- 7.2 Commercial
 - Local business – Office
 - Local business – Retail
 - General business – Office
 - General business – Retail
 - Community
 - Education
- 7.3 Industrial
 - Light industrial
 - General industrial – light
 - General industrial – heavy
 - Noxious Industry - heavy
- 7.4 Other
 - Resort
 - Public Open Space
 - Provide Open Space
 - Natural environment
 - Utility services
 - Public Roads and parking
 - Transport Facility
 - Limited use
- 7.5 Special

The consumption values to be used are as contained in the “DC per land-use” tables in the Appendices. The consumption rates used have been taken from accepted industry guidelines and norms and specific local information.

In the case of Residential these are expressed per dwelling unit, in the case of Commercial and Industrial per 100m² GLA (Gross Lettable Area), and for road reserves and open areas per ha of area.

A specific category created for this municipality is that of Student Room, due to the large amount thereof and high effect on service usage. A flat can be defined as a dwelling unit that is self-contained with bathroom(s), a kitchen and living area. A student room is a room in a boarding house or large house where there are communal bathrooms and a shared kitchen. In the case of cottages, flats or rooms being added to existing dwellings, DC's should be applied where the number of bedrooms on the erf exceeds five, and for the usage in excess of that.

Separation of local/general business into office and retail sub-categories is also important due to the high difference in trips per day for each. In this case retail means shops, restaurants, medical and tourist facilities. For the same reasons as not using trips in the peak hour as outlined in the previous section, a more moderate factor of trip generation rate is used for retail which has been adjusted in accordance with accepted traffic engineering norms. This does not mean that the DC's will not cover the total cost amount, but that the total cost will be more evenly spread over all the categories.

8. OTHER PRINCIPLES TO BE APPLIED

8.1 Deductions from, and services in lieu of DC's

After calculation of the DC's for all the services, certain deductions must be made for the following cases:

- Should the developer implement and pay for services that are part of the master planning that are required for his development and possibly also for other developments, the cost must be subtracted. Examples of this are bulk roads or services through or in the vicinity of the development, stormwater attenuation facilities that he creates on his site that limits run-off to pre-development flows, and community facility infrastructure.
- Land from the development that is given off for any of the infrastructure that is covered by DC's.
- Deductions as an incentive for implementing environmentally friendly "green" measures that reduce consumption, that are specifically approved by the municipality as having a pre-determined quantifiable reduction in consumption.
- In all cases the maximum deduction is the amount of DC payable for that type of service. (In other words the individual DC amounts for different services must be ring-fenced)
- All of the above must be recorded and contained in a Services Agreement to be drawn up between the Municipality and Developer.
- Should the cost of any of the above be more than the DC payable for that service, then the Municipality may re-imburse the developer, if such infrastructure implementation is in accordance and consistent with the Municipality's budget and masterplanning programme for that service. Should it not be so, then the developer will have to either cover the additional costs, or such infrastructure would have to wait until the time when the Municipality's budget allows for it.

8.2 Enabling Legislation and applications giving rise to DC's

The enabling legislation for ongoing DC's is covered elsewhere in the policy. Previously DC's were only applicable where there was a rezoning /subdivision or new rights accruing.

However masterplanning and DC calculations are based on new infrastructure being required for increased usage or consumption of services. Even though a certain area has always had certain zoning rights, it could be that historically the services were designed for an average lesser take-up of those rights, as it was the norm at that time and, as such, the original developers did not pay for the new infrastructure required. (An example of this is increased ownership of cars).

Therefore from an engineering point of view, the trigger for payment of DC's needs to be extended to cases where an application or alteration results in an increase in service usage above the norm which historically it has been in that area, and for which the original services would originally have been designed for and therefore now be insufficient for the increased usage.

9. RESULTS AND RECOMMENDATIONS

Based on the above principles and methodology, the calculations result in the "DC per land-use" tables in the Appendices.

The results show that the DC's increase from those at present for Stellenbosch. Apart from the new items added, this is due to updated and more accurate information and calculations. A comparison with other municipalities shows that they are higher than those for Cape Town (as they have always been) and Theewaterskloof, but lower than Breede Valley and

Swartland. Therefore the new proposed DC's are balanced and in line with other municipalities surrounding the metropole, falling in the middle band thereof.

Regarding area differentiation, Stellenbosch Town, Franschhoek and Klapmuts are in line with the average, with Stellenbosch Town being slightly higher, and Franschhoek and Klapmuts slightly lower. Dwars River is further below the average. There are various reasons for each. It must be noted that Stellenbosch Town has about 71% of the infrastructure, Klapmuts 14%, Franschhoek 9%, and Dwars River 6%.

After discussions with officials, the opinion is that the DC's should reflect the efficiency of servicing different areas, and therefore that the differentiation calculated should be applied between the four areas.

The figures calculated were based on 2016 costs, but for the attached "DC per land-use" tables, they have been escalated to the 2017/2018 year. The factors in that table must be escalated annually, by using the accepted industry CPI escalation factors obtained from Statistics South Africa.

10. IMPLEMENTATION

Implementation of Development Charges must be in accordance with the principles of this report and the policy, using the figures in the attached tables. To enable officials to calculate and inform the developers what their Development Charges will be, after an application has been received, a computerised spreadsheet calculator has been compiled.

This consists of three sheets:

- i. Front page where the administrative information is entered, and where a summary of the DC's applicable is brought forward from the calculation sheet.
- ii. Calculation sheet where the technical information is entered and DC's calculated
 - New categories and usage to be entered
 - Existing categories and usage to be entered
 - Nett increase in usage then calculated and multiplied by the factors to calculate DCs payable
- iii. Table showing the land use categories together with consumptions and factors used in the calculation sheet. (Only the table for the specific area for that application is printed.)

APPENDICES

DC's per land-use tables (2017/18 values)

- Stellenbosch Town
- Dwars River
- Franschhoek
- Klapmuts

Existing & Future road infrastructure drawings

- Stellenbosch Town
- Dwars River
- Franschhoek
- Klapmuts

7.5	HUMAN SETTLEMENTS: [CLLR PW BISCOMBE]
7.5.3	PROPOSED DISPOSAL OF A PORTION OF REMAINDER FARM 1653, LA MOTTE FOR EDUCATIONAL PURPOSE

1. PURPOSE OF REPORT

To consider, in principle, the disposal of a portion of Remainder Farm 1653, La Motte for educational purposes.

2. BACKGROUND

2.1 Preliminary discussions

Over the past 6 months this Department met with representatives of the Western Cape Education Department, Public Works as well as a possible donor on a number of occasions regarding an alternative site to build a new school, replacing the Wemmershoek Primary School.

During these occasions various options (Council-owned land as well as State-owned land) were considered, but ultimately the Department of Education, through the Department of Transport and Public Works, indicated their preference for the land located on the Remainder Farm 1653, La Motte, as shown in par 3.1, below.

2.2 Application for the acquisition of a portion of the Remainder Farm 1653, La Motte

Hereto attached as **APPENDIX 1** is a self-explanatory letter received from the Provincial Department of Transport and Public Works, requesting the acquisition (donation) of a portion of Remainder Farm 1653, La Motte, for educational purposes. Also hereto attached as **APPENDIX 2** is an e-mail received from the potential donor, setting out the background/motivation for the project.

3. DISCUSSION

3.1 Property Description

The potential site is located in La Motte, on a portion of Remainder Farm 1653, Paarl, as shown on Fig 1, 2 and 3 below.



Fig 1: Location and context



Fig 2: The site



Fig 3: Dimensions of site

3.2 Ownership of land

Although the land is still registered in the name of the Cape Winelands District Municipality it is in the process of being transferred to Stellenbosch Municipality, in terms of a Deed of Donation concluded during November 2016.

3.3 Legal requirements

In terms of Section 14(2) of the MFMA a Municipality may dispose of a capital asset, 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 Section 40 of the Municipal Supply Chain Management Regulations, a municipality's supply chain management policy must, *inter*

alia, specify the ways in which assets may be disposed of to another organ of state at market related value or, whether free of charge.

Such policy must stipulate that **immovable property may be sold only at market related prices, except when the public interest or the plight of the poor demands otherwise.**

Stellenbosch Municipality's Supply Chain Management Policy, however, is silent on ways in which assets may be transferred to another organ of state.

In terms of Chapter 3 of the Municipal Asset Transfer Regulations (R878/2008) the transfer of certain assets to another organ of state may be **exempted** from the provisions of Section 14 of the MFMA.

Sub-regulation 20 (1) (a) to (e) of the Regulations define the circumstances in which such transfer is exempted. The property in question does not fall within these provisions.

In terms of sub-regulation 20 (f)(i), however, section 14 (1) to (5) of the MFMA does **not** apply if a municipality transfer a capital asset to an organ of state in any other circumstances not provided in (a) to (e) (above) , **provided** that –

- (i) the capital asset to be transferred is determined by resolution of the Council to be **not needed** for the provision of the minimum level of basic **municipal services** and to be surplus to the requirements of the Municipality; **and**
- (ii) **if the capital asset is to be transferred for less than fair market value**, the municipality has taken into account, *inter alia* the expected loss or gain that is to result from the proposed transfer.

Further, in terms of Section 29 of the Regulations, the value of a capital asset to be transferred to an organ of state (as contemplated in section 20) **must** be determined in accordance with the **accounting standards** that the Municipality is required by legislation to apply in preparing its annual financial statements.

In the absence of such guidelines, any of the following valuation method must be applied:

- (a) **Historical cost** of the asset*;
- (b) **Fair market value** of the asset;
- (c) Depreciated replacement cost of the asset; or
- (d) Realizable value of the asset.

From the above it is clear that, although the property under discussion does not fall in the categories described in section 20 (a) to (e) (exempted), Council can indeed regard it as being exempted, **provided** that the provisions of section 20 (f) (i) and (ii) have been considered.

***Please Note** that the land in question was donated to the Municipality.

4. INPUTS BY OTHER DEPARTMENTS**4.1 Financial Services**

Item is supported. The municipality did not pay for the land initially and it will now be used for the benefit of the community.

4.2 Legal Services

The application or item is premature as the property is not yet transferred into the Municipality's name. The application/item can only be considered pursuant to the property being registered into the Municipality's name. In light of the aforesaid the provisions of the Asset Transfer Regulations were not considered and incorporated.

4.3 Planning & Economic Development

This Directorate cannot support the establishment of a primary school on the proposed site. It is not ideally located from an accessibility perspective. It does not consider the future growth needs of the area inclusive of road upgrading. A school should be located abutting the current residential area to the west of Robertsvlei Road.

4.4 Engineering Services

This directorate can confirm that should this be the site of choice that the necessary engineering bulk infrastructure will be in close proximity to the mentioned site. More detailed planning with regards to linking up to the bulk infrastructure should be done at a later stage. It would be suggested that this exercise be done in conjunction with our water and sewer master planning team. It is suggested that the Franschhoek transport master plan be the guiding document in deciding the final road access to the site. Linking up with bulk infrastructure as well as road upgrading necessary to accommodate the anticipated traffic would be for the account of the Department of Education. This area falls within the ESCOM area of electrical service delivery.

4.5 Human Settlements (Department: New Housing)

The Department: New Housing during August 2012 appointed a Professional Team to start with an integrated housing development in La Motte. The current layout consist of ±329 BNG houses and ±122 GAP houses which also includes a school site that will act as a buffer zone and forms part of the environmental process of the development. If this site is not utilised as a school site, as suggested in the item, an alternative usage of the current school site will need to be investigated.

