

7.4	FINANCIAL SERVICES: [CLLR S PETERS]
7.4.1	MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) FOR THE FINANCIAL PERIODS 2017/2018 – 2019/2020

1. PURPOSE OF THE REPORT

The purpose of this report is three-fold:-

- (a) To consider the views/submissions of the local community in terms of Section 23(1)(a) of the Municipal Finance Management Act (Act 56 of 2003), herein after called the MFMA and to allow the Executive Mayor to respond to the views of the public as envisaged in terms of Section 23 (2) (a) and (b);
- (b) To approve the Medium Term Revenue and Expenditure Framework for 2017-2020, the prescribed appendices, property tax increases, tariffs and tariff structures and revisions to the Budget and related Policies (where appropriate) in terms of Section 17 (1) – (3) of the MFMA (Act 56 of 2003); and
- (c) that Council specifically note and consider the need to take up an external loans, needed for investment in income generating infrastructure to the tune of R240 million over the next 2 years of which R160 million will be required in year 1 and R80 million in year 2 (refer to Section 1.3: Executive Summary and Table A1 Budget Summary) and confirm approval of same in order for the Chief Financial Officer to attend to the necessary legislative requirements.

2. BACKGROUND

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

- (1) *“The municipal council must consider any views of the local community, the National Treasury, the relevant Provincial Treasury and any provincial or national organs of state or municipalities which made submissions on the budget.*
- (2) *After considering all budget submissions, the council must give the mayor an opportunity—*
 - (a) *to respond to the submissions; and*
 - (b) *if necessary, to revise the budget and table amendments for consideration by the council.*

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

3. DISCUSSION

The 2016 Medium Term Budget Policy Statement by the Minister of Finance highlighted the reduction in South Africa's growth rate and weakening economy, which will likely persist for the next few years. The deteriorating state of the economy has an adverse and ripple effect on the public sector at large.

South African Gross Domestic Product growth for 2016 was forecasted at 0.9 per cent at the time of the 2016 Budget and it has since been revised to 0.5 per cent. However, growth is expected to improve to 2.2 per cent by the 2019 due to:

- more reliable electricity supply;
- improved labour relations;
- low inflation;
- recovery in business and consumer confidence;
- stabilising commodity prices; and
- stronger global growth

In the last financial period, employment fell by 112 000 jobs although employment growth was achieved in most urban municipalities. Unemployment rate increased from 25 per cent to 26.6 per cent as evidence of our struggling economy. Based on the June 2016 Quarterly Employment Statistics, all sectors, except construction, shed jobs in the second quarter of 2016.

In his budget speech on 22 February 2017, the former Minister of Finance highlighted the importance of using the budget as a mechanism to accelerate economic transformation. As part of Government's transformation action agenda, the following programmes are a priority:

- Dignified living;
- Improved access to services and economic participation across all racial lines;
- Energised growth and create jobs;
- Increased investment and development

National priorities directly aligned to the National Development Plan, which are the cornerstone for South Africa's economic development, remain priorities for the municipality.

- **Infrastructure development** plays a pivotal role in improving the economy. Municipalities are encouraged to invest in upgrading of municipal roads, building waste water treatment works, installation of electricity networks, upgrading of sewer systems, building water reservoirs, etc. With the population growth that Stellenbosch municipality has, especially in informal settlements, infrastructure needs to be upgraded to meet the demands of the communities. This also has a linkage in reduction of unemployment. Similar to 2015/16 and 16/17 financial years, the municipality's capital budget is huge.
- One of the biggest challenges South Africa is confronted with is lack of **job creation**, which remains a national and provincial priority. With the low scaling economy, it is a challenge for jobs to be created as the two have a direct relationship. Thus, it is paramount for municipalities to

continue to undertake joint planning with their communities and respective business sectors that drive the local economy. Municipalities should explore opportunities to mainstream labour intensive approaches to delivering services. As means to combat unemployment, the municipality would employ the following measures:

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

The President of South Africa, in his State of the Nation Address, on 9 February 2017 conceded that unemployment remains a national challenge and unpacked a nine point plan to reignite growth so that the economy can create much-needed jobs:

- Industrialisation
- Mining and beneficiation
- Agriculture and agro Processing
- Energy
- SMMEs
- Managing work place conflict Attracting investments
- Growing the oceans economy
- Tourism

Curtailing the non-core expenditure has always been emphasized on by the National Treasury. In order to maintain a funded budget, municipalities need not only focus on tariff increases, but also need to eliminate expenditure that is unnecessary. The following additional cost containment measures introduced by National Treasury will still be implemented:

- Restrictions on filling managerial and administrative vacancies, to review of human resource plans and elimination of unnecessary positions;
- Reduced transfers for operating budgets of public entities;
- Capital budgeting reforms to align plans with budget allocations while strengthening maintenance procedures;
- Mandatory use of the new e-tender portal, thereby enforcing procurement transparency and accessible reference prices for a wide range of goods and services;

-
- A national travel and accommodation policy and instructions on conference costs;
 - New guidelines to limit the value of vehicle purchases for political office-bearers;
 - Renegotiation of government leasing contracts;
 - New centrally negotiated contracts for banking services, ICT infrastructure and services, health technology, school building and learner support materials.

The emphasis of the National Budget is placed on ensuring that expenditure is allocated in an efficient manner, that management is enhanced and that cutting of waste occur. The 2017 Budget allocates resources to core social and economic priorities while containing aggregate expenditure growth. Spending plans give effect to priorities of the National Development Plan and the Medium Term Strategic Framework.

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

The Finance Minister also highlighted the importance of strengthening the financial management in municipalities and as a result, National Treasury and provincial treasuries have agreed to focus their efforts on four "game changers":

- The new Municipal Standard Chart of Accounts, which will be implemented from 1 July 2017, contributing to greater transparency and consistency of municipal finances.
- Targeted supply chain management interventions to achieve cost savings and combat fraud.
- Enhanced revenue management, including appropriate tariff-setting, regular billing and effective collection systems.
- Improved asset management, including adherence to 8 per cent of the value of assets being spent on their maintenance.

The municipality has embarked on developing a revenue enhancement strategy to optimize revenue, including the collection of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

Municipalities are encouraged by National Treasury to keep increases in property rates, tariffs for trading services and charges for other municipal own revenue sources within the parameters of the country's inflation rate. Furthermore, it is recommended that municipalities adopt a tariff setting methodology that achieves an appropriate balance between the interests of poor households and other customers while ensuring financial sustainability of the municipality. In light of the current drought being experienced across large parts of the country, and to mitigate the need for water tariff increases, it is important that municipalities put in place appropriate strategies to limit

water losses to acceptable levels. Municipalities must therefore ensure that water used by its own operations is charged to the relevant service, and not simply attributed to water losses. Demand management is becoming increasingly necessary as the country faces water shortages and an unstable electricity supply. The approach to tariff setting should consider all these factors and strive to achieve an equitable balance.

Municipalities should consider the following facts during tariff setting process, namely, the costs of bulk purchases and the fluctuation in the seasonal cost thereof; the consumption patterns to enable better demand planning and management; and in the event that municipalities have been under recovering costs, embark on a process to correct their tariff structures over a reasonable time period so that cost reflective tariffs are achieved.

It is anticipated that the cost of providing municipal services will increase faster than the transfers from national government. Resource scarcity will most likely increase the cost of bulk purchases in respect of water and electricity beyond the country's inflationary targets. Provision of free basic services in the case of poorer households must be carefully considered and, where some municipalities have opted to provide this benefit to all households, this may not be financially sustainable in the long-term. It is of utmost importance that a municipality should re-evaluate, where appropriate, the costs and benefits of universal or targeted provision of free basic services subsidies, in order to protect their delivery to poor households in particular. The provision of these subsidies should at no point remove resources from programmes that will expand access to infrastructure services for presently un-served households.

In instances where municipalities do not have an adequate revenue base and where they face a combination of challenges such as resource scarcity, high unemployment and slower than average economic growth, an aggressive approach to curbing non-core spending and improving operational efficiencies is strongly advised. The national budget focuses on fiscal consolidation. This means that we as municipalities must ensure that we do not borrow beyond our ability to repay and we do not spend money we do not have, until we ignite growth and generate revenue, we have to be tough of ourselves. During the compilation of the 2017/2018 MTREF budgets municipalities must consider improving the effectiveness of revenue management processes and procedures and pay special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities.

The municipality's revenue strategy was based on the following fundamentals:

- Tariff policies of the municipality
- Economic outlook and development for Stellenbosch and surrounding areas
- National Treasury's guidelines and macroeconomic policy
- National, Provincial and Regional fiscal growth rates
- Electricity tariffs as approved by National Electricity Regulator of South Africa (NERSA)

The main challenges experienced during the compilation of the 2017/18 MTREF can be summarized as follows:

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

The following budget principles and guidelines directly informed the compilation of the 2017/18 MTREF:

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

The total budget quantum for the 2017/2018 year is R1 894 940 572 of which R1 480 916 225 (78%), is allocated to the operating budget and R 414 024 347 (22%) to capital investment.