Given the fact that the application then would have substantial change, a renewed public participation will need to follow to inform the Interested and Affected parties (I&AP) about the new changes. This means that the current layout which has been submitted to the Department: Land Use Planning and DEA&DP must be retracted.

The Department: New Housing due to the extensive public participation process that started during June 2013, the submission of the Basic Assessment Report (BAR) to Department of Environmental Affairs and

Development Planning (DEA&DP) during March 2015, is not in support of the newly proposed school site.

5. CONCLUSION

From the above it is clear that the land in question is not needed to provide the minimum level of basic municipal services

Taking into account that the land was donated to Stellenbosch Municipality, and taking into account the community value/benefit of the proposed project, it is

MAYORAL COMMITTEE MEETING: 2017-03-22: ITEM 5.2.2

RECOMMENDED

- (a) that, subject to the transfer of the portion of Remainder Farm 1653, Paarl, to be transferred by Cape Winelands District Municipality to Stellenbosch Municipality, measuring approximately 2.14 ha in extent, as shown on Fig 3, this portion of land be identified as land not needed to provide the minimum level of basic municipal services;
- (b) that approval be granted for the transfer of the property to the Provincial Department of Transport and Public Works, for the purpose of a school at no cost (*gratis transfer*), taking into account the community value of the project, on condition:-
 - i) that the Department be responsible for all cost related to the rezoning, subdivision and transfer, including, but not limited to survey and legal costs;
 - ii) that the Department be accountable for the upgrading of bulk infrastructure, should the need arise, and for making a contribution toward the Bulk Infrastructure Fund, as per the approved tariff structure at the time of approval of the site development plan, and
 - iii) that the Department be responsible for all service connections at the prevailing rates;
- (c) that the Provincial Government be given occupancy of the land as soon as Stellenbosch Municipality takes transfer of the land from the Cape Winelands District Municipality (CWDM), to enable them to attend to the planning/building plan approvals; and
- (d) that the Municipal Manager be authorized to sign all documents necessary to effect transfer of the land.

Meeting: Ref no:	7 th Council: 2017-03-29 7/2/1/1	Submitted by Directorate: Author Referred from:	Human Settlements T Mfeya Special Mayco:2017-03-27
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COMMENTS BY THE MUNICIPAL MANAGER

Following the above recommendation by the Mayoral Committee, and after further discussion with the Senior Legal Advisor, Mr Mervin Williams, the following, amended recommendations are made.

RECOMMENDED

that, subject to the transfer of Remainder Farm 1653, Paarl to Stellenbosch Municipality:-

- (a) the portion of Remainder Farm 1653, measuring ± 2.14 ha in extent, as shown in Fig 3 above, be identified as land not needed to provide the minimum level of basic municipal services;
- (b) that Council, **in principle**, support the *gratis transfer* of the said portion of land to the Provincial Government of the Western Cape (Department Transport and Public Works) for the purpose of a new school, to enable the Provincial Government to do the necessary feasibility studies;
- (c) that, following the transfer of Remainder Farm 1653 to Stellenbosch Municipality, and after compilation of the feasibility studies conducted by the Provincial Government, a further report be submitted to Council to make a final decision regarding the possible disposal of the portion of land referred to above.

FURTHER COMMENTS BY LEGAL SERVICES

In light of the above amended recommendations by the Municipal Manager, it is hereby confirmed that the previous legal inputs have sufficiently being dealt with, and that the amended recommendations by the Municipal Manager are supported.

RECOMMENDED

that, subject to the transfer of Remainder Farm 1653, Paarl to Stellenbosch Municipality:-

- (a) the portion of Remainder Farm 1653, measuring ± 2.14 ha in extent, as shown in Fig 3 above, be identified as land not needed to provide the minimum level of basic municipal services;
- (b) that Council, **in principle**, support the *gratis transfer* of the said portion of land to the Provincial Government of the Western Cape (Department Transport and Public Works) for the purpose of a new school, to enable the Provincial Government to do the necessary feasibility studies; and
- (c) that, following the transfer of Remainder Farm 1653 to Stellenbosch Municipality, and after compilation of the feasibility studies conducted by the Provincial Government, a further report be submitted to Council to make a final decision regarding the possible disposal of the portion of land referred to above.

Meeting: Ref no:	7 th Council: 2017-03-29 7/2/1/1	Submitted by Directorate: Author Referred from:	Human Settlements T Mfeya Special Mayco:2017-03-27
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APPENDIX 1

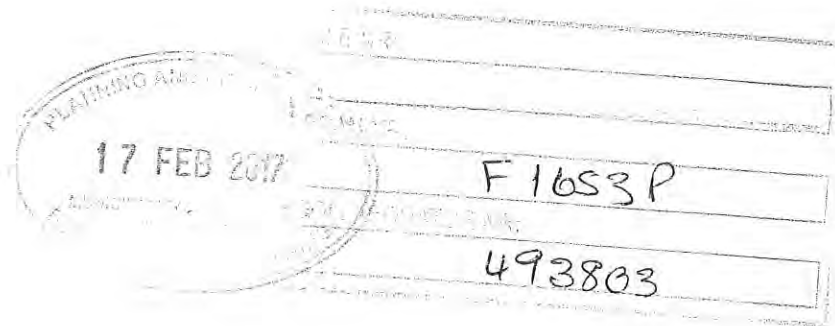


Reference: La Motte

The Municipal Manager
Stellenbosch Municipality
17 Plain Street
STELLENBOSCH
7599



For Attention: Mr. Piet Smit



Dear Mr. Smith

FRANSCHOEK: PROPOSED ACQUISITION OF A PORTION OF FARM 1653 LA MOTTE EDUCATIONAL PURPOSES

The Western Cape Education Department (WCED) has identified a need for a vacant land in the area of La Motte, Franschoek, for the construction of a replacement school.

Based on current learner enrolment figures of schools within Franschoek and projected development within the greater Franschoek area, the area of La Motte has been earmarked for the acquisition of a land parcel suitable for the construction of a replacement school.

In discussions with the WCED, the Stellenbosch Municipality and Donors agreement has been reached regarding a potential site in La Motte (a portion of Farm 1653 La Motte) that will serve to replace Wemmershoek Primary School in the Franschoek.

Due to budget constraints, your Municipality is herewith requested to give consideration for the gratis transfer of a portion of Farm No. 1653 La Motte, Franschoek, 5 hectares in extent, to the Western Cape Government for educational purposes.

The Western Cape Government is committed to expand quality education across the province and to provide opportunities for the youth to realise their full potential. In this instance it is an ideal opportunity for the Western Cape Government, with the assistance of the Donor, to construct a much needed education facility in La Motte, for the community of Franschoek.

Should your Municipality agree to the transfer / disposal of the Property to the Western Cape Government, kindly advise as to what the terms and conditions to the transaction will be.

The Western Cape Government is thus eagerly awaiting your Municipality's favourable response in this regard.

Upon confirmation by your Municipality to dispose of the Property to the Western Cape Government for the purposes as mentioned above, the Department will deal with the acquisition thereof as per the requirements set in terms of the Western Cape Land Administration Act, No. 6 of 1998.

Kind Regards


ACTING DEPUTY DIRECTOR: ACQUISITIONS
DATE: 10/2/2017

APPENDIX 2

Piet Smit

From: Carole Day <carole@thedesk.co.za>
Sent: Monday, February 27, 2017 2:21 PM
To: Lynn Coleridge-Zils; Debbie Schafer; Mayor (Gesie Van Deventer)
Cc: Piet Smit; Edwin Solomons; John Titus; Jerome O Gordon; Gerrit Coetzee; Shalane Roman; Ruwaida Benjamin; Christopher Boonzaaier; Patrick Riley
Subject: [EX] New School meeting update from onsite meeting and Trust overview as requested

Good afternoon all,

I hope you are well. I just wanted to put some notes around the onsite meeting we had last week with reference to the new school build in the La Motte area and what came out of the meeting and to add some context to the proposed development and the trust, who is offering to carry out this amazing opportunity.

- Met onsite on Wednesday the 22nd February just near the la Motte fire station on the Robertsvlei road
- present at the meeting was:
 - Piet Smit from Stellenbosch municipality – planning and infrastructure
 - John Titus & Jerome O Gordon – both from Western Cape – various departments
 - Geraldine Metler the municipal Manager was unfortunately not able to attend the meeting as she was held up at a council meeting (apologies I do not have her direct email address to copy her in)
 - Chris Boonzaaiër – the current headmaster at Wemmershoek school
 - Carole Day – champion of the project for the last 3 years and representative of the Trust

The current status of the project at the moment from what I understand is:

- The outline and “gratis” transfer of land proposal for the land is with Piet Smit to formalise and to present to the next council meeting in March 2017
- The dept of works (forgive me if I have the wrong departments noted as this was just in conversation and therefore have no reference point in terms of business cards etc – please correct if incorrect) has written to planning to request permission to proceed with all the work that should be done from their side including the transferring of the land – which is not a necessity really as the land does belong to the municipality but more of a formality . This is the document with Piet Smit.
- Piet says that he thinks there is a lot of positive backing for this project and he would be really hopeful that it would be agreed in principle at the next meeting.....best case scenario
- Then the hard work starts where they have to do the feasibility with roads etc but again that has to happen for any new venture and again all are positive about the process
- There are 2 versions of the land which are currently being presented – one is approx 2 hectares and the other is the 5 hectares (which may include some houses that are currently occupied – not necessarily with any lease agreements but nevertheless they are occupied)

Overview of the school from the Trusts perspective:

- The request we have made is for a school that goes right the way through to grade 12 and is dual medium as there is a shortage of this type of school in the area
- We are looking to build a “ Beacon of Excellence” in terms of the look and feel of the school and of course the teaching standards and product of the school

- We are looking to collaborate with the Western Cape Education department and the municipality of Stellenbosch so that we can achieve this together and make sure it is a school that other funders and interested parties could replicate and put into place through collaboration

The various parties at the meeting asked for a bit more context around who we are and the rationale behind this venture. Here is a brief outline for interest sake:

Brenley

- Is a charity set up by Marie-Louise & Patrick Riley - (part her surname [BREN], part Patricks [LEY]).
- All funding has come from PR.
- It is run by three trustees (Marie-Louise, PR & Robbert Zoet)
- It is a registered charity in England. See <http://beta.charitycommission.gov.uk/charity-details/?regid=1151128&subid=0>
- As at the end of 31st January 2017 Brenley has assets of £11m+ available for distribution.
- The audited accounts at 31.01.2017 will be done within 5 weeks.

Carole Day

- We live in the area and my kids go to Bridge House School
- I own a company called The Desk Concierge that operates within SA
- I am passionate about education and sit on the board of Bridge House School
- A friend and I started a soup kitchen in Langrug about 5 years ago which we hold every Saturday and feed up to 450 kids every week - we have fantastic volunteers and support from the community and Bridge House families and teachers
- We assist and sponsor a creche in Langrug
- I assist various other individuals in the community to set up and achieve the business or youth project goals
- I approached Patrick some years ago about working together on various education orientated opportunities
- To that end we have put a scholarship programme in place at Bridge House school which as at the end of 2018 will see approx 20 disadvantaged children having written scholarship entrance exams and been accepted into the school from grade 8 to grade 12, and provided with all the opportunities they may want to make use of, including living in boarding at the school should they prefer to, attending round square exchange programmes anywhere in the world, cultural tours or sports tours, whether locally or internationally and many other wonderful opportunities which arise during their education at BHS. These learners have thrived under the nurturing and inclusive environment that Bridge House School offers. It has been an amazing journey for all involved.
- We are looking to implement a programme to assist these learners through tertiary education.

Since around 2013 we have been talking about the building of the "new Wemmershoek" school and as you know this continues today . The basis for choosing this school was 2 fold, we spent a lot of time at the school getting to know the school and the workings of it and the second reason was the headmaster, Chris Boonzaaier and his positive approach to schooling and his enthusiasm for trying new things to improve the lives of his learners and his teachers.

Currently we assist Wemmershoek school with the following:

- All transport for learners, to and from school, is paid for annually by the Trust – this is to alleviate the financial burden on the parents (a lot of parents are seasonal workers and could not afford to pay for the school transport) and also to ensure attendance is increased throughout the school.
- The trust currently pay for 2 additional full time teachers in 2 of the grades where the class sizes were untenable
- We have just implemented a Help 2 Read literacy programme at the school to assist learners who are struggling with reading on a one to one basis, in English. This has been done through the training of community representatives who submitted their cv's and have committed to the programme and are being paid. As you can see the programme has a dual purpose, both for the learners and the up-liftment of the community.
- We have an art programme which was funded by my daughter, Hannah Day, who, as part of her leadership programme in grade 7, arranged for all the grade 7's at Wemmershoek school, to paint pictures on canvasses that she arranged. She then wrote to some well known artists who did the same. These paintings then formed part of an auction that she put together and held at Pearl Valley and she managed to raise R25000 towards funding the art department at Wemmershoek. We then arranged for one of the parents from Bridge House to teach art every week at Wemmershoek and the art department is now a key element of the school. One of the current grade 5's at Wemmershoek just won an art competition – he received his bicycle as a prize last week – thrilling for all.
- The Cape Winelands Trust assisted with some further funding towards teacher education and training as well as covering essential costs like photocopying.

Here is what Patrick Riley proposes to be the bones of a deal with regards to a new Wemmershoek School (subject to agreement):

Land

- * Can remain in the councils name (to give them protection) subject to say a 100 year peppercorn lease to Brenley
- * The lease can say that if we have not performed within a period of planning being granted that the lease is voided - again to protect the council
- * must be large enough for a school up to grade 12, with proper facilities and for xx number of houses to be built . We are not sure that 2 Hectares would be sufficient for just the school and facilities.

School

- * Government to pay normal school fees
- * Brenley to have control of the school in respect of a Board
- * Brenley to top up fees each year

Houses

- * Will be built by Brenley
- * Will be rented by Brenley
- * All profit from the rental to be used to fund the top up of fees each year (so xx needs to be enough houses so that the school is self financing in perpetuity)
- * Transport will be provided each day to Pearl Valley so that these houses can be rented by Pearl valley owners for their staff

Budget

We really have no idea

We need *one deal* – land for school & land for the houses

The 2 pieces of land do not need to be together - it would be preferable

In essence Patrick Riley wants to do a really decent project in SA as a thank you for the education SA gave him.

I want to do this simply because the community needs this and we, as South Africans, need this.

I look forward to the update and swift progression of this project. As you all know we have been working tirelessly on this for years now and really need to get this project off the ground so we can uplift the present learners in the community, we don't want them to be included in the Lost Generation as Hlomela Buewa so eloquently put it in her maiden parliamentary speech last week.

Many thanks and best regards,

CAROLE DAY

Director

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m +27 (0)79 548 9280

f 08802 1867 0593

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8.	CONSIDERATION OF REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS SUBMITTED BY THE MUNICIPAL MANAGER
8.4	REPORT BY THE MUNICIPAL MANAGER: DELEGATED POWERS EXERCISED BY THE THEN ACTING EXECUTIVE MAYOR DURING THE JUNE/JULY 2016 RECESS PERIOD

1. PURPOSE OF REPORT

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

2. BACKGROUND

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

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

3. DISCUSSION

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

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

The items that were considered included the following:

3.1 2016/2017 ELECTRICITY AND LAND USE MANAGEMENT TARIFF ADJUSTMENT

- As per NERSA's request, the current tariff application was submitted for approval on 27 March 2016. On 29 June 2016 NERSA rejected the Municipality's tariffs and advised Stellenbosch Municipality on the tariffs to be implemented, necessitating the revision of the published tariffs.
- There was an error with the approval of the following 2016/2017 land use management tariffs which need to be corrected :
 - o Departure – Erven which are 201m² and larger.

- The electricity tariff structure for 2016/17 approved by Council together with the proposed changes is reflected in the attached item. It's estimated that the gross electricity income will decrease with R6 792 731.

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

Recommended that:

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

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

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

Recommended:

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

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

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

Recommended:

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

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

3.4 REVISED EMERGENCY HOUSING ASSISTANCE POLICY (EHAP)

Recommended:

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

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

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

Recommended:

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

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

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

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

3.6 2016/17 SOLID WASTE TARIFF ADJUSTMENT

Recommended:

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

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

4. CONCLUSION

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

RECOMMENDED

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

2ND COUNCIL MEETING: 2016-10-05: ITEM 9.2.2

RESOLVED

that this matter be resubmitted at the Council meeting scheduled for November 2016.

Meeting: Ref No:	<i>Council: 2016-09-28 17/4/8</i>	Submitted by Directorate: Author: Referred from:	<i>Office of the Municipal Manager Acting MM: (R Bosman)</i>
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FURTHER COMMENTS BY THE MUNICIPAL MANAGER**2016/17 ELECTRICITY, LAND USE MANAGEMENT AND SOLID WASTE TARIFF ADJUSTMENT**

Council approved the electricity tariffs during May 2016, NERSA rejected the Municipalities tariffs on 29 June 2016. The Municipality was therefore obligated to adjust the approved tariffs to the NERSA tariffs. Said tariffs as approved by NERSA were lower than the Electricity tariffs approved during May.

An error occurred with the typing of the Land-Use Management Tariff as well as the Solid Waste tariff. The adjusted Land Use Management tariff was lower than what Council approved during May 2016.

An omission occurred with the Solid Waste Tariff during May 2016 and did not form part of the formal approved tariff structure. In the absence of this particular tariff line, Non-Residential consumers were incorrectly charged at a three times higher rate for refuse collection.

Section 160 (2) and (3) of the Constitution of the Republic of South Africa states that:

“(2) The following functions may not be delegated by a Municipal Council:

- (a) The passing of by-laws;*
- (b) the approval of budgets;*
- (c) the imposition of rates and other taxes, levies and duties; and*
- (d) the raising of loans.*

(3) (a) A majority of the members of a Municipal Council must be present before a vote may be taken on any matter. “

It should be noted that this was the period leading up to the election and councillors were already excused for campaigning purposes.

Due to the bona fide oversight, these decisions were taken to ensure that the correct tariffs are in place before the start of the financial year 2016/2017. Further to this the tariff amendment was beneficial to the residents of Stellenbosch Municipality in that they paid a reduced tariff.

RESOLVED

That it be recommended to Council:

that Council condone the decision made during the July 2016 recess by the then Acting Executive Mayor on the adjustments of the said tariffs.

Meeting: Ref No:	<i>Mayco: 2017-03-22 17/4/8</i>	Submitted by Directorate: Author: Referred from:	<i>Office of the Municipal Manager MM: (G Mettler)</i>
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FURTHER COMMENTS BY THE MUNICIPAL MANAGER

It is herewith requested that the resolution as resolved by the Mayoral Committee Meeting: 2017-03-22: ITEM 6.1 be amended to read as follows:

RECOMMENDED

that Council ratifies the decisions of the then Acting Executive Mayor as resolved on 04 and 05 July 2016.

Meeting: Ref No:	<i>7th Council: 2017-03-29 17/4/8</i>	Submitted by Directorate: Author: Referred from:	<i>Office of the Municipal Manager MM: (G Mettler) Special Mayco: 2017-03-27</i>
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APPENDIX 1

Item	Legislative Mandate	Description of power or function	Delegation route					Limitations and conditions	Risk H/M/L
			EM	SPE / Comm	MM	DIR	MGR		

A. (a) GENERAL – DELEGATED BY COUNCIL (IN TERMS OF S 59(1) OF THE MUNICIPAL SYSTEMS ACT)

IMPORTANT PLEASE READ

- Where new delegations have been added, it is indicated as **NEW** under the item column.
- Where new delegations have been materially changed or added to, such changes / additions are indicated as **AMEND** under the item column with a cross referral to the relevant delegation in the 2012 System of Delegations document. **NOTE THAT, HOW IT WAS CHANGED, IS INDICATED IN BOLD, UNDERLINED AND ITALIC UNDER THE DESCRIPTION.**
- Minor changes, such as adding of notes, correction of typographical errors, grammar, semantics, incorrect legislation, the adding of relevant S s in legislation, degree of sub-delegation and further limitations and conditions are not specifically highlighted (eg newly developed policies).
- Obligations, powers or duties imposed by legislation, and incorrectly deemed to be delegations in the 2012 System of Delegations document, were omitted

NEW	1. S 59(1) and S 76(b) of Systems Act; AND S 56 of the Municipal Structures Act	All powers and functions that vests with Council, excluding those powers mentioned in S 160(2) of the Constitution, as well as the power to approve or amend the IDP, the power to set tariffs, the power to enter into a service delivery agreement in terms of S 76(b) of the Municipal Systems Act and any other power which may not be delegated in terms of national or provincial legislation. NOTE: The EM is obliged to report to Council on the above powers as a general rule. It will not be mentioned in each delegation hereafter.						EM - Including all his/her legislative powers in terms of S 56 of the Municipal Structures Act. In case of an emergency and/or when Council is in recess, when failing to take a decision within a limited timeframe, may lead to financial loss for the Municipality or may jeopardise the lives of people, the Executive Mayor be authorised to exercise any of his/her powers or perform any of his/her duties without the input of the Mayoral Committee. The EM is obliged to report to Council on these emergencies, within one month.	H
NEW	2. S 59(1) of Systems Act; AND S 56(3)(f) of the Municipal Structures Act AND Basic Conditions of Employment Act	To approve leave for full-time Councillors in excess of the two recess periods per <i>anum</i> .						EM – Insofar as it relates to <i>full-time</i> Councillors SPE – Insofar as it relates to the EM, and <i>other</i> Councillors <ul style="list-style-type: none"> • In respect of vacation leave: 5 working days (over and above the recess periods) per calendar year • In respect of family responsibility leave – as defined in the Basic Conditions of Employment Act 5 working days per calendar year • In respect of sick leave - as defined in the Basic Conditions of Employment Act 12 working days per calendar year NOTE: Any leave in addition or exceeding these limitations to be specifically approved by Council.	L

APPENDIX 2

2016/17 ELECTRICITY & LAND USE MANAGEMENT TARIFF ADJUSTMENT

<i>File number</i>	:	
<i>Report by</i>	:	<i>Municipal Manager</i>
<i>Compiled by</i>	:	<i>Manager: Budget Office</i>
<i>Delegated authority</i>	:	<i>Council</i>

1. PURPOSE OF REPORT

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

2. BACKGROUND

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

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

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

3. DISCUSSION

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

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

4. COMMENTS BY RELEVANT DEPARTMENTS**4.1 Comments by the Chief Financial Officer**

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

5. CONCLUSION

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

RECOMMENDED

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

APPENDIX 1A

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

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

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

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

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

6. Non Profit Organisations

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

Non Profit Organisations : Low Voltage Max 60 Amp Pre payment SARS Approved (NPO2)	-	
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	174.51	162.12

7. Sport

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

Sport: High Consumers Maximum Demand (SPO2)	-	
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	70.75	65.73
Maximum Demand Charge (R/Amp)	0.00	0.00
Maximum Demand Charge (R/kVA)	222.82	207.00