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

FINAL CAPITAL BUDGET 2017/2018 – 2019/2020

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

The main capital projects that the municipality will be investing in include:

- Extension of waste water treatment works in Stellenbosch and Klipmuts;
- New Plankenburg Main Outfall Sewer
- Taking over electricity network in Pniel area from Drakenstein Municipality
- Bulk Sewer Outfall: Jamestown
- Upgrade Stormwater
- Upgrade Of Sport Facilities
- Major Drop-Offs : Construction – Franschoek
- Upgrade Bulk Water Supply Pipeline & Reservoir – Jamestown
- Gravel Roads- Jamestown
- Bulk Water Supply Pipe Reservoir: Johannesdal / Kylemore / Pniel
- Kayamandi: Watergang/Zone O (Housing Project)
- New Community Hall Klipmuts
- Upgrade and Expansion of IT Infrastructure Platforms
- Energy Efficiency And Demand Side Management (Electrical)
- Integrated National Electrification Programme (Electrification of subsidy housing projects and informal settlements)

The detailed final capital budgets for 2017/2018, 2017/2018 and 2019/2020 are attached as **APPENDIX 1 – PART 2 – SECTION N.**

FINAL OPERATING BUDGET 2017/2018 – 2019/2020

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

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

Taking all of these issues into consideration and to ensure the sustainability of our operations from realistically anticipated income flows, the following tariff and property tax increases are proposed for 2017/2018:

Electricity	2.22%
Sanitation	9.00%
Refuse removal	9.00%
Water	7.00%
Property Rates – Residential	-24.67%
Property Rates – Agricultural	-24.30%
Property Rates – Business	-17.28%

(The Property Rates tariffs excludes additional income derived from implementing the new General Valuation from 01 July 2017)

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

HIGH LEVEL CAPITAL AND OPERATING BUDGET FOR 2017/2018 – 2019/2020

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

TARIFFS

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

BUDGET-RELATED POLICIES & BY-LAWS

The following budget-related policy was developed:

SSCM Policy for Standard for Infrastructure Procurement and Delivery Management (Appendix 29)

The following budget-related policies and by-laws were revised:

Property Rates By-law (Appendix 4)
 Tariff By-law (Appendix 5)
 Special Ratings Area By-law (Appendix 6)
 Property Rates Policy (Appendix 7)
 Supply Chain Management policy (Appendix 8)
 Travel & Subsistence Policy (Appendix 9)
 Indigent Policy (Appendix 10)
 Credit control & Debt Collection Policy (Appendix 11)
 Irrecoverable debt policy (Appendix 12)
 Tariff policy (Appendix 13)
 Grants In Aid Policy (Appendix 14)
 Special Ratings Area Policy (Appendix 15)
 Development Charges Policy (Appendix 16)
 Virement Policy (Appendix 17)
 Cash Management & Investment Policy (Appendix 18)
 Asset Management Policy (Appendix 19)

Summary of changes since the draft budget are as follows:

Policy/ By-law	Summarized Nature of change
Virement Policy	Removed definitions that do not appear on the policy; Amended the wording for Directors to support the virement and not motivate it (as per virement form); Removed a clause of quarterly reporting approved virements to the Mayor; Included a clause to attach supporting docs on virements prior approval.
Asset Management Policy	The subsequent measurement for Land and Buildings as well as Investment property has changed to the cost model.

Supply Chain Management Policy	<p>1.4.5. PPPFA Regulations changed the year from 2011 to “2017”.</p> <p>2.1.1 (a) Understand and plan for their future needs “with the help of the DMP”.</p> <p>2.1.1 (b) Identify critical delivery dates in consultation with the Supply Chain Management unit “via the Demand Management Plan (DMP) “.</p> <p>2.1.1 (d) Draft clear, complete and understandable specifications</p> <p>2.1.2 (d) Contribute towards the finalisation of bid specifications in line with the Accounting Officer’s delegations “via the Bid Specifications Committees”.</p> <p>3.1 PPPFA Regulations from 2011 to 2017</p> <p>3.2 Changed 80/20 evaluation system from R30 001 – R10mil to R30 001 – R50mil; Changed 90/10 evaluation system from above R1mil minimum to above R50mil minimum. Changed 80/20 BBBEE points of level 3 contributor from 16 to 14; Changed 90/10 BBBEE points of level 3 contributor from 8 to 6; Included “affidavits” for EME’s;</p> <p>4.2.1 (v) an executive member of the accounting authority of any national or provincial public entity; or</p> <p>4.2.4 (b) iii the acquisition of services of information and communication technology, IT licences, licences and systems in use,</p> <p>4.16.1.(a) <u>may</u> include an advertisement in the Government EPortal); and</p> <p>4.17 (iii) received after the closing time should not be considered and returned unopened immediately. SCM manager can open the envelope to obtain the address.</p> <p>4.23.5. Added as per PPPFA REG : There is a material irregularity in the tender process</p> <p>4.23.5. Added as per PPPFA REG : An organ of state may only with the prior approval of relevant treasury cancel a tender invitation for the second time.</p> <p>4.25 (c) Added : (SCM to open to obtain the address)</p> <p>4.39 Added: In terms of the new Tax Compliance Status System implemented by SARS on 18 April 2016, taxpayers are now able to issue the municipality with a TCS Pin which will be used to verify a bidder’s tax status online via SARS E-filing. This option will be used to verify the status of the service provider (which should be active or compliant) and will determine if the offer will be further evaluated or omitted. Service provider’s status which is found inactive or non-compliant their offers will be omitted. Bidders who are not in possession of an original Tax Clearance Certificate must issue the municipality with the following: Tax Reference Number Tax Compliance Status Pin</p> <p>8.1.2. It is in the interests of all staff members and the Supply Chain Management Unit in particular to maintain the highest possible ethical standards including commitment, accountability, accuracy, honesty, cooperation, tolerance and acceptance of obligations as well as rights. Added Afrikaans as a medium of communication; Travelling, accommodation, subscriptions, tow-in services, service agents, franking machine postage, library books, books added to services of which no competitive bidding is necessitated.</p>
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Cash Management & Investment Policy	Amended to allow for 50% of available funds to be placed with a single institution.
Travel & Subsistence Policy	Aligned with the SARS rates.
Property Rates Policy	To make provision for the new categories as per the Local Government : Municipal Property Rates Act,6 of 2004 To make provision for new rebates for the 2017/2018 financial year for residential properties, Heritage properties, Senior citizens and to provide for a phasing-in period for even with exceptional valuation increases.
Indigent Policy	To make provision for the increase of the threshold for Indigent applications to R 6 000 To ensure a proper review process for annual reviewing of Indigent applicants Improve the administration of child-headed households
Credit control & Debt collection Policy	No principle changes, only cosmetic changes effected.
Irrecoverable Debt Policy	No principle changes, only cosmetic changes effected.
Grants in Aid Policy	The call for proposals now makes provision for two categories of applications. Category A remains the normal GiA donations and category B make provision for bigger donations over a three year period to address specific IDP identified needs including night shelters.
Tariff Policy	To make provision for tariffs for export of renewable energy Structural changes to ensure consistency with the Tariff schedules
Tariff By-law	To make provision for tariffs for export of renewable energy Structural changes to ensure consistency with the Tariff schedules
Property Rates By-law	Cosmetic changes to address the content and interpretation of the By-Law
Special Ratings Area By-law	Cosmetic changes to address the content and interpretation of the By-Law
Development Charges Policy	Please refer to policy.
Special Ratings Area Policy	Cosmetic changes to address the content and interpretation of the By-Law
Accounting Policy	The accounting policy was updated to be in line with the GRAP accounting framework and Directive 5. The subsequent measurements for Land and Buildings as well as Investment Property were also changed.

The following budget-related policies and by-laws were not changed:

Budget implementation & Monitoring Policy (Appendix 22)
 Petty Cash Policy (Appendix 23)
 Accounting Policy (Appendix 21)
 Borrowing, Funds & Reserves Policy (Appendix 24)
 Financing of External Bodies performing municipal functions (Appendix 20)
 Liquidity Policy (Appendix 25)
 Inventory Management Policy (Appendix 26)
 Preferential Procurement Policy (Appendix 27)
 Performance Management Policy Framework Policy (Appendix 28)

THE FOLLOWING MFMA CIRCULARS WERE USED AS A GUIDELINE WHEN PREPARING THE BUDGET (MTREF):

MFMA Circular No. 85 Municipal Budget Circular for 2017/2018
(Appendix 30)

MFMA Circular No.86 Municipal Budget Circular for 2017/2018
(Appendix 31)

OTHER SUPPORTING DOCUMENTATION

The additional information as prescribed by the budget and reporting regulations are attached as **APPENDIX 1 – PART 2 – SECTION 2.14.**

4. LEGAL IMPLICATION

None solicited/not required.

5. FINANCIAL IMPLICATION

Financial impact already discussed above.

6. COMMENTS FROM OTHER RELEVANT DEPARTMENTS

Relevant input is already incorporated into budget document.