8. Time -of-Use

Time of Use (Low Voltage) TOU1	94	
Fixed Charge per month	2 784.00	2 586.00
SUMMER: Demand Charge (R/kVA)	37.00	34.00
Access Charge (R/kVA)	37.00	34.00
Peak Energy (c/kWh)	123.49	114.72
Standard Energy (c/kWh)	81.37	75.59
Off-peak Energy (c/kWh)	61.02	56.69
Reactive Energy (c/kVArh)	0.00	0.00
WINTER: Demand Charge (R/kVA)	37.00	34.00
Access Charge (R/kVA)	37.00	34.00
Peak Energy (c/kWh)	387.25	359.75
Standard Energy (c/kWh)	116.23	107.98
Off-peak Energy (c/kWh)	68.29	63.44
Reactive Energy (c/kVArh)	16.15	15.00

Time of Use (Medium Voltage) TOU2	21	
Fixed Charge per month	5 016.00	4 659.00
SUMMER: Demand Charge (R/kVA)	36.00	33.00
Access Charge (R/kVA)	34.00	31.00
Peak Energy (c/kWh)	113.97	105.88
Standard Energy (c/kWh)	74.55	69.26
Off-peak Energy (c/kWh)	55.88	51.91
Reactive Energy (c/kVArh)	0.00	0.00
WINTER: Demand Charge (R/kVA)	36.00	33.00
Access Charge (R/kVA)	34.00	31.00
Peak Energy (c/kWh)	376.47	349.74
Standard Energy (c/kWh)	106.94	99.35
Off-peak Energy (c/kWh)	62.86	58.40
Reactive Energy (c/kVArh)	16.15	15.00

PLEASE NOTE, FOR ALL TARIFFS WHERE THERE IS A MAXIMUM DEMAND CHARGE AS PART OF THE TARIFF: In the event that the access demand is exceeded more than once in a financial year, a 10% additional fee (to be used for Bulk-Levy Contributions) will be levied as from the second month that the demand has exceeded and for each month exceeding thereafter.

9. Own Generation for Own Use

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

10. Own Generation for Use and Export

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

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

APPENDIX 1B



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526 Madiba Street
Arcadia 0083
Pretoria, SOUTH AFRICA

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Ref. NER/DWC024/2016-17

2016/2017 NERSA APPROVED ELECTRICITY TARIFF STRUCTURE

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

Fax no: (021) 886 6749

Dear Mr Lombaard

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

Your application dated 11 May 2016 refers.

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

Domestic Tariffs

- Domestic (Dom 1) Prepaid Lifeline

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

Regulator Members: Mr JRD Modise (Chairperson) Ms MMD Nkomo (Deputy Chairperson)
Mr T Buiyila Dr RD Crompton Ms N Maselli Ms KR Mhimunye Mr FK Sibanda
*Full-time Regulator Members

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

- Domestic (Dom 2) Regular Prepaid

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

- Domestic (Dom 3) Regular Prepaid

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

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

- Domestic (Dom 4) Regular Conventional

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

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

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

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

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

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

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

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

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

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

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

Exports Rates

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

Commercial Tariffs

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

- **Commercial (Com 5.1) Renewable Energy Generation For Own Use**
 - Basic charge: R138.00/month
 - Energy charge: 142.09c/kWh
- **Commercial (Com 5.2) Renewable Energy Generation For Own Use**
 - Basic charge: R243.00/month
 - Energy charge: 172.71c/kWh
- **Commercial (Com 5.3 & Com 6) Renewable Energy Generation For Own Use & Generation**
 - Basic charge: R268.00/month
 - Reading cost: 140.00/month
 - Energy charge: 163.63c/kWh

Exports Rates

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

Agricultural Tariffs

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

- **Agricultural: Renewable Energy (AGRI 2 & AGRI 3) Generation For Own Use & Export**
 - Basic charge: R281.00/month
 - Reading cost: 140.00/month
 - Energy charge: 170.89c/kWh

Exports Rates

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

Industrial Tariffs

- **Large Power Low Voltage > 80 Amp**
 - Basic charge: R1 557.00/month
 - Energy charge: 83.03c/kWh
 - Maximum Demand Charge: R211.00/kVA
 - Utilised Demand Charge: R38.00/kVA
- **Industrial: (IND 1.1 & IND 1.2): Renewable Energy - Generation For Own Use & Export**
 - Basic charge: R1 557.00/month
 - Reading cost: 70.00/month
 - Energy charge: 83.03c/kWh
 - Maximum Demand Charge: R211.00/kVA
 - Utilised Demand Charge: R38.00/kVA

Exports Rates

- **Low season**
 - Energy charge
 - Peak: 80.39c/kWh
 - Standard: 55.32c/kWh
 - Off-peak: 36.00c/kWh
- **High season**
 - Energy charge
 - Peak: 246.41c/kWh
 - Standard: 74.66c/kWh
 - Off-peak: 40.55c/kWh
- **Industrial: Medium Voltage (IND2)**
- **Large Power MV**
 - Basic charge: R2 945.00/month
 - Energy charge: 81.71c/kWh
 - Maximum Demand charge: R208.94/kVA
 - Utilised Demand charge: R37.31/kVA
- **Industrial: (IND 2.1 & IND 2.2): Renewable Energy - Generation For Own Use & Export**
 - Basic charge: R2 945.00/month
 - Reading cost: 70.00/month
 - Energy charge: 81.71c/kWh
 - Maximum Demand charge: R208.94/kVA
 - Utilised Demand charge: R37.31/kVA

Exports Rates

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

- Off-peak: 36.00c/kWh
- **High season**
 - Energy charge
 - Peak: 246.41c/kWh
 - Standard: 74.66c/kWh
 - Off-peak: 40.55c/kWh
- **NGO Single Phase 20 Amp Prepayment (NPO1)**
 - Energy charge: 175.12c/kWh
- **NGO: Low Voltage Max 80 Amp Prepayment SARS Approved (NPO2)**
 - Energy charge: 174.51c/kWh
- **Municipal Street and Traffic Lights**
 - Energy charge: 180.80c/kWh
- **Municipal: Low Voltage Max 80 Amp (MUN2)**
 - Energy charge: 164.35c/kWh
- **Municipal: Low Voltage >80 Amp (MUN3)**
 - Energy charge: 75.33c/kWh
 - Demand Charge: R223.00/kVA
- **Municipal: Medium Voltage (MUN4)**
 - Energy charge: 67.45c/kWh
 - Demand Charge: R217.00/kVA
- **Sport: Low Consumers Max 80 Amp and Prepayment (SPO1)**
 - Energy charge: 154.60c/kWh
- **Sport: High Consumers Maximum Demand (SPO2)**
 - Demand charge: R223.00/kVA
 - Energy charge: 70.75c/kWh

Time of use Tariffs

Time of Use Low Voltage

- Basic charge: R2 784.00/month
- Demand charge: R37.00/kVA
- Access charge: R37.00/kVA
- Reactive energy: 16.15c/kVArh
- **Low Season**
 - Energy Charge
 - Peak: 123.49c/kWh
 - Standard: 81.37c/kWh
 - Off-Peak: 61.02c/kWh
- **High Season**
 - Energy charge:
 - Peak: 387.25c/kWh
 - Standard: 116.23c/kWh
 - Off-Peak: 68.29c/kWh

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

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

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

Exports Rates

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

Time of Use Medium Voltage

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

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

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

Exports Rates

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

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

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

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

Yours sincerely



Paseka Nku
Acting Chief Executive Officer

Date: 29/06/2016

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

STELLENBOSCH MUNICIPALITY						
SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017 Applicable to services rendered from 1 July 2016						
DIREKTORAAT: BEPLANNING EN EKONOMIESE ONTWIKKELING DIRECTORATE: PLANNING AND ECONOMIC DEVELOPMENT						
To be read in conjunction with the Business Rules.						
SERVICES RENDERED	UNIT	REMARKS	2016/17	2016/17	2016/17	
			incl VAT	excl VAT	incl VAT	
LAND USE MANAGEMENT FEES						
Departure	Even under 200 m ²	Residential even 200 m ² or less for subdivided housing	Zero	Zero	Zero	
		Building line coverage and other Regulation departures get charged separately - i.e. a Building line coverage application does not exempt applicant from other (departures) fees and vice versa.				
	Even which are 201m ² and larger	Per property	315.00	2 140.35	2 440.00	
	(Second division)	n/a		2 140.35	2 440.00	
TEMPORARY DEPARTURE / CONSENT USE / SPECIAL DEVELOPMENT / PERMISSION IN TERMS OF ZONING SCHEME / PERMISSION IN TERMS OF CONDITION OF APPROVAL / OCCASIONAL USE OF LAND						
Submitted in urban and rural areas	Per application per property (per use)		2 300.00	2 140.35	2 440.00	
House shops Early Childhood Development Centres (ECD's)/ Occasional Use of Land	Per application per property (per use)		200.00	175.44	200.00	
SUBDIVISION						
Up to 10 erven created		Calculated as R 2440.00 for first 10 erven + R1220.00 for every additional 10 erven (in part thereof) created above the first 10	2 300.00	2 140.35	2 440.00	
For every 10 erven created above the first 10			1 150.00	1 070.18	1 220.00	
Agricultural Zoned land	Per acre/m ²	Per additional erf created where the zoning remains Agriculture	2 300.00	2 140.35	2 440.00	
EXEMPTIONS (SUBDIVISION/CONSOLIDATION)						
Amendment/cancellation of an approved subdivision plan (or part thereof), including a general plan or diagram	Per application	This fee is payable in all cases if a subdivision for which an approval has been granted (irrespective of whether a general plan has been approved for the subdivision or not) is amended/cancelled.	2 300.00	2 140.35	2 440.00	
CONSOLIDATIONS						
Consolidation of erven	Per application			2 140.35	2 440.00	
REZONING						
Submitted in urban and rural areas	Per zoning created	Per zoning created	4 022.00	3 736.84	4 260.00	
Determination of a zoning	Per zoning determined	Per zoning determined	NEW	3 736.84	4 260.00	
SITE DEVELOPMENT PLAN ASSESSMENT / HOME OWNERS ASSOCIATION / RELATED MATTERS						
New/Amendment of Site Development Plans New/Amendment of HOA Constitutions & Design Manuals Establishment of a HOA / Disestablishment of a HOA Rectify a failure of a HOA to meet its obligations	Per application (or plans/set of plans)	Per application (or plans/set of plans/constitution)	1 630.00	1 517.54	1 730.00	
Naming and numbering of streets, Places and Buildings	Per application	Per application	2 300.00	2 140.35	2 440.00	
Renaming of Streets, Places and Buildings	Per application	Per application	4 022.00	3 736.84	4 260.00	
Closure of Public Place / Roads or Part thereof	Per application	Per application	NEW	3 736.84	4 260.00	
Amendment of conditions of approval	Per condition	Per condition	2 300.00	2 140.35	2 440.00	
Extension of validity period of an approval	Per application	Per application	50% of current application fee inclusive of VAT	50% of current application fee inclusive of VAT	50% of current application fee inclusive of VAT	
Deviation from Council Policies & Bylaws Permission for reconstruction of existing building constituting a non-conforming use	Per application per property	Per application per property	1 220.00	1 315.79	1 500.00	
Submit a building plan & build on an unregistered property	Per application	A permission required for the reconstruction of an existing building that constitutes a non conforming use that is destroyed or damaged to the extent that it is necessary to demolish a substantial part of the building	NEW	3 736.84	4 260.00	
	Per unregistered property	Per unregistered property	630.00	3 736.84	4 260.00	
ADVERTISING FEES						
Advertisements in the press (All advertisements) Local weekly newspaper (per placement)	Basic per placement	This is a basic advertising fee. Should the actual costs be more, the applicant is liable for such extra costs upon receipt of a quote	7 200.00	7 456.14	8 500.00	
Advertisements in the press (All other advertisements) Daily newspaper (per placement)	Per Quotation		per quotation	per quotation	per quotation	
Savers of indices	For every 10 letters or part thereof		350.00	394.74	450.00	
OTHER						
Appeals	Administration cost per appeal		800.00	1 315.79	1 500.00	
Transfer Clearance fee	per transferable erf		350.00	374.58	370.00	
Removal, Suspension or amendment of restrictive conditions & Relaxations	Per application		2 300.00	2 140.35	2 440.00	
Zoning Certificate	Per erf		320.00	298.25	340.00	
Business Licence	Per application		25.00	21.93	25.00	

PROPOSED CHANGES TO 2016/2017 LAND USE MANAGEMENT TARIFFS

STELLENBOSCH MUNICIPALITY						
SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017 Applicable to services rendered from 1 July 2016						
DIREKTORAAT: BEPLANNING EN EKONOMIESE ONTWIKKELING DIRECTORATE: PLANNING AND ECONOMIC DEVELOPMENT						
To be read in conjunction with the Business Rules.						
SERVICES RENDERED	UNIT	REMARKS	2016/17	2016/17	2016/17	
			incl.VAT	incl.VAT	incl.VAT	
LAND USE MANAGEMENT FEES						
Deposure	Even under 200 m ²	Residential or non-residential housing	Zero	Zero	Zero	
	Even which are 20 m ² and larger	Building and coverage and other. Negative deposits are charged separately. i.e. a building and coverage application does not exempt applicant from other (including other) deposits fees and vice versa.	315.00	252.94	334.00	
TEMPORARY DEPARTURE/ CONSENT USE / SPECIAL DEVELOPMENT / PERMISSION IN TERMS OF ZONING SCHEME / PERMISSION IN TERMS OF CONDITION OF APPROVAL / OCCASIONAL USE OF LAND						
Submitted in urban and rural areas						
House (Prox) Child Development Centres (CDZ) Occasional Use of Land	Per application per property (per use)		2 300.00	1 842.35	2 440.00	
SUBDIVISION						
Up to 10 erven created						
For every 10 erven created above the first 10		Subdivided as R 1040.00 for final 10 erven. R 1220.00 for every additional 10 erven for that period created above the first 10	1 150.00	1 079.14	1 220.00	
Agricultural Serviced land	Per site unit	Per additional erf created where the zoning requires agriculture	2 300.00	1 842.35	2 440.00	
EXEMPTIONS (SUBDIVISION/CONSOLIDATION)						
Per application						
Amendment/variation of an approved subdivision plan (or part thereof), including a general plan or diagram	Per application	This fee is payable in all cases of a subdivision for which an approval has been granted. It is payable whether a general plan has been approved for the subdivision or not is amended/variation.	2 300.00	1 842.35	2 440.00	
CONSOLIDATIONS						
Consolidation of erven						
	Per application			1 842.35	2 440.00	
REZONING						
Submitted in urban and rural areas						
Per zoning scheme	Per zoning scheme	Per zoning scheme	4 022.00	3 176.64	4 280.00	
Submission of a zoning						
	Per zoning determined	Per zoning determined	NEW	1 736.64	4 280.00	
SITE DEVELOPMENT PLAN ASSESSMENT / HOME OWNERS ASSOCIATION / RELATED MATTERS						
New/Amendment of Site Development Plan						
Establishment of a HOA/ Disestablishment of a HOA	Per application (or plan of plat)	Per application (or plan of plat/consolidation)	1 430.00	1 117.54	1 730.00	
Rectify a failure of a HOA to meet its obligations	Per application	Per application	2 300.00	1 842.35	2 440.00	
Naming and numbering of streets, Places and Buildings						
Per application	Per application	Per application	4 022.00	3 176.64	4 280.00	
Renaming of Streets, Places and Buildings						
Per application	Per application	Per application	NEW	1 736.64	4 280.00	
Closure of Public Place / Roads or Part thereof						
Per application	Per application	Per application	2 300.00	1 842.35	2 440.00	
Amendment of conditions of approval						
Per condition	Per condition	Per condition	2 300.00	1 842.35	2 440.00	
Extension of validity period of an approval						
Per application	Per application	Per application	1 220.00	1 315.71	1 500.00	
Deviations from General Policies & By-Laws						
Per application per company	Per application per company	Per application per company	1 220.00	1 315.71	1 500.00	
Permit for reconstruction or existing building constituting a new concerning use						
Per application	Per application	Per application	NEW	3 736.64	4 280.00	
Submit a building plan & build on an unregistered property						
Per unregistered property	Per unregistered property	Per unregistered property	430.00	3 736.64	4 280.00	
ADVERTISING FEES						
Place advertisements in the press (All advertisements will be charged on a per placement basis)						
Per placement	Per placement	Per placement	7 200.00	1 456.14	8 500.00	
Per quotation						
Daily newspaper (per placement)	Per quotation	Per quotation	per quotation	per quotation	per quotation	
OTHER						
Printing of notices						
Per notice 10 letters or part thereof	Per notice 10 letters or part thereof	Per notice 10 letters or part thereof	350.00	344.74	450.00	
APPEALS						
Administrative cost per appeal						
800.00	1 245.79	1 500.00				
Transfer Clearance Fee						
350.00	324.59	370.00				
Permit/ Approval for amendment of restrictive conditions & Regulations						
2 300.00	1 842.35	2 440.00				
Zoning Certificate						
320.00	286.25	340.00				
Business License						
25.00	21.00	25.00				

Richard Bosman

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

Good morning

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

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

Thank you

Richard Bosman

Acting Municipal Manager

Waarnemende Munisipale Bestuurder

T: +27 21 808 8025 • C: +27 79 269 2239 • F: +27 21 886 6749
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MUNISIPALITEIT • UMASIPALA • MUNICIPALITY



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Richard Bosman

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

Good morning as discussed in regards to the above matter

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

Thanks

Richard Bosman
Acting Municipal Manager
Waarnemende Munisipale Bestuurder

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APPENDIX 3

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6.1.3 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.

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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*

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- 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

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- 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 dispose) 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—

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- (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.

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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;

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- (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

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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).

MINUTES

MAYORAL COMMITTEE MEETING

2016-06-10

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RECOMMENDED

- (a) that the following properties be identified as properties not needed to provide the minimum level of basic municipal services:
 Erf 5652, Die Boord;
 Erf 412, Groendal
 Erf 1902, Town Hall
 Erf 13426, Technopark
 Erf 194, Van de Stel
 Erf 52, Bird Street
- (b) that the Municipal Manager be requested to:
- i) Investigate the possible development of the properties listed in (a) (*supra*);
 - ii) Advise on the type of development that could be undertaken (if any); and
 - iii) Advise on specific ways and means to achieve the dual purpose of Local Economic Development as well as Black Economic Empowerment; and
- (c) that a progress report be tabled within a period of 3 months.

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

MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 6.1.3**RECOMMENDED BY THE EXECUTIVE MAYOR**

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

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

MINUTES

MAYORAL COMMITTEE MEETING

2016-06-10

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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.

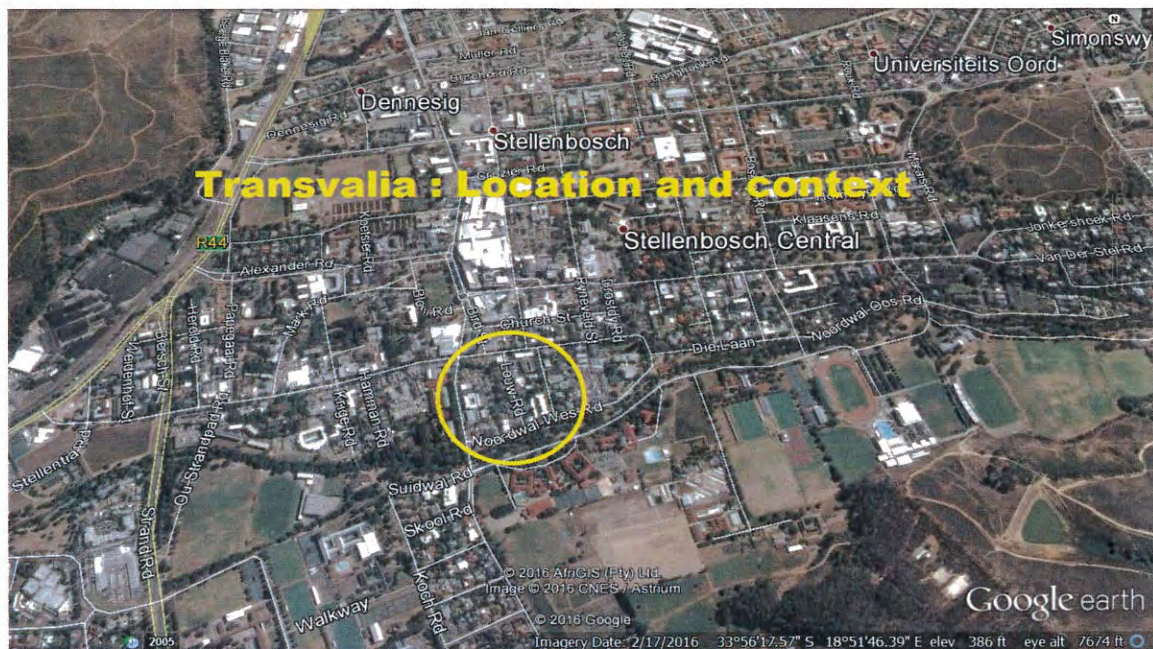


Fig 1: Location and context



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 Rynveld Street to east. To the north are existing businesses as well as Victoria Street and to the south are municipal offices and town hall, as indicated on Figure 1 and 2 below.