SPECIAL MAYORAL COMMITTEE: 2017-05-24: ITEM 5.4.1**RECOMMENDED**

- (a) that the High Level Budget Summary, as set out in **APPENDIX 1 – PART 1 – SECTION C**; be approved;
- (b) that the Annual Budget Tables as prescribed by the Budgeting and Reporting Regulations, as set out in **APPENDIX 1 – PART 1 – SECTION D**, be approved;
- (c) that the proposed Grants-In-Aid allocations as set out in **APPENDIX 1 – PART 2 – SECTION J**, be approved;
- (d) that the three year Capital Budget for 2017/2018, 2018/2019 and 2019/2020, as set out in **APPENDIX 1 – PART 2 – SECTION N**, be approved;
- (e) that the proposed rates on properties in WCO24, tariffs, tariff structures and service charges for electricity, refuse, sewerage and other municipal services, as set out in **APPENDIX 3** , be approved;
- (f) that Council not approve the water tariffs at the Council Meeting of May 2017, but that Council finalise these tariffs at the Council meeting at the end of June 2017 after the public opinion has been sought on the new proposed water tariffs;
- (g) that the proposed amendments to existing budget related policies and other policies as set out in **APPENDICES 4 - 29**, be approved;

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- (h) that Council specifically note and consider the need to take up an external loan, needed for investment in income generating infrastructure to the tune of R240 million of which R160 million will be required in year 1 and R 80 million in year 2 (refer to Section G: High Level Budget Overview and Table A1 Budget Summary) and confirm approval of same;
- (i) that Council specifically take note of the fact that the proposed electricity charges and tariff structure is subject to NERSA approval that could change materially;
- (j) that Council takes note of MFMA circulars 85 and 86 that was published to guide the MTREF for 2017/2018 to 2019/2020 as set out in **APPENDICES 30 – 31**; and
- (k) that Council takes note that the public comments and the submissions that were taken into account in the compilation of the final budget as contained in **Annexure 1** attached to the IDP.

KINDLY NOTE: THE APPENDICES WERE PREVIOUSLY DISTRIBUTED UNDER SEPARATE COVER WITH THE SPECIAL MAYCO AGENDA: 2017-05-24.

ATTACHED AS APPENDIX A IS A REPLACEMENT PAGE, ON THE WATER TARIFFS.

<i>Meeting:</i>	<i>9th Council meeting: 2017-05-31</i>	<i>Submitted by Directorate:</i>	<i>Chief Financial Officer</i>
<i>Ref no:</i>	<i>5/1/1/2015/2016</i>	<i>Author:</i>	<i>Manager: Budget Office</i>
<i>Collab:</i>		<i>Referred from:</i>	<i>Special Mayco: 2017-05-24</i>

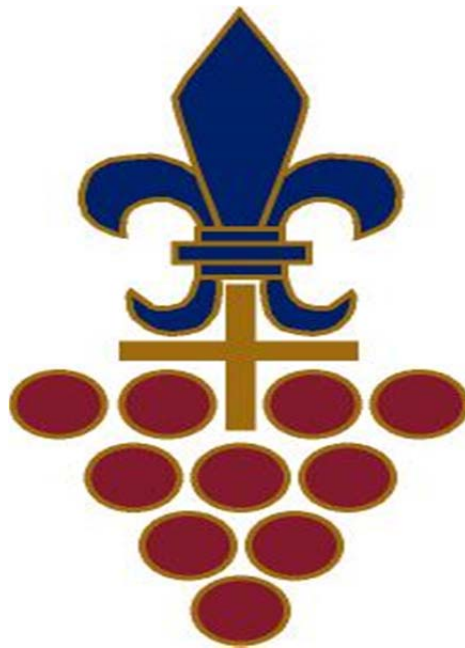
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APPENDICES 1-3 & 4-31

**APPENDIX 3
TARIFFS
2017/2018
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APPENDIX 1

STELLENBOSCH MUNICIPALITY



**MEDIUM TERM REVENUE AND EXPENDITURE
FRAMEWORK FOR THE FINANCIAL PERIOD
2017/2018 TO 2019/2020**

We describe the vision of where we want to be as a municipality and the Greater Stellenbosch area as:

“THE INNOVATION CAPITAL OF SOUTH AFRICA”

Mission:

Our mission is to deliver cost-effective services that will provide the most enabling environment for civil and corporate citizens.

Our Values

In all of our work and engagements, we subscribe to the following values:

Character Leadership: We undertake to involve communities in planning development in their areas, provide regular progress reports on the implementation of those plans and deal decisively and swiftly with poor performance, mismanagement of council assets, corruption and fraud that are all impediments to good municipal governance.

Transformation: We will tirelessly work at transforming our municipality, communities and broader society as custodians of hope through unlocking the endless possibilities our valley holds treasure. This commitment is shaped by our understanding of the historical, spatial, social and economic inequalities rive in our valley.

Innovation: We will continuously review our systems, procedures and processes to make them less bureaucratic and more responsive to customer needs. We will acknowledge and reward initiatives which show creativity and ingenuity.

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PART 1

A: RESOLUTIONS

It is recommended to Council,

- (a) that the High Level Budget Summary, as set out in APPENDIX 1 – PART 1 – SECTION C; be approved;
- (b) that the Annual Budget Tables as prescribed by the Budgeting and Reporting Regulations, as set out in APPENDIX 1 – PART 1 – SECTION D, be approved;
- (c) that the proposed Grants-In-Aid allocations as set out in APPENDIX 1 – PART 2 – SECTION J, be approved;
- (d) that the three year Capital Budget for 2017/2018, 2018/2019 and 2019/2020, as set out in APPENDIX 1 – PART 2 – SECTION N, be approved;
- (e) that the proposed rates on properties in WCO24, tariffs, tariff structures and service charges for water, electricity, refuse, sewerage and other municipal services, as set out in APPENDIX 3 , be approved;
- (f) that the proposed amendments to existing budget related policies and other policies as set out in APPENDICES 4 - 29, be approved.
- (g) that Council specifically note and consider the need to take up an external loan, needed for investment in income generating infrastructure to the tune of R240 million of which R160 million will be required in year 1 and R 80 million in year 2 (refer to Section G: High Level Budget Overview and Table A1 Budget Summary) and confirm approval of same;
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B: EXECUTIVE SUMMARY

The 2016 Medium Term Budget Policy Statement by the Minister of Finance highlighted the reduction in South Africa's growth rate and weakening economy, which will likely persist for the next few years. The deteriorating state of the economy has an adverse and ripple effect on the public sector at large.

South African Gross Domestic Product growth for 2016 was forecasted at 0.9 per cent at the time of the 2016 Budget and it has since been revised to 0.5 per cent. However, growth is expected to improve to 2.2 per cent by the 2019 due to:

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- Infrastructure development plays a pivotal role in improving the economy. Municipalities are encouraged to invest in upgrading of municipal roads, building waste water treatment works, installation of electricity networks, upgrading of sewer systems, building water reservoirs, etc.

With the population growth that Stellenbosch municipality has, especially in informal settlements, infrastructure needs to be upgraded to meet the demands of the communities. This also has a linkage in reduction of unemployment. Similar to 2015/16 and 16/17 financial years, the municipality's capital budget is huge.

- One of the biggest challenges South Africa is confronted with is lack of job creation, which remains a national and provincial priority. With the low scaling economy, it is a challenge for jobs to be created as the two have a direct relationship. Thus, it is paramount for municipalities to continue to undertake joint planning with their communities and respective business sectors that drive the local economy. Municipalities should explore opportunities to mainstream labour intensive approaches to delivering services. As a means to combat unemployment, the municipality would employ the following measures:
 - Full participation in the Expanded Public Works Programme;
 - Providing support to small businesses, which will create employment in the medium to long term;
 - Filling of vacancies within the municipality; and
 - Developing partnerships with academic institutions for training opportunities.
- A revised capacity building initiative, aligned to Back to Basics strategy, where the main focus will be on improving service delivery, accountability and financial management. It is always important that local government be effective and efficient, and this will be measured by its ability to perform the basic mandate of service delivery. The “Back to Basics” programme was launched to promote good governance and effective administration through cutting wastage, spending public funds prudently, hiring competent staff, and ensuring transparency and accountability in local government.

The President of South Africa, in his State of the Nation Address, on 9 February 2017 conceded that unemployment remains a national challenge and unpacked a nine point plan to reignite growth so that the economy can create much-needed jobs:

- Industrialisation
- Mining and beneficiation
- Agriculture and agro Processing
- Energy
- SMMEs
- Managing work place conflict Attracting investments
- Growing the oceans economy

- Tourism.

Curtailing the non-core expenditure has always been emphasized by the National Treasury. In order to maintain a funded budget, municipalities need to not only focus on tariff increases, but also to eliminate expenditure that is unnecessary. The following additional cost containment measures introduced by National Treasury will still be implemented:

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

The emphasis of the National Budget is placed on ensuring that expenditure is allocated in an efficient manner, that management is enhanced and that cutting of waste occur. The 2017 Budget allocates resources to core social and economic priorities while containing aggregate expenditure growth. Spending plans give effect to priorities of the National Development Plan and the Medium Term Strategic Framework.

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

The Finance Minister also highlighted the importance of strengthening the financial management in municipalities and as a result, National Treasury and provincial treasuries have agreed to focus their efforts on four "game changers":

- The new Municipal Standard Chart of Accounts, which will be implemented from 1 July 2017, contributing to greater transparency and consistency of municipal finances.
- Targeted supply chain management interventions to achieve cost savings and combat fraud.

- Enhanced revenue management, including appropriate tariff-setting, regular billing and effective collection systems.
- Improved asset management, including adherence to 8 per cent of the value of assets being spent on their maintenance.

The municipality has embarked on developing a revenue enhancement strategy to optimize revenue, including the collection of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

Municipalities are encouraged by National Treasury to keep increases in property rates, tariffs for trading services and charges for other municipal own revenue sources within the parameters of the country's inflation rate. Furthermore, it is recommended that municipalities adopt a tariff setting methodology that achieves an appropriate balance between the interests of poor households and other customers while ensuring financial sustainability of the municipality. In light of the current drought being experienced across large parts of the country, and to mitigate the need for water tariff increases, it is important that municipalities put in place appropriate strategies to limit water losses to acceptable levels. Municipalities must therefore ensure that water used by its own operations is charged to the relevant service, and not simply attributed to water losses. Demand management is becoming increasingly necessary as the country faces water shortages and an unstable electricity supply. The approach to tariff setting should consider all these factors and strive to achieve an equitable balance.