Fig 1: Location and context



Fig 2

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

(c) Call for proposals

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

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

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

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

3. Erf 7001, Soekmekaar

3.1 The site

3.1.1 Location

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



Fig 1: Location and context**Fig 2****(b) Description and Context**

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

(c) Call for proposals

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

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

4. Erf 194, Merriman Avenue

4.1 The Site

4.1.1 Location

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

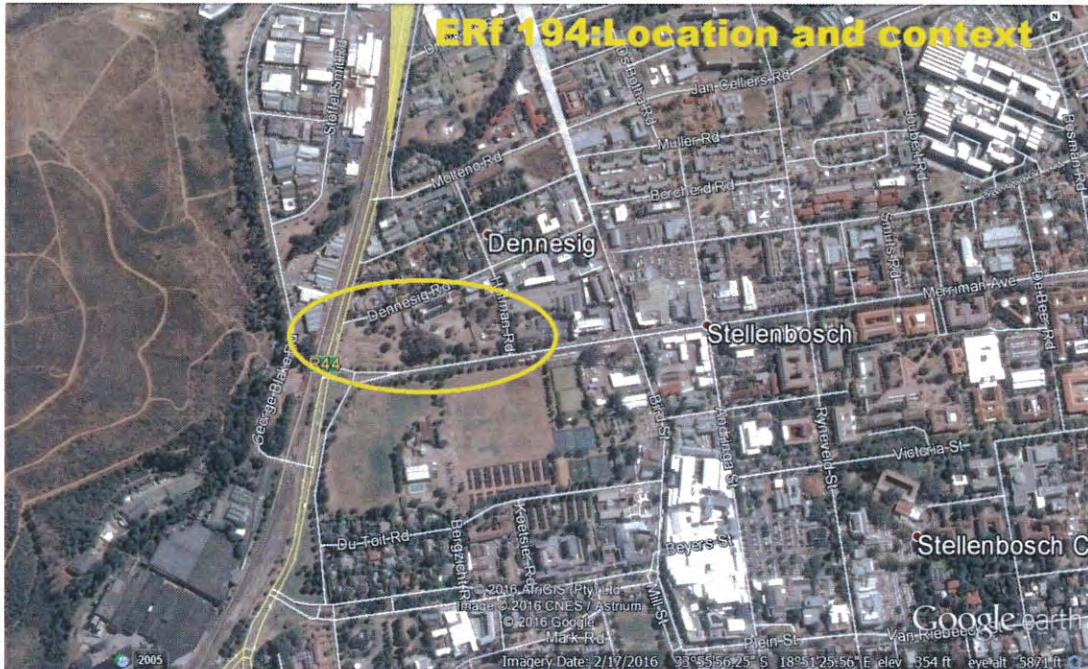


Fig 1: Location and context



Fig 2

(b) Calls for proposals

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

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

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

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

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

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

5. Erf 5652, Die Boord

5.1 The Site

5.1.1 Location

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



Figure 1: Location and context



Fig 2

(ii) Description and Context

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

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

(iii) Environmental and Physical Considerations

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

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

(iv) Calls for proposals

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

6. Erf 13420, Technopark

6.1 The Site

6.1.1 Location and Accessibility

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



Fig 1: Location and context



Fig 2

(b) Call for Proposals

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

7. Erf 739, Klapmuts

7.1 The site

7.1.1 Property description and context

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



Fig 1: 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.



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	Erff 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. Soekmeaar: 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 subdivisional area for mixed uses and library.

APPENDIX 4

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

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

Report by : Acting Director: Engineering Services

Compiled by : Manager Solid Waste Management: Saliem Haider

Delegated Authority : Council

Strategic intent of item

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

1. PURPOSE OF THE REPORT

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

2. BACKGROUND

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

Their brief for this project was as follows:

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

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

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

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

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

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

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

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

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

3. DISCUSSION

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

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

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

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

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

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

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

4. COMMENTS FROM RELEVANT DIRECTORATES

4.1 Directorate: Finance

Finance supports the item

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

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

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

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

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

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

The amendment in this instance exceeds the prescribed threshold.

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

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

RECOMMENDED

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

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

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

RECOMMENDED

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

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

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

RECOMMENDED BY THE EXECUTIVE MAYOR

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

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

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

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

After the meeting resumed, it was

RESOLVED (nem con)

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

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

FURTHER COMMENTS FROM THE DIRECTORATE: ENGINEERING SERVICES

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

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

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

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

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

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

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

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

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

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

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

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

RECOMMENDED

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

- (d) regularly report to the council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contractor.
 - (3) A contract or agreement procured through the supply chain management policy of the municipality or municipal entity may be amended by the parties, but only after—
 - (a) the reasons for the proposed amendment have been tabled in the council of the municipality; or, in the case of a municipal entity, in the council of its parent municipality; and
 - (b) the local community—
 - (i) has been given reasonable notice of the intention to amend the contract or agreement; and
 - (ii) has been invited to submit representations to the municipality or municipal entity.
- Councillors barred from serving on municipal tender committees**
117. No councillor of any municipality may be a member of a municipal bid committee or any other committee evaluating or approving tenders, quotations, contracts or other bids, nor attend any such meeting as an observer.
- Interference**
118. No person may—
- (a) interfere with the supply chain management system of a municipality or municipal entity; or
 - (b) amend or tamper with any tenders, quotations, contracts or bids after their submission.
- Competency levels of officials involved in municipal supply chain management**
119. (1) The accounting officer and all other officials of a municipality or municipal entity involved in the implementation of the supply chain management policy of the municipality or municipal entity must meet the prescribed competency levels.
- (2) A municipality and a municipal entity must for the purposes of subsection (1) provide resources or opportunities for the training of officials referred to in that subsection to meet the prescribed competency levels.
- (3) The National Treasury or a provincial treasury may assist municipalities and municipal entities in the training of officials referred to in subsection (1).

Part 2: Public-private partnerships

Conditions and process for public-private partnerships

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

APPENDIX A

Unsolicited bids

113. (1) A municipality or municipal entity is not obliged to consider an unsolicited bid received outside its normal bidding process.
- (2) If a municipality or municipal entity decides to consider an unsolicited bid received outside a normal bidding process, it may do so only in accordance with a prescribed framework.
- (3) The framework must strictly regulate and limit the power of municipalities and municipal entities to approve unsolicited bids received outside their normal tendering or other bidding processes.

Approval of tenders not recommended

114. (1) If a tender other than the one recommended in the normal course of implementing the supply chain management policy of a municipality or municipal entity is approved, the accounting officer of the municipality or municipal entity must, in writing, notify the Auditor-General, the relevant provincial treasury and the National Treasury and, in the case of a municipal entity, also the parent municipality, of the reasons for not recommending the tender.
- (2) Subsection (1) does not apply if a different tender was approved in order to rectify an irregularity.

Implementation of system

115. (1) The accounting officer of a municipality or municipal entity must—
- (a) identify the implementation of the municipality or municipal entity's supply chain management system and take all all steps to ensure that the system is implemented in a timely and effective manner;
 - (b) take all all steps to ensure that the system is implemented in a timely and effective manner.
- (2) No person may impede the accounting officer in fulfilling this responsibility.

Contracts and contract management

116. (1) A contract or agreement procured through the supply chain management system of a municipality or municipal entity must—
- (a) be in writing;
 - (b) stipulate the terms and conditions of the contract or agreement, which must include provisions providing for—
 - (i) the termination of the contract or agreement in the case of non- or under-performance;
 - (ii) dispute resolution mechanisms to settle disputes between the parties;
 - (iii) a periodic review of the contract or agreement once every three years in the case of a contract or agreement for longer than three years; and
 - (iv) any other matters that may be prescribed.
- (2) The accounting officer of a municipality or municipal entity must—
- (a) take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality or municipal entity is properly enforced;
 - (b) monitor on a monthly basis the performance of the contractor under the contract or agreement;
 - (c) establish capacity in the administration of the municipality or municipal entity—
 - (i) to assign the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and
 - (ii) to oversee the day-to-day management of the contract or agreement; and

STELLENBOSCH MUNICIPALITY

SOLID WASTE MANAGEMENT

CONTRACT No B/SM/38/14

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

C2.2 Activity Schedule

Item No 1 : Engineering Services

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

Item No.	Activity Description	Tendered Percentage Fee	Amount R	c
1.1.1	Provide engineering services as described in the Scope of Work in respect of Planning, Studies, Investigations and Assessments, Stage 1 – Inception Stage 2 – Concept and Viability Stage 3 – Design Development Stage 4 – Documentation and Procurement Stage 5 – Contract Administration and Inspection Stage 6 – Close-Out	Estimated Contract Value (engineering component) inclusive of contingencies but exclusive of VAT (Construction Cost) R36,000,000-00 Tendered basic fee as a percentage of the estimated contract value (a) above 3,5 % Price = construction cost X %	-	
TOTAL OF ITEM No 1.1 TO SUMMARY			000 092 1	00

STELLENBOSCH MUNICIPALITY
SUPPLY CHAIN MANAGEMENT
2013-11-29
MUNICIPALITY OF STELLENBOSCH

[Handwritten signature]

Part C3: Scope of Work
Reference No. B/SM/38/14
C3.2

ANNEXES

MSO SEE ADD 1 POINT 3

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

3. EMPLOYER'S OBJECTIVE

4. DESCRIPTION OF THE SERVICES REQUIRED

The Service Provider is required to provide the following services:

4.1 Planning, Studies, Investigations and Assessments

The provision of all services described in Clause 3.1 of the Guideline for Services and Processes for Estimating Fees for Registered Persons in terms of the Engineering Profession Act, 2000 (Act No. 48 of 2000), Board Notice 117 of 2013, as amended or amplified upon in the project brief below.

4.2 Normal Services

In respect of Planning Studies and Assessments as well as the Normal Services described below

The provision of all services described in Clauses 3.2.1 to 3.2.6 (inclusive) of the Guideline for Services and Processes for Estimating Fees for Registered Persons in terms of the Engineering Profession Act, 2000 (Act No. 48 of 2000), Board Notice 117 of 2013 as gazetted in Government Gazette No. 36529, 3 June 2013, as amended or amplified upon in the project brief below.

4.3 Additional Services

(1) The provision of additional services pertaining to all stages of the project as described below and amplified upon in the project brief.

(i) The provision of all services in respect of way leave applications and approvals.

(ii) The approval of the designs by the competent authorities in Provincial and National Government.

(iii) Providing information to the Environmental Assessment Practitioner, appointed separately by the Employer to obtain a Waste Management Licence for Closure.

(iv) The provision of all services related to targeted procurement and the use of local labour.

(2) The provision of construction monitoring services as described in Clause 3.3.2 of the Guideline for Services and Processes for Estimating Fees for Registered Persons in terms of the Engineering Profession Act, 2000 (Act No. 48 of 2000), Board Notice 117 of 2013 as gazetted in Government Gazette No. 36529, 3 June 2013, as amended or amplified upon in the project brief below.

(3) The provision of all services in respect of acting as the Employer's agent in terms of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) and the Construction Regulations, 2003 as described in Clause 3.3.3 of the Guideline for Services and Processes for Estimating Fees for Registered Persons in terms of the Engineering Profession Act, 2000 (Act No. 48 of 2000), Board Notice 117 of 2013 as gazetted in Government Gazette No. 36529, 3 June 2013.

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

5. BRIEF

5.1 Terms of Reference

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

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

Appendix C

C2.1
Part C2: Pricing Data
Reference No. B/SM:38/14

Pricing Assumptions

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Item No 2 : Recoverable Expenses (Disbursements)

Item No.	Description	Unit	Quantity	Rate	Amount R	c
2.1	Recoverable expenses in respect of printing/copying as specified below:					
	Printing size A0.	No	100	54 75	5 474 75	00
	Printing size A1.	No	100	74 47	7 447 00	00
	Printing size A2.	No	1000	130 42	130 420 00	00
	Printing/copying size A4 (reports and tender documents only).	No	10000	31 88	318 800 00	00
	Compilation and binding of reports/tender documents, books of drawings	No	100	57 00	5 700 00	00
	Electronic Data provided on Compact Disk	No	20	4 00	80 00	00
2.2	Provision of excavator for trial holes to determine the extent of the waste pile	Hrs.	100	88 00	8 800 00	00
2.3	Provision of security at 24hrs per day to control crowds attempting to salvage from the excavated materials	Days	15	50 00	750 00	00
2.4	Recoverable expenses in respect of travelling.	Provisional Sum	1	-	30 000 00	00
2.4.1	Other costs incurred on behalf of and with the approval of the Employer.	Provisional Sum	-	-	150 000 00	00
2.4.2	Extra over item 2.4.1 above in respect of all other costs, overhead charges and profit	%	150 000	0	0 00	00
2.5	Provision for Level 3 Construction Monitoring	Provisional Sum	-	-	600 000 00	00
TOTAL OF ITEM No 2 TO SUMMARY					10 000 000 00	00

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

1. The short descriptions given in the Activity Schedule below are brief descriptions used to identify the activities for which prices are required. Detailed descriptions of the activities to be priced are provided in the Scope of Work.