Municipalities should consider the following facts during tariff setting process, namely, the costs of bulk purchases and the fluctuation in the seasonal cost thereof; the consumption patterns to enable better demand planning and management; and in the event that municipalities have been under recovering costs, embark on a process to correct their tariff structures over a reasonable time period so that cost reflective tariffs are achieved.

It is anticipated that the cost of providing municipal services will increase faster than the transfers from national government. Resource scarcity will most likely increase the cost of bulk purchases in respect of water and electricity beyond the country's inflationary targets. Provision of free basic services in the case of poorer households must be carefully considered and, where some municipalities have opted to provide this benefit to all households, this may not be financially sustainable in the long-term. It is of utmost importance that a municipality should re-evaluate, where appropriate, the costs and benefits of universal or targeted provision of free basic services subsidies, in order to protect their delivery to poor households in particular.

The provision of these subsidies should at no point remove resources from programmes that will expand access to infrastructure services for presently un-served households.

In instances where municipalities do not have an adequate revenue base and where they face a combination of challenges such as resource scarcity, high unemployment and slower than average economic growth, an aggressive approach to curbing non-core spending and improving operational efficiencies is strongly advised. The national budget focuses on fiscal consolidation. This means that we as municipalities must ensure that we do not borrow beyond our ability to repay and we do not spend money we do not have, until we ignite growth and generate revenue, we have to be tough of ourselves. During the compilation of the 2017/2018 MTREF budgets municipalities must consider improving the effectiveness of revenue management processes and procedures and pay special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities.

The municipality's revenue strategy was based on the following fundamentals:

- Tariff policies of the municipality
- Economic outlook and development for Stellenbosch and surrounding areas
- National Treasury's guidelines and macroeconomic policy
- National, Provincial and Regional fiscal growth rates
- Electricity tariffs as approved by National Electricity Regulator of South Africa (NERSA)

The main challenges experienced during the compilation of the 2017/18 MTREF can be summarized as follows:

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

The following budget principles and guidelines directly informed the compilation of the 2017/18 MTREF:

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

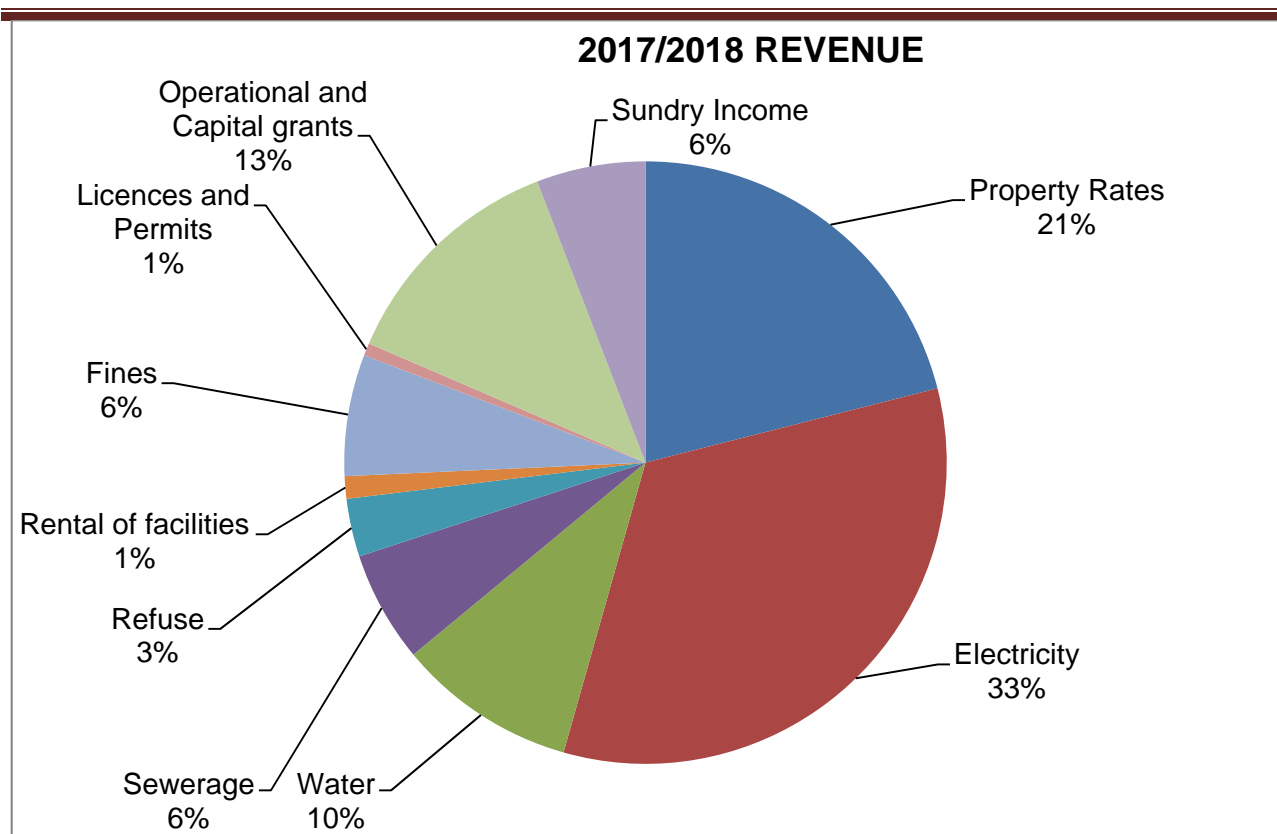
The total budget quantum for the 2017/2018 year is R1 904 732 064 of which R1 486 675 554 (78%), is allocated to the operating budget and R418 056 510 (22%) to capital investment.

OPERATING BUDGET – REVENUE

Overall revenue budget increase was limited to 1.04% resulting in annual operating revenue increasing from R1 472 645 093 in 2016/2017 to R1 488 082 886 in 2017/2018. Taking cognisance of the economic conditions, the resultant low employment levels and levels of disposable income, it was important to keep services affordable by critically looking at the costs associated with providing the service and the effect on future service charges to provide the services.

Accordingly leadership and management investigated potential pitfalls and amongst others found that spiralling expenditure on employee costs did not keep trend with realistically anticipated revenue streams, compounded by the decline in electricity surpluses as a result of higher input costs to provide the service.

REVENUE CATEGORIES	2016/2017	2017/2018	% INCR.
Property Rates and Penalties	288,275,033	313,009,130	8.58%
Electricity	476,092,465	496,336,460	4.25%
Water	128,206,283	143,043,290	11.57%
Sewerage	79,409,057	88,676,812	11.67%
Refuse	42,012,720	46,350,734	10.33%
Rental of facilities	14,886,249	17,993,960	20.88%
Fines	92,030,972	97,064,330	5.47%
Licences and Permits	8,099,750	9,913,460	22.39%
Operational + Capital grants	250,705,034	188,479,000	-24.82%
Sundry Income	92,927,530	87,215,710	-6.15%
Operating Revenue	1,472,645,093	1,488,082,886	1.04%



- | | | |
|---------------------------|------------------------------|---------|
| Average tariff increases: | Electricity | 2.22% |
| | Water | 7.00% |
| | Sanitation | 9.00% |
| | Refuse removal | 9.00% |
| | Propetry Rates: Residential | -24.67% |
| | Propetry Rates: Agricultural | -24.30% |
| | Propetry Rates: Business | -17.28% |

- The Municipality succeeded in accessing the grant allocation: EPWP Incentive Grant for Municipalities in a bid to give some relief to the poorest of the poor by means of contract employment opportunities over the short term. The allocation increased from R1 758 000 in 2016/2017 to R4 820 000 in 2017/2018.

- The low percentage increase in revenue is a result of a decrease in grant funding from 2016/17 to 2017/2018 financial year/s:

 - Human Settlements Grant decreased from R34 150 000 in 2016/17 to R7 767 000 in 2017/18; and
 - During the 2016/17 financial year the municipality received an amount of R32 809 000 for Regional Bulk Infrastructure Grant (RBIG) funding. However for the 2017/18 financial year no RBIG funding were received.

Rates

In the 2017/2018 financial year, the Property Rates Tariff paid by owners will decrease, whilst total rates income will increase by 8% as a result of the implementation of new General Valuations from 1st July 2017. Rates rebates to senior citizens and disabled persons are also available as per the requirements of the amended Property Rates Policy to qualifying ratepayers with a monthly income of R15 000 or less.

Electricity

According to NERSA, the inclining block rate tariff structure is commonly used to charge for water usage. The feature of this tariff structure is that the more you use, the higher the average price. The objective of the inclining block tariff is to provide protection for lower usage customers against high price increases resulting in a reduction in tariffs to these customers. This means that higher consumption customers will see increasingly punitive charges based on their electricity usage. The municipality is implementing the directive from NERSA as part of the Municipality's Licensing Agreement and as a result had to deal with the negative impact of a declining Electricity surplus, year-on-year, putting more pressure on the level and quality of services provided.

Council's attention is further drawn to the fact that the proposed electricity tariff is at 2.22% whereas the increase in electricity bulk purchases for the 2017/2018 financial year is 0.31% as approved by NERSA (National Electricity Regulator of South Africa) for implementation by all municipalities.

Water

Taking cognizance of the plight of the poor and the affordability of basic services, the average tariff increase for the rest of the consumptive water scales is 7%. The tariff is designed to cater for future investment in basic water infrastructure and the need to generate surpluses. **It is however important to note that the proposed revenue as per table A4 (Appendix 1 – Part 1 – Section D) is based on the anticipated actual performance of the income to be derived in 2016/2017 and not based on the approved budget for the same year.**

Sewerage (Sanitation)

The proposed increase in this tariff is 9%. Sanitation services is classified as an economical services. This means that the service charges for sanitation must cover the cost of providing the service, i.e. it must at least break even. In this case it does not breakeven, therefore the municipality will implement an above inflation tariff increase. This tariff increase is necessitated by operational requirements, maintenance of existing aging infrastructure, new infrastructure financing/provision and to ensure that the service is delivered in a sustainable manner. **It is however important to note that the proposed revenue as per table A4 (Appendix 1 – Part 1 – Section D) is based on the anticipated actual performance of the income to be derived in 2016/2017 and not based on the approved budget for the same year.**

Refuse (Solid Waste)

Refuse removal services, like sanitation are also classified as an economical services. This means that the service charges for refuse must cover the cost of providing the service, i.e. it must at least break even. The municipality will implement an above inflation tariff increase as this service does not break even. The solid waste tariffs were modelled to give effect to the principle of the service charge being cost reflective as the service cannot be cross-subsidized. It is proposed that the tariff increases by 9% as a result of the before mentioned. The very nature of this tariff does not lend it to financing the expansion of the landfill site and therefore the proposed extension by way of constructing the new cell, was funded from council's own reserves.

It is however important to note that the proposed revenue as per table A4 (Appendix 1 – Part 1 – Section D) is based on the anticipated actual performance of the income to be derived in 2016/2017 and not based on the approved budget for the same year.

Sundry Income

Included in the Sundry Income for 2016/2017 is the provision for a fair value increase. The fair value increase represents an increase in the value of investment property under the fair value model.

The municipality decided to change the measurement basis of investment property to the cost model, therefor it will not realise a fair value increase in the 2017/2018 and subsequent financial years.

Debt Management

The municipality is currently executing all credit control and debt collection procedures as required in the approved Credit Control and Debt Collection policy.

These internal procedures followed include the disconnection of services, where there are services that can be disconnected, the issuing of final notices, the conclusion of reasonable agreements where the settlement of the accounts are not possible and also the follow up on defaulting debtors not honoring arrangements.

The municipality continuously enforces the above procedures to ensure that debt which is collectable is collected and all debt that is regarded as not recoverable, be written off. The municipality has also promulgated the Credit Control and Debt Collection By-Law on the 4th of March 2011 to strengthen the internal credit control and debt collection procedures through handing over of all debt over 90 days to the appointed attorneys.

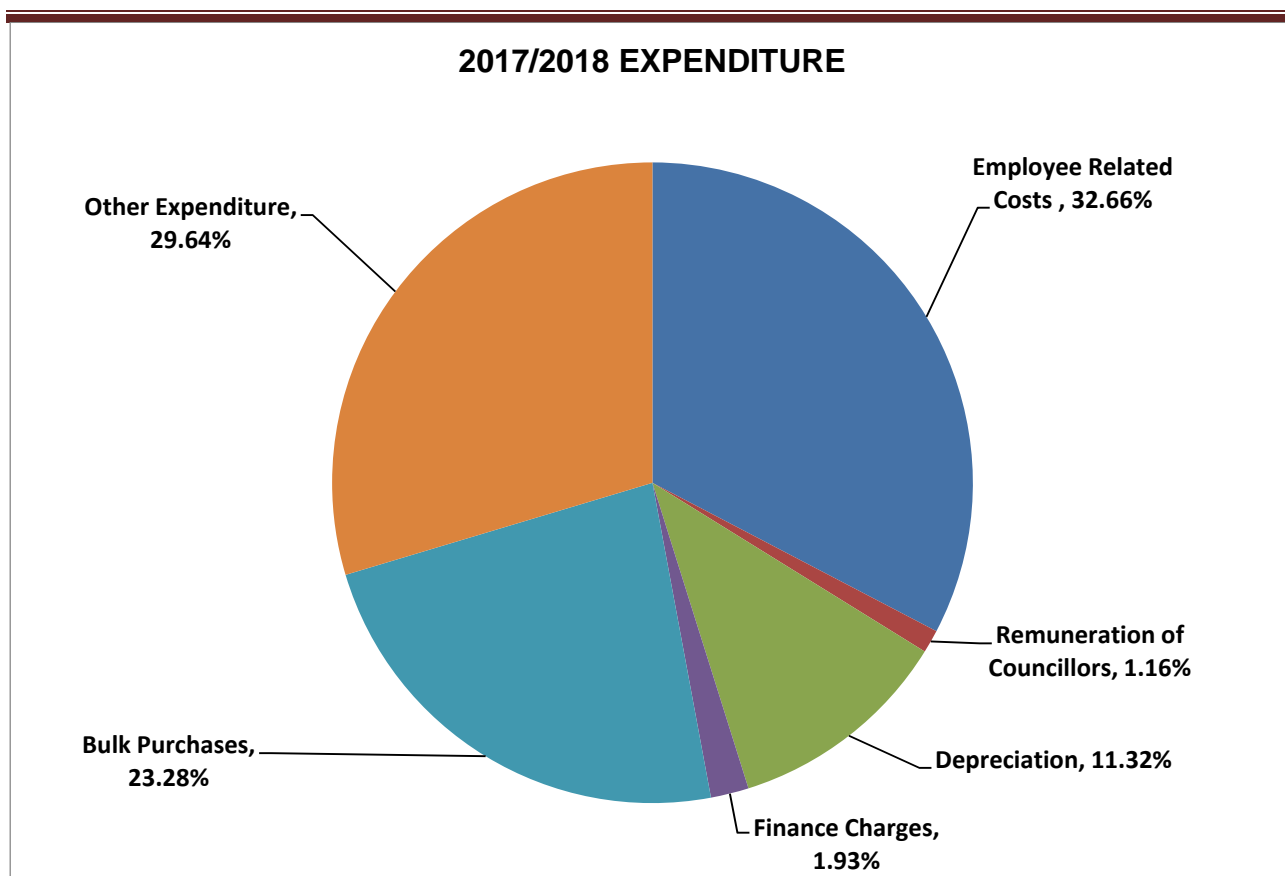
A zero tolerance approach will be followed where consumers are able to pay for services, as this indirectly denies paying consumers the level and standard of service that they are entitled to.

OPERATING BUDGET - EXPENDITURE

The budget sees an increase in annual operating expenditure from R1 450 845 362 in 2016/2017 to R 1 486 675 554 in 2017/2018. This 2.47% increase is primarily due to increases in several expenditure categories, examples which are included in the table below:

EXPENDITURE CATEGORIES	2016/2017	2017/2018	% INCR.
Employee Related Costs	406,477,815	485,607,467	19.47%
Remuneration of Councillors	17,026,814	17,292,583	1.56%
Depreciation	165,199,810	168,339,341	1.90%
Finance Charges	20,221,544	28,621,545	41.54%
Bulk Purchases	344,316,751	346,142,560	0.53%
Other Expenditure	497,602,628	440,672,058	-11.44%
Total Expenditure	1,450,845,362	1,486,675,554	2.47%

Council to note the upward pressure of external borrowing interest (Finance Charges) on future tariffs. In this regard, strong political will and strategic leadership is required to ensure that the municipality maintains the position of being responsive to its communities by ensuring that service charges are kept affordable and realistic by amongst other, critically investigating funding choices and expenditure decisions.



Explanation of significant expenditure variances:

Finance Charges

The interest payable for the 2017/2018 financial year has been calculated on the maximum amount of possible borrowings drawn down up to the end of the 2017/2018 financial year.

Bulk Purchases

The municipal tariff guideline increase issued by NERSA setting the bulk purchase increase at 0.31%, whilst the increase on water was estimated at 6% as the bulk purchase charges of the City was not available at the time of compilation.

Other expenditure

The decrease in other expenditure is result of the re-classification of the contribution to provision for post retirement benefit to employee related cost. The re-classification was done inline with mSCOA.

Repairs and Maintenance increased with 14.32% from R83 498 996 in the original budget of 2016/2017 to R95 459 403 in 2017/2018, but still not within the guideline issued by National Treasury for this expenditure category. However evaluating the credibility of repairs and

maintenance budget is not as straight forward as reflected and neither a simple sum depicted as an expression in percentage terms of the asset base.

It should also be noted that due to the implementation of GRAP17 and the unbundling process, the asset base of the municipality tripled in value, creating a skewed picture of what is the Rand value needed to maintain said infrastructure.

Although the budget may seem inadequate when compared with National Treasury's ratio, it is credible considering the state of the municipality assets, current and future investment and our approach of considering the impact of an irresponsible phased approach.

CAPITAL BUDGET

The capital budget decreased from R 482 580 382 in 2016/2017 to R 418 056 510 in 2017/2018.