2. Whilst it is entirely at the tenderer's discretion as regards pricing the Activity Schedule below, guideline tariffs of fees are gazetted annually by each of the built environment professional bodies, which are useful documents that will give tenderers some idea of industry norms against which they may compare their rates, sums, percentage fees and/or prices as applicable.

3. For the purpose of the Activity Schedule, the following words shall have the meanings hereby assigned to them:

Unit: The unit of measurement for each item of work.

Quantity: The number of units of work for each item.

Rate: The agreed payment per unit of measurement.

Amount: The product of the quantity and the agreed rate for an item.

Sum: An agreed lump sum payment amount for an item, the extent of which is described in the Scope of Work, but the quantity of work which is not measured in any units.

Percentage Fee: The agreed fee for a service, the extent of which is described in the Scope of Work, expressed as a percentage of a construction contract value or part thereof.

4. A rate, sum, percentage fee and/or price as applicable, is to be entered against each item in the Activity or Schedule. A firm against which no price is entered will be covered by the other prices or rates in the Activity Schedule.

5. The rates, sums, percentage fees and prices in the Activity Schedule are to be fully inclusive prices for the work described under the several items. Such prices and rates are to cover all costs and expenses that may be required in and for the execution of the work described in accordance with the provisions of the Scope of Work, and shall cover the cost of all general risks, liabilities, and obligations set forth or implied in the Contract Data, as well as overhead charges and profit.

6. Where quantities are given in the Activity Schedule, these are provisional and do not necessarily represent the actual amount of work to be done. The quantities of work accepted and certified for payment will be used for determining payments due and not the quantities given in the Activity Schedule. In respect of time based services, the allocation of staff must be agreed with the employer before such services are rendered.

7. Tenderers will note that the prices for some items are developed from a tendered fee expressed as a percentage of an estimated contract value (construction cost), or part thereof, which for tendering purposes, are given. Tenderers are required to insert their tendered percentage fee in the space provided. Where prices have been developed from a tendered fee, the final amount due to the Service Provider will be adjusted according to final construction contract values based on the percentage fee tendered.

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

C2.1 Pricing Assumptions

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

CONTRACT No B/SM:38/14

SOLID WASTE MANAGEMENT

STELLENBOSCH MUNICIPALITY

C2.2
Part C2: Pricing Data
Reference No. B/SM:38/14

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Activity Schedules

APPENDIX 5

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

1. INTRODUCTION

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

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

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

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

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

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

2. AIMS OF THE POLICY

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

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

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

3. DEFINITIONS

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

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

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

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

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

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

accommodated on a temporary basis.

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

4. SCOPE, APPLICATION AND CRITERIA

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

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

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

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

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

4.1 Emergencies

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

Table 1: Categories of Emergency

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

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

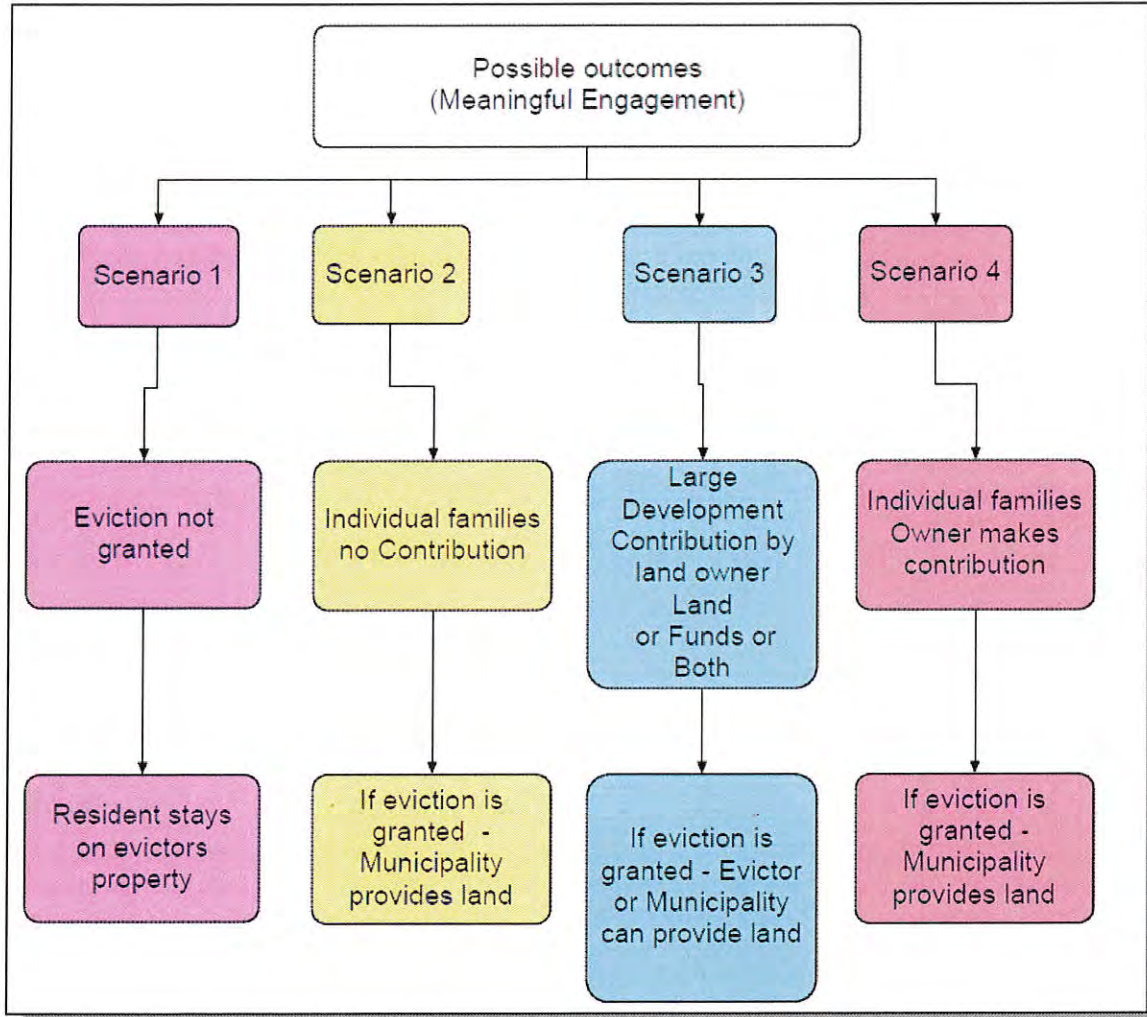
4.2 Meaningful engagement

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

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

Fig 1: Meaningful Engagement (scenarios)

5.



5. FUNDING / BUDGET

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

6. CATEGORIES OF ASSISTANCE

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

Table 2: Categories of Assistance

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

³ Taxis on a regular basis drive into informal structures

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

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

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

6.1 Accommodation kept in reserve for possible disasters / emergencies

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

6.2 Temporary accommodation that is readily available

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

6.3 Transitional accommodation

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

6.4 Shelters

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

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

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

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

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

7. **SHORT TITLE AND COMMENCEMENT**

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

APPENDIX 6

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

File number : 7/3/1

Compiled by : Director: Planning & Economic Development

Report by : Director: Planning & Economic Development

Delegated Authority : Council

Strategic intent of item

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

1. **PURPOSE OF REPORT**

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

2. **BACKGROUND**

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

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

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

3. DISCUSSION**3.1 SMME's**

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

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

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

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

The development and support of these SMME's are seen as ingredients to the success of efforts to restructure the local economic-base of Stellenbosch and to reduce spatial inequalities between the traditional CBD's and the old townships.

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

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

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

3.2 Properties

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

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

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

3.3 Process and program

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

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

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

4. FINANCIAL IMPLICATION

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

5. COMMENTS FROM RELEVANT DEPARTMENTS

5.1 FINANCIAL SERVICES

5.2 MANAGER: PROPERTY MANAGEMENT

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

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

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

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

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

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

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

2. **Erf 342, Klapmuts:** This portion of land is a very critical piece of land and a great deal of thought should go into how to accomplish the outcome of developing a LED Hub. The land in question is approximately 10.5 ha in extent. It is not clear from the report if the land as a whole is targeted or whether it is a predetermined area, say

between the Multi-Purpose Centre and the Taxi rank. Depending on the size of the area, one might go the route of a Call for Proposal/Tender or provide the infrastructure ourselves.

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

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

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

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

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

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

6. **Erf 1528 Old tennis court site Franschoek:** Support the idea of a formal parking area.
7. **Erf 2235 (Old Mooiwater homestead), Groendal:** A Call for Proposal is suggested, based on a 10 year lease with the view of developing a LED Hub benefitting PD's residing in Franschoek.
8. **P.O.S North of Groendal Community Hall:** There are limited P.O.S's in the area. The development of this site is not supported. A portion of erf 412 could rather be set aside for the purpose of a LED Hub.
9. **Erven 2751 and 6314 (Old Agricultural Hall, Stellenbosch):** Before future utilisation of this site is considered, the current tender must first be sorted out, including zoning rights.
10. **Erven 1439 and 1441, Plankenburg:** Supported, but subject to normal acquisition and provision on budget.
11. **Erven 1956, 1957 and other (Old Victoria Street Clinic), Stellenbosch:** The Provincial Government has just confirmed that they are not going to use the facility for a clinic anymore. It is therefore available for use by the municipality. This property could be earmarked for a LED Hub. A design should be made on how to accomplish that; i.e are we going to redeveloped the property or are we going to follow a Call for Proposal route.

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

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

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

- a) that Council identify the properties listed in paragraph 3.2 is property not needed to provide the minimum level of basic municipal services; (insofar as it relates to it's own properties);
- b) that Council earmarked the properties referred to in (a) as possible LED hubs, subject to the necessary zoning rights being obtained; and

- c) that the Director: Planning & Economic Development, together with the Director: HS & PM be requested to investigate the best way of developing/managing these properties and to report back within a period of 6 months, whereafter the necessary SCM processes (awarding of rights) could be followed.

ENGINEERING SERVICES

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

COMMUNITY AND SAFETY SERVICES

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

6. CONCLUSION

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

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

RECOMMENDED

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

PROPERTY	PURPOSE
Re Erf 342, Klappmuts	Trading hub (container shops)
Portion Erf 2118, Klappmuts	Trading hub (container shops)
Erven 228, 229 and 230, Franschhoek	Shops and tourism activities
Erf 1538, Franschhoek	Parking
Erf 2235, Groendal	Shops and tourism activities
Public Place / POS north of	Local business organisation office

Groendal Community Hall	
Erven 2751 and 6314, Stellenbosch	Arts, crafts and tourism activities, including parking area
Erven 1439 and 1441, Stellenbosch	Industrial hub
Erven 1956, 1957, 6487, 6488 and 6490, Stellenbosch	Arts, crafts, shops, offices, tourism activities
Die Boord POS	Community market
Erf 721, Pniel	Shops and tourism activities

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

(DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT TO ACTION)

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

RECOMMENDED

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

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

Erf 721, Pniel	Shops and tourism activities
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- (b) that Council confirm that the properties are not required for the provision of the minimum level of basic municipal services in terms of Section 14 of the Local Government: Municipal Finance Management Act, 2003, Act 56 of 2003; and
- (c) that the Acting Municipal Manager be authorised to follow the prescribed process for the leasing of the relevant properties in keeping with the Stellenbosch Municipality Supply Chain Management Policy and/or the Municipal Asset Transfer Regulations for the benefit of the poor and for economic transformation purposes and/or the approved System of Delegations to achieve the desired outcomes set out in Recommendation (a).