DIRECTORATE	2016/2017	2017/2018	% INCR.
Municipal Manager	35,000	35,000	0.00%
Planning and Development	3,332,732	5,393,000	61.82%
Human Settlements	65,673,520	52,872,000	-19.49%
Community and Protection Services	32,043,184	21,878,700	-31.72%
Engineering Services	368,920,918	330,897,810	-10.31%
Strategic and Corporate Services	12,045,178	5,110,000	-57.58%
Financial Services	529,850	1,870,000	252.93%
Total Expenditure	482,580,382	418,056,510	-13.37%

FUNDING SOURCE	2016/2017	2017/2018	% INCR
Capital Replacement Reserve	351,029,062	197,919,510	-43.62%
External Loan	0	160,000,000	%
National Government	80,106 000	47,594,000	-40.59%
Provincial Government	38,271,000	12,543,000	-67.23%
Public Contributions and donations	13,174,320	0	-100.00%
	482,580,382	418,056,510	-13.37%

Major capital expenditure is planned in the following areas during the 2017/2018 financial year:

Electricity

- Energy Efficiency and Demand Side Management
- Integrated National Electrification Programme
- Electricity Network

Roads, Stormwater and Traffic Engineering

- Reconstruction of roads
- Upgrade of Gravel Roads
- Reseal of Roads

- Main Roads Intersection Improvements
- Klapmuts Public Transport Interchange

Solid Waste

- Major Drop-offs : Construction- Franschoek

Water Services

- Extension of WWTW: Stellenbosch
- Relocation/ Upgrading main Water Supply line: Idas Valley Storage Dams
- Bulk Sewer Outfall: Jamestown
- Bulk water supply Pipe Reservoir: Dwarsriver (Johannesdal/Kylemore/Pniel)
- New Plankenburg: Main Sewer Outfall
- Water Treatment Works: Paradyskloof
- Waterpipe Replacement
- Idas Valley Merriman Outfall Sewer

Sports Fields

- Upgrade of Sports Facilities

Information Technology

- Upgrade and Expansion of IT Infrastructure Platforms

Human Settlements

- New Community Halls Klapmuts
- Housing Project Kayamandi Watergang/ Zone O

C: HIGH LEVEL BUDGET SUMMARY

	Operating Income R	Operating Expenditure R	Capital Expenditure R	Total Budget R
Municipal Manager	240,000	23,157,755	35,000	23,192,755
Planning & Development Services	12,348,450	58,316,204	5,393,000	63,709,204
Human Settlements	24,263,280	69,257,003	52,872,000	122,129,003
Engineering Services	926,930,766	810,393,069	330,897,810	1,141,290,879
Community and Protection Services	132,907,150	321,477,649	21,878,700	343,356,349
Strategic & Corporate Services	142,790	121,292,823	5,110,000	126,402,823
Financial Services	391,250,450	82,781,051	1,870,000	84,651,051
Total	1,488,082,886	1,486,675,554	418,056,510	1,904,732,064

D: ANNUAL BUDGET TABLES

In accordance with the Budget and Reporting Regulations the following compulsory schedules are attached reflecting the composition and detail of the above mentioned amounts.

Budget Summary	Table A1
Budgeted Financial Performance (Revenue and Expenditure by standard classification)	Table A2
Budgeted Financial Performance (Revenue and Expenditure by standard classification)	Table A3
Budgeted Financial Performance (Revenue and Expenditure)	Table A4
Budgeted Capital Expenditure by vote, standard classification and funding	Table A5
Budgeted Financial Position	Table A6
Budgeted Cash flows	Table A7
Cash backed reserves/accumulated surplus reconciliation	Table A8
Asset Management	Table A9
Basic Service Delivery Measurement	Table A10

The information displayed in the “Adjusted Budget” column for the 2016/2017 financial year includes all changes approved by Council in the Mid – Year Adjustments Budgets during the current financial year.

WC024 Stellenbosch - Table A1 Budget Summary

Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands										
Financial Performance										
Property rates	235 933	252 369	270 379	286 997	288 275	288 275	288 275	313 009	331 790	351 697
Service charges	603 670	625 780	705 714	727 523	725 721	725 721	725 721	774 407	826 730	883 717
Investment revenue	29 858	40 186	49 713	36 877	45 377	45 377	45 377	37 999	32 553	28 178
Transfers recognised - operational	92 688	82 289	123 909	112 721	140 154	140 154	140 154	128 342	138 159	158 544
Other own revenue	180 754	98 641	158 093	145 959	162 567	162 567	162 567	174 189	180 384	187 381
Total Revenue (excluding capital transfers and contributions)	1 142 904	1 099 264	1 307 807	1 310 077	1 362 094	1 362 094	1 362 094	1 427 946	1 509 615	1 609 517
Employee costs	282 933	313 819	350 842	397 314	406 478	406 478	406 478	485 607	525 145	567 792
Remuneration of councillors	13 527	14 431	15 844	17 027	17 027	17 027	17 027	17 293	18 157	19 065
Depreciation & asset impairment	137 899	158 374	149 053	165 200	165 200	165 200	165 200	168 339	171 970	175 685
Finance charges	11 343	13 409	22 714	31 472	20 222	20 222	20 222	28 622	40 822	42 822
Materials and bulk purchases	269 097	287 344	323 734	351 285	344 317	344 317	344 317	346 143	366 911	388 926
Transfers and grants	4 818	5 555	8 175	8 703	8 375	8 375	8 375	6 250	6 563	6 891
Other expenditure	329 353	339 121	391 134	409 139	489 228	489 228	489 228	434 422	453 589	473 660
Total Expenditure	1 048 969	1 132 053	1 261 496	1 380 139	1 450 845	1 450 845	1 450 845	1 486 676	1 583 156	1 674 841
Surplus/(Deficit)	93 935	(32 788)	46 311	(70 062)	(88 752)	(88 752)	(88 752)	(58 730)	(73 541)	(65 324)
Transfers and subsidies - capital (monetary allocations)	60 929	57 302	103 360	126 560	128 401	128 401	128 401	60 137	82 402	77 453
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	154 864	24 513	149 671	56 498	39 650	39 650	39 650	1 407	8 861	12 129
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	154 864	24 513	149 671	56 498	39 650	39 650	39 650	1 407	8 861	12 129
Capital expenditure & funds sources										
Capital expenditure	174 741	229 943	348 861	463 792	482 580	482 580	482 580	418 057	319 514	226 873
Transfers recognised - capital	50 319	57 220	103 359	116 536	118 377	118 377	118 377	60 137	82 402	77 453
Public contributions & donations	10 609	82	-	11 024	13 174	13 174	13 174	-	-	-
Borrowing	11 533	57 433	92 567	161 000	-	-	-	160 000	80 000	-
Internally generated funds	102 279	115 209	152 934	175 231	351 029	351 029	351 029	197 920	157 112	149 420
Total sources of capital funds	174 741	229 943	348 861	463 792	482 580	482 580	482 580	418 057	319 514	226 873
Financial position										
Total current assets	727 247	828 643	880 752	563 137	621 548	621 548	621 548	599 478	552 999	523 731
Total non current assets	4 644 232	4 419 492	4 606 246	5 208 328	5 209 266	5 209 266	5 209 266	5 458 984	5 609 909	5 663 377
Total current liabilities	243 034	325 510	323 738	256 237	256 237	256 237	256 237	278 234	289 509	303 275
Total non current liabilities	312 218	379 531	470 495	590 501	563 776	563 776	417 754	576 842	659 321	669 272
Community wealth/Equity	4 816 226	4 543 094	4 692 765	4 924 727	5 010 801	5 010 801	5 156 823	5 203 385	5 214 078	5 214 561
Cash flows										
Net cash from (used) operating	222 979	297 711	305 374	223 401	241 453	371 453	371 453	191 451	203 036	207 921
Net cash from (used) investing	(170 009)	(232 207)	(825 473)	(458 093)	(472 882)	(472 882)	(472 882)	(414 557)	(316 314)	(226 873)
Net cash from (used) financing	13 066	38 997	38 855	150 429	(10 571)	(10 571)	(10 571)	145 216	63 016	(19 895)
Cash/cash equivalents at the year end	504 928	609 430	128 187	395 726	371 808	497 430	497 430	419 542	369 279	330 432
Cash backing/surplus reconciliation										
Cash and investments available	504 928	609 430	608 187	395 726	454 137	454 137	454 137	419 542	369 279	330 432
Application of cash and investments	348 897	145 007	381 305	362 278	427 382	421 988	210 579	336 814	312 955	287 640
Balance - surplus (shortfall)	156 031	464 423	226 882	33 448	26 755	32 149	243 558	82 727	56 324	42 792
Asset management										
Asset register summary (WDV)	4 643 604	4 793 354	4 911 377	5 206 322	5 207 261	5 207 261	5 456 978	5 456 978	5 607 903	5 661 371
Depreciation	137 899	158 374	149 053	165 200	165 200	165 200	168 339	168 339	171 970	175 685
Renewal of Existing Assets	98 385	118 086	244 658	399 924	383 410	383 410	383 410	28 350	18 500	30 400
Repairs and Maintenance	55 007	58 453	54 658	83 499	91 423	91 423	95 459	95 459	99 278	103 248
Free services										
Cost of Free Basic Services provided	58	58	58	58	58	58	58	58	58	58
Revenue cost of free services provided	29 860	32 362	34 700	63 978	63 978	63 978	61 225	61 225	65 416	69 904
Households below minimum service level										
Water:	2	2	2	2	2	2	2	2	2	2
Sanitation/sewerage:	2	2	2	2	2	2	2	2	2	2
Energy:	3	3	3	3	3	3	3	3	3	3
Refuse:	6	6	6	5	5	5	5	5	5	5

WC024 Stellenbosch - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		346 539	309 727	353 879	370 402	383 184	383 184	396 822	418 707	438 611
Executive and council		804	154	519	279	279	279	(196)	(102)	(11)
Finance and administration		345 735	309 573	353 360	370 124	382 905	382 905	397 018	418 810	438 622
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		138 156	82 715	161 219	145 091	183 570	183 570	142 108	167 139	168 320
Community and social services		2 444	7 404	10 502	11 929	11 929	11 929	12 372	13 057	13 785
Sport and recreation		3 058	2 625	2 429	10 111	10 111	10 111	6 950	7 332	9 147
Public safety		74 082	43 199	95 594	75 723	96 933	96 933	103 612	106 659	110 571
Housing		58 572	29 487	52 694	47 329	64 597	64 597	19 173	40 091	34 817
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		16 530	18 157	19 259	26 908	31 308	31 308	25 819	19 240	20 386
Planning and development		4 990	5 300	6 459	7 971	8 371	8 371	12 404	8 046	8 544
Road transport		11 540	12 857	12 799	18 937	22 937	22 937	13 415	11 194	11 843
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		700 824	745 051	877 900	893 566	891 764	891 764	923 276	986 870	1 059 587
Energy sources		432 583	436 608	501 100	521 683	511 230	511 230	535 427	566 052	610 336
Water management		133 913	157 616	168 948	157 708	160 433	160 433	180 632	186 739	206 286
Waste water management		89 224	94 300	148 537	149 466	155 391	155 391	136 553	157 221	158 924
Waste management		45 103	56 526	59 316	64 710	64 710	64 710	70 664	76 858	84 040
<i>Other</i>	4	1 784	916	(1 090)	669	669	669	58	62	65
Total Revenue - Functional	2	1 203 832	1 156 566	1 411 166	1 436 637	1 490 495	1 490 495	1 488 083	1 592 017	1 686 970
Expenditure - Functional										
<i>Governance and administration</i>		131 092	235 669	202 972	233 912	244 543	244 543	277 678	290 505	303 644
Executive and council		51 338	40 106	52 836	40 519	40 519	40 519	60 547	64 475	68 698
Finance and administration		79 754	195 563	150 135	193 392	204 023	204 023	204 996	213 188	221 347
Internal audit		-	-	-	-	-	-	12 134	12 842	13 599
<i>Community and public safety</i>		199 604	196 219	199 261	216 559	284 070	284 070	177 749	191 004	205 389
Community and social services		19 924	22 419	26 377	35 692	43 425	43 425	23 357	25 205	27 214
Sport and recreation		29 339	31 971	31 353	33 374	33 374	33 374	41 173	43 894	46 832
Public safety		87 267	107 883	96 045	112 308	144 917	144 917	78 807	84 994	91 720
Housing		62 922	30 639	45 463	35 061	62 229	62 229	34 412	36 912	39 623
Health		151	3 307	22	125	125	125	-	-	-
<i>Economic and environmental services</i>		81 536	97 965	103 900	119 231	122 896	122 896	277 583	295 015	313 769
Planning and development		19 653	33 508	33 351	42 532	45 607	45 607	64 714	69 639	74 984
Road transport		59 511	61 447	67 417	72 528	72 928	72 928	192 577	203 482	215 152
Environmental protection		2 372	3 010	3 131	4 172	4 361	4 361	20 293	21 894	23 633
<i>Trading services</i>		631 267	598 745	747 631	805 542	794 442	794 442	753 665	806 632	852 040
Energy sources		381 918	348 538	450 637	484 464	477 790	477 790	430 599	454 668	480 211
Water management		102 915	102 482	112 230	116 795	117 228	117 228	108 719	114 407	120 485
Waste water management		82 547	85 927	115 801	127 587	122 491	122 491	129 674	148 374	157 350
Waste management		63 886	61 799	68 964	76 697	76 934	76 934	84 673	89 184	93 994
<i>Other</i>	4	5 470	3 454	7 732	4 894	4 894	4 894	-	-	-
Total Expenditure - Functional	3	1 048 969	1 132 053	1 261 496	1 380 139	1 450 845	1 450 845	1 486 676	1 583 156	1 674 841
Surplus/(Deficit) for the year		154 864	24 513	149 671	56 498	39 650	39 650	1 407	8 861	12 129

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure),
3. Total Expenditure by Functional Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure),
4. All amounts must be classified under a functional classification. The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification.

WC024 Stellenbosch - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Functional										
<i>Municipal governance and administration</i>		346 539	309 727	353 879	370 402	383 184	383 184	396 822	418 707	438 611
Executive and council		804	154	519	279	279	279	(196)	(102)	(11)
Mayor and Council		804	154	519	279	279	279	(196)	(102)	(11)
Municipal Manager, Town Secretary and Chief Executive		-	-	-	-	-	-	-	-	-
Finance and administration		345 735	309 573	353 360	370 124	382 905	382 905	397 018	418 810	438 622
Administrative and Corporate Support		721	360	3 751	471	471	471	661	701	689
Asset Management										
Budget and Treasury Office										
Finance		340 046	303 319	345 239	352 585	362 583	362 583	391 250	412 694	432 193
Fleet Management										
Human Resources		1 075	1 620	699	815	875	875	16	17	18
Information Technology										
Legal Services										
Marketing, Customer Relations, Publicity and Media Co-ordination										
Property Services		3 893	4 274	3 671	16 253	18 977	18 977	5 090	5 397	5 722
Risk Management										
Security Services										
Supply Chain Management										
Valuation Service										
Internal audit		-	-	-	-	-	-	-	-	-
Governance Function										
<i>Community and public safety</i>		138 156	82 715	161 219	145 091	183 570	183 570	142 108	167 139	168 320
Community and social services		2 444	7 404	10 502	11 929	11 929	11 929	12 372	13 057	13 785
Aged Care										
Agricultural										
Animal Care and Diseases										
Cemeteries, Funeral Parlours and Crematoriums		629	774	993	853	853	853	767	814	865
Child Care Facilities										
Community Halls and Facilities		429	479	422	538	538	538	394	417	442
Consumer Protection										
Cultural Matters										
Disaster Management		130	601	-	100	100	100	-	-	-
Education										
Indigenous and Customary Law										
Industrial Promotion										
Language Policy										
Libraries and Archives		1 228	5 524	9 055	10 408	10 408	10 408	11 174	11 785	12 435
Literacy Programmes										
Media Services										
Museums and Art Galleries		29	26	31	29	29	29	38	40	42
Population Development										
Provincial Cultural Matters										
Theatres										
Zoo's										
Sport and recreation		3 058	2 625	2 429	10 111	10 111	10 111	6 950	7 332	9 147
Beaches and Jetties										
Casinos, Racing, Gambling, Wagering										
Community Parks (including Nurseries)										
Recreational Facilities		612	-	-	2 022	2 022	2 022	31	32	34
Sports Grounds and Stadiums		2 446	2 625	2 429	8 088	8 088	8 088	6 919	7 299	9 112
Public safety		74 082	43 199	95 594	75 723	96 933	96 933	103 612	106 659	110 571
Civil Defence		73 986	42 726	95 129	75 210	96 420	96 420	103 154	106 175	110 294
Cleansing										
Control of Public Nuisances										
Fencing and Fences										
Fire Fighting and Protection		96	473	465	513	513	513	458	484	277
Licensing and Control of Animals										
Housing		58 572	29 487	52 694	47 329	64 597	64 597	19 173	40 091	34 817
Housing		58 572	29 487	52 694	47 329	64 597	64 597	19 173	40 091	34 817
Informal Settlements										
<i>Economic and environmental services</i>		16 530	18 157	19 259	26 908	31 308	31 308	25 819	19 240	20 386
Planning and development		4 990	5 300	6 459	7 971	8 371	8 371	12 404	8 046	8 544
Billboards										
Corporate Wide Strategic Planning (IDPs, LEDs)										
Central City Improvement District										
Development Facilitation										
Economic Development/Planning		4 990	5 300	6 459	7 971	8 371	8 371	12 404	8 046	8 544
Regional Planning and Development										
Town Planning, Building Regulations and Enforcement, and City										
Project Management Unit										
Provincial Planning										
Support to Local Municipalities										
Road transport		11 540	12 857	12 799	18 937	22 937	22 937	13 415	11 194	11 843
Police Forces, Traffic and Street Parking Control		7 208	5 021	5 826	8 580	8 580	8 580	9 765	10 417	11 113
Pounds										
Public Transport										
Road and Traffic Regulation										
Roads		4 332	7 836	6 974	10 357	14 357	14 357	3 650	777	729
Taxi Ranks										
Trading services		700 824	745 051	877 900	893 566	891 764	891 764	923 276	986 870	1 059 587
Energy sources		432 583	436 608	501 100	521 683	511 230	511 230	535 427	566 052	610 336
Electricity		432 583	436 608	501 100	521 683	511 230	511 230	535 427	566 052	610 336