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

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

RECOMMENDED BY THE EXECUTIVE MAYOR

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

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

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

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

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

APPENDIX 7

2016/17 SOLID WASTE TARIFF ADJUSTMENT

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

2016/08/10

1. PURPOSE OF REPORT

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

2. BACKGROUND

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

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

3. DISCUSSION

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

4. COMMENTS FROM CHIEF FINANCIAL OFFICER

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

RECOMMENDED

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

STELLENBOSCH MUNICIPALITY

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

		2015/2016	2016/2017
SERVICES RENDERED	UNIT	COMMENTS	

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

Definition: 1 refuse unit = 240ℓ = 3 standard refuse bags
 Indigent subsidy: A monthly subsidy (to be determined by Council) to be credited to a registered indigent consumer's account
 Only WC024 Wheelie Bins will be collected

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

			2015/2016	2016/2017
Single residential properties for indigent households. Plot not exceeding 250 m ² and a maximum building value of R95 000	per month	Account payable by property owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.	R 93.16	R 98.25
Basic residential collection based on 3 standard refuse bags once per week - 1 st refuse unit - One dwelling on erf	per month	Account payable by property owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.	R 119.76	R 127.20
Basic residential collection based on 3 standard refuse bags per dwelling (1 refuse unit) for additional dwellings on same erf	per refuse unit per month	Account payable by property owner. Max 3 additional closed bags. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued. At cluster housing, flats, etc. 1 refuse unit to be charged for every living unit (per month)	R 119.76	R 127.20
Additional collection based on an additional 3 standard refuse bags once per week - 2 nd refuse unit or more	per month	Account payable by property owner. Max 3 additional closed bags. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.	R 119.76	R 127.20

Mobile bins (240ℓ Wheelie bin)

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

Non Residential Waste Collections (Business and Commercial)

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

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

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

STELLENBOSCH MUNICIPALITY

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

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

APPROVED TARIFFS

APPENDIX B.

STELLENBOSCH MUNICIPALITY

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

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

APPROVED TARIFFS

Appendix 1B

STELLENBOSCH MUNICIPALITY

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

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

Richard Bosman

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

Good afternoon

As per our meeting earlier.

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

The correct tariffs to be levied with effect August 2016

Accounts incorrectly levied for July 2016 must be credited accordingly.

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

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

Thank you

Richard Bosman

Acting Municipal Manager

Waarnemende Munisipale Bestuurder

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APPENDIX 8

Rozanne Pietersen

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

Thank you all four items which served today were approved

This must be reported to council after the recess

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

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

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

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

Good day

Items for discussions is the following:

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

Richard Bosman

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

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

Recurrence: (none)

Meeting Status: Accepted

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

Good day

Items for discussions is the following:

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

*all items approved
x ANDRE TRUBAKHT.
x WILLEM PRETORIUS
x SHARON PEDRO*

8.5	IDAS VALLEY HOUSING PROJECT
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1. PURPOSE OF THE REPORT

To obtain approval from the Municipal Council to amend the tender of B/SM 246/09B as envisaged in terms of section 116(3)(a) and (b) of the Municipal Finance Management Act, 56 of 2003 ("MFMA") to obtain the following:

- (a) To adjust the selling prices of the housing units in line with a reasonable, average yearly escalation rate.
- (b) To revise the percentage of house typologies in the different income bands in order to provide an affordable, marketable spread of units.

2. BACKGROUND

Idas Valley is a well-established traditional community and has been protected as a heritage site since 1976. During 1980, Council developed 'treintjiesdorp' in Newman Street for the poor community of Idas Valley. Thereafter the development of Lindida was implemented to make provision for the middle income families in Idas Valley. This development started in 1990 whereby families had an opportunity to buy properties in the Garden Cities development.

The municipality has for the past 25 years trying to get a project started in Idas Valley. There was political pressure on delivering a project in Idas Valley, as well as a result of the increased backyard dwellers. The current project started 10 years ago and the municipality requested several proposal calls to get a turnkey developer appointed.

2.1 Project summary

The Developer submitted a Development Proposals dated 31 August 2009. Stellenbosch Municipality accepted the proposals subject to certain conditions as per SCM letter ref number 6/1/1. A Land Availability Agreement was signed on 12th of March 2014.

The original tender allowed for the development of subsidised and affordable houses on the two respective sites as stipulated in the bid received. During the tender stage the developers was responsible to obtain the land use rights before the project could be implemented.

The Municipality faced particular bulk issues from the date of appointment, in particular sewer capacity, and as such the project implementation was stifled up to 2016 due to no fault of any of the contracting parties.

In the tender it was stipulated that the amount of units are only estimated amounts and that it would be finalised based on approved designs and application approvals. The tender also made provision for escalation under schedule 11 in their business plan that confirms that the market forces will determine the final mix of units and tempo of development. It must be noted that the proposal that was submitted in 2009 was therefor based on the market related values of houses that could be delivered.

In the Environmental approval stage, it came to light that several appeals were received against the proposed developments. This had a major impact on the final proposal that was planned for specifically the Lindida site. The surrounding owners were against any subsidised housing development adjacent to their established properties. The subsidy housing component was there for removed from the proposed development at the site in Lindida.

During the original drafting of the tender, the drafting of the flood-line was not indicated on the site and this also led to the amendment of the final layout plan due to the wetlands area on the site.

The Planning application was submitted during December 2015, and the layout plans had to change ten (10) times in order to accommodate all the conditions of the external state departments involved. It was a lengthy process to obtain the final approval from DEA&DP and with the assistance of the monthly Municipal Outreach Program (MOP) meetings a final approval for both sites were received in February 2017.

Human Settlements submitted the final Planning application on 6 March 2017 and the proposed developments were advertised on 16 March 2017.

2.2 Status of the project

Adjust the appointment of the developer from SAM JV to ASLA Magwebu

The Developer SAM JV, was a joint venture between Asla Magwebu and Shatel Property Development. Shatel Property Development Shatel Property Development was placed under provisional liquidation by the High Court on 11 July 2015 and later declared insolvent

Asla submitted a Portfolio of evidence indicating capacity to deal with the housing implementation requirements to Stellenbosch Municipality on 23 November 2015. In the Portfolio Asla proved that it could implement a project of this nature, providing all the necessary resources to successfully conclude this project in its entirety without Shatel Property Development being a part of the developer. The Bid Adjudication Committee (BAC) approved an item supporting ASLA Magwebu to implement the project. As such it is proposed that ASLA Magwebu will be the company implementing the project.

Asla Magwebu as the Project Managers has appointed the following professional team:

a) Architects

Prepare house typologies

b) Town Planners – Nuplan Africa

Appointed to assist with the Planning applications for funding, to the Provincial Department of Human Settlements (PDoHS). Prepared the town layout and discuss with the Planning department of the Municipality. Land Use Planning Act (LUPA) application in process.

c) Civil Engineers – DECA Engineers

Design the internal services based on the latest town layout in order to provide cost estimates. Assisted in the planning application for funding and well as the NEMA application. Prepare and submit the traffic impact assessment report.

Prepare and submit a storm water management plan.

d) Electrical Engineers – Lyners Engineers

Provide an estimate of the anticipated internal electrical network. Confirm bulk availability.

e) Land Surveyor – RAB Land Surveyors

Prepare the topo-graphical survey to enable an optimum town layout. Prepare and submit the general plans to the Surveyor General for approval.

f) Environmental consultant – ECO Impact Consultants

Prepare and submit the National Emergency Management Agency (NEMA) applications, meet with all interested and affected parties. Participate in Public participations and engagements. Appoint all specialists as dictated by Department of Environmental Affairs and Development Planning (DEA&DP) and Department of Water Affairs (DWA).

g) Urban Designers – Urban Designs

Give input in the overall urban design concepts of the layout.

h) Geotechnical Consultants – Core Geotechnical Consultants

Investigate and report on the geotechnical issues of the ground conditions of the development area.

3. DISCUSSION**3.1 Increased subsidy amounts**

The provision of subsidise housing developments are in accordance with the Housing Code and funded from the provincial/national subsidies. The subsidy amount, per opportunity, is amended from time to time by the government, to allow for changed standards and rising cost of implementation. Since the award of the tender, this subsidy amount has been adjusted and the latest subsidy amount is applicable to the contract with Asla Magwebu Pty Ltd.

The additional specifications that must be addressed when the subsidy houses will be constructed are amongst the following:

- Concrete aprons around the house (storm water reticulation management)
- Electrification throughout the entire house

- Ceilings in the house
- Cornice at ceilings
- Sink below kitchen tap
- Back door

3.2 Adjustment of the selling price/unit

The Bid proposal was done in 2009/10 and the following subsidy quantum were applicable at the time:

- B Grade engineering services: 2010 Quantum = R22 162.00
- Subsidy quantum for a 40m2 House from 1 April 2010 = R55 706.00

The Provincial Department of Human Settlements use the indices as provided by the Buro of Economic Research (BER) and determined the escalation in costs of the subsidy quantum from 2010 to 2014 as follows:

Subsidy Quantum 2014 to present:

- B Grade engineering services 2014 = R34 401.00
- Pre-Sans houses: May 2014 = R86 640.00

Escalation

The delayed implementation from 2009 to date had an impact on the escalation of the price of the units that can be delivered. According to the Municipal valuations, the market value of the surrounding properties adjacent to the proposed developments escalated between 45-55% from 2009 – 2016.

The indices of the Buro of Economic Research were used to determine the escalation of prices in the building industry. It was determined that an average of 6% increase occurred from 2009 – 2016.

Using the Buro of Economic Research's escalation rate, the increase in unit cost in the various categories are as follows:

Selling Price as per Tender document	Increase by 6%/year
Up to R100 000 (Subsidy unit)	R155 000 (subsidy from 2014)
R100 001 – R350 000	Units less than R521 000.00
R350 001 – R500 000	Units less than R751 800.00
R500 001 – R750 000	Units less than R1 000 000.00

Escalation from 1 July 2010 until 30 June 2016.

It is requested that the original tender categories are adjusted in line with the escalated categories as contained in the right hand column.

The development proposal at the time made provision for various typologies, ranging between R155 000 and more than R1 000 000.00. The objective of the Municipality at the time of tender was to provide subsidy and affordable housing in an integrated residential development project. Taking this into

account as well as the escalation in cost, the following spread of typologies are requested:

Tender proposal		Nr of units	Revised proposal		Nr of units
Subsidy units	35%	158	Subsidy unit	21%	89
100 – 350	50%	225	100 – 350	None	0
350 – 500	5%	22	Units less than R521 000	73%	±315
500 – 750	5%	22	Units less than R751 000	5%	±25
Plot and plan	5%	23	Plot and plan	None	0

It is imperative to note that a definite price indication of the proposed housing units will only be made available once the internal services have been installed.

4. COMMENTS BY RELEVANT DEPARTMENTS

CFO

Item is supported.

Legal Department

In terms of section 116(3) of the MFMA a contract or agreement procured through the supply chain management policy of a municipality may be amended by the parties, but only after –

- (a) the reasons for the proposed amendments have been tabled in the council of the municipality; and
- (b) the local community –
 - (i) has been given reasonable notice of the intension to amend the contract or agreement; and
 - (ii) has been invited to submit representations to the municipality.

In terms of circular 62 Municipalities may expand or amend contracts for construction related goods by not more than 20%. Anything above the aforementioned threshold must be reported to Council.

The item and recommendations are supported.

RECOMMENDED

that Council approve that the tender be amended by following the section 116(3)(a) and (b) of the Municipal Finance Management Act, 56 of 2003.

Meeting: Ref no:	7 th Council: 2017-03-29	Submitted by Directorate: Author Referred from:	Human Settlements T Mfeya
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