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<i>Street Lighting and Signal Systems</i>										
<i>Nonelectric Energy</i>										
Water management		133 913	157 616	168 948	157 708	160 433	160 433	180 632	186 739	206 286
<i>Water Treatment</i>										
<i>Water Distribution</i>		133 902	157 616	168 948	157 708	160 433	160 433	180 632	186 739	206 286
<i>Water Storage</i>		11								
Waste water management		89 224	94 300	148 537	149 466	155 391	155 391	136 553	157 221	158 924
<i>Public Toilets</i>			-	4 537	4 809	4 809	4 809	5 098	5 403	5 728
<i>Sewerage</i>		89 224	94 300	144 000	144 657	150 582	150 582	131 456	151 818	153 197
<i>Storm Water Management</i>										
<i>Waste Water Treatment</i>										
Waste management		45 103	56 526	59 316	64 710	64 710	64 710	70 664	76 858	84 040
<i>Recycling</i>										
<i>Solid Waste Disposal (Landfill Sites)</i>		45 103	56 526	59 316	64 710	64 710	64 710	70 664	76 858	84 040
<i>Solid Waste Removal</i>										
<i>Street Cleaning</i>										
<i>Other</i>		1 784	916	(1 090)	669	669	669	58	62	65
Abattoirs										
Air Transport										
Forestry		1 784	916	(1 090)	669	669	669	58	62	65
Licensing and Regulation										
Markets										
Tourism										
Total Revenue - Functional	2	1 203 832	1 156 566	1 411 166	1 436 637	1 490 495	1 490 495	1 488 083	1 592 017	1 686 970

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
Expenditure - Functional										
<i>Municipal governance and administration</i>		131 092	235 669	202 972	233 912	244 543	244 543	277 678	290 505	303 644
Executive and council		51 338	40 106	52 836	40 519	40 519	40 519	60 547	64 475	68 698
<i>Mayor and Council</i>		49 890	38 561	51 083	33 187	33 187	33 187	31 789	33 495	35 303
<i>Municipal Manager, Town Secretary and Chief Executive</i>		1 449	1 545	1 753	7 332	7 332	7 332	28 758	30 981	33 395
Finance and administration		79 754	195 563	150 135	193 392	204 023	204 023	204 996	213 188	221 347
<i>Administrative and Corporate Support</i>		27 632			74 192	79 742	79 742	9 835	10 643	11 524
<i>Asset Management</i>										
<i>Budget and Treasury Office</i>								84 629	88 728	92 463
<i>Finance</i>		27 126	162 065	115 977	64 625	65 845	65 845			
<i>Fleet Management</i>								2 414	2 615	2 833
<i>Human Resources</i>		3 468	4 796	5 087	10 109	12 139	12 139	34 371	33 446	32 495
<i>Information Technology</i>		3 407	3 725	4 768	10 265	11 596	11 596	23 055	24 297	25 622
<i>Legal Services</i>								10 047	10 678	11 357
<i>Marketing, Customer Relations, Publicity and Media Co-ordination</i>								3 574	3 799	4 040
<i>Property Services</i>		18 121	24 976	24 303	34 200	34 700	34 700	35 369	37 161	39 065
<i>Risk Management</i>								573	596	620
<i>Security Services</i>										
<i>Supply Chain Management</i>								1 129	1 224	1 329
<i>Valuation Service</i>										
Internal audit		-	-	-	-	-	-	12 134	12 842	13 599
<i>Governance Function</i>								12 134	12 842	13 599
<i>Community and public safety</i>		199 604	196 219	199 261	216 559	284 070	284 070	177 749	191 004	205 389
Community and social services		19 924	22 419	26 377	35 692	43 425	43 425	23 357	25 205	27 214
<i>Aged Care</i>										
<i>Agricultural</i>										
<i>Animal Care and Diseases</i>										
<i>Cemeteries, Funeral Parlours and Crematoriums</i>		2 465	2 980	3 059	4 261	4 261	4 261	4 657	4 999	5 368
<i>Child Care Facilities</i>										
<i>Community Halls and Facilities</i>		2 784	2 857	3 314	3 593	3 579	3 579	5 130	5 571	6 052
<i>Consumer Protection</i>										
<i>Cultural Matters</i>										
<i>Disaster Management</i>		4 867	5 224	7 590	14 543	22 290	22 290	3 836	4 061	4 301
<i>Education</i>										
<i>Indigenous and Customary Law</i>										
<i>Industrial Promotion</i>										
<i>Language Policy</i>										
<i>Libraries and Archives</i>		9 625	11 218	12 212	13 209	13 209	13 209	9 733	10 574	11 493
<i>Literacy Programmes</i>										
<i>Media Services</i>										
<i>Museums and Art Galleries</i>		184	140	202	86	86	86			
<i>Population Development</i>										
<i>Provincial Cultural Matters</i>										
<i>Theatres</i>										
<i>Zoo's</i>										
Sport and recreation		29 339	31 971	31 353	33 374	33 374	33 374	41 173	43 894	46 832
<i>Beaches and Jetties</i>										
<i>Casinos, Racing, Gambling, Wagering</i>										
<i>Recreational Facilities</i>		5 868	6 394	6 271	6 675	6 675	6 675	28 435	30 350	32 416
<i>Sports Grounds and Stadiums</i>		23 471	25 577	25 082	26 700	26 700	26 700	12 737	13 544	14 416
<i>Public safety</i>										
Public safety		87 267	107 883	96 045	112 308	144 917	144 917	78 807	84 994	91 720
<i>Civil Defence</i>		60 746	66 098	57 024	67 656	98 074	98 074	49 225	52 803	56 679
<i>Cleansing</i>										
<i>Fencing and Fences</i>		6 562	20 159	14 435	17 867	19 597	19 597			
<i>Fire Fighting and Protection</i>		19 960	21 626	24 587	26 785	27 246	27 246	29 582	32 191	35 041
<i>Licensing and Control of Animals</i>										
Housing		62 922	30 639	45 463	35 061	62 229	62 229	34 412	36 912	39 623
<i>Housing</i>		62 922	30 639	45 463	35 061	62 229	62 229	23 878	25 489	27 231
<i>Informal Settlements</i>								10 535	11 423	12 391
Health		151	3 307	22	125	125	125			
<i>Ambulance</i>										
<i>Health Services</i>		52	55	22	58	58	58			
<i>Laboratory Services</i>										
<i>Food Control</i>										
<i>Health Surveillance and Prevention of Communicable Diseases</i>										
<i>Vector Control</i>										
<i>Chemical Safety</i>		99	3 252		67	67	67			
<i>Economic and environmental services</i>		81 536	97 965	103 900	119 231	122 896	122 896	277 583	295 015	313 769
Planning and development		19 653	33 508	33 351	42 532	45 607	45 607	64 714	69 639	74 984
<i>Billboards</i>										
<i>Corporate Wide Strategic Planning (IDPs, LEDs)</i>								6 901	7 387	7 914
<i>Central City Improvement District</i>										
<i>Development Facilitation</i>										
<i>Economic Development/Planning</i>		19 653	33 508	33 351	42 532	45 607	45 607	32 323	34 751	37 381
<i>Regional Planning and Development</i>										
<i>Town Planning, Building Regulations and Enforcement, and City Project Management Unit</i>								25 490	27 501	29 689
<i>Provincial Planning</i>										
<i>Support to Local Municipalities</i>										
Road transport		59 511	61 447	67 417	72 528	72 928	72 928	192 577	203 482	215 152
<i>Police Forces, Traffic and Street Parking Control</i>		4 717	4 736	5 526	7 405	7 405	7 405	119 712	127 314	135 452
<i>Pounds</i>										
<i>Public Transport</i>								5 740	6 265	6 839
<i>Roads</i>		54 794	56 712	61 891	65 123	65 523	65 523	67 124	69 902	72 860

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<i>Taxi Ranks</i>								-	-	-
<i>Environmental protection</i>								-	-	-
Environmental protection		2 372	3 010	3 131	4 172	4 361	4 361	20 293	21 894	23 633
<i>Biodiversity and Landscape</i>		2 372	3 010	3 130	4 171	4 361	4 361	19 126	20 639	22 282
<i>Coastal Protection</i>								-	-	-
<i>Indigenous Forests</i>								-	-	-
<i>Nature Conservation</i>								1 167	1 255	1 351
<i>Pollution Control</i>				1	1	1	1	-	-	-
<i>Soil Conservation</i>								-	-	-
<i>Trading services</i>		631 267	598 745	747 631	805 542	794 442	794 442	753 665	806 632	852 040
Energy sources		381 918	348 538	450 637	484 464	477 790	477 790	430 599	454 668	480 211
<i>Electricity</i>		381 918	348 538	450 637	484 464	477 790	477 790	430 599	454 668	480 211
<i>Street Lighting and Signal Systems</i>								-	-	-
<i>Nonelectric Energy</i>								-	-	-
Water management		102 915	102 482	112 230	116 795	117 228	117 228	108 719	114 407	120 485
<i>Water Treatment</i>								14 372	15 197	16 082
<i>Water Distribution</i>		83 080	79 583	88 655	93 403	93 836	93 836	81 881	86 179	90 773
<i>Water Storage</i>		19 835	22 899	23 575	23 391	23 391	23 391	12 466	13 031	13 629
Waste water management		82 547	85 927	115 801	127 587	122 491	122 491	129 674	148 374	157 350
<i>Public Toilets</i>		2 290	4 851	8 114	7 696	7 696	7 696	-	-	-
<i>Sewerage</i>		62 179	62 958	89 938	102 192	97 095	97 095	64 678	79 423	84 137
<i>Storm Water Management</i>		18 078	18 118	17 749	17 700	17 700	17 700	20 906	21 932	23 032
<i>Waste Water Treatment</i>								44 090	47 019	50 181
Waste management		63 886	61 799	68 964	76 697	76 934	76 934	84 673	89 184	93 994
<i>Recycling</i>								-	-	-
<i>Solid Waste Disposal (Landfill Sites)</i>		63 886	61 799	68 964	76 697	76 934	76 934	27 718	28 840	30 009
<i>Solid Waste Removal</i>								32 586	34 537	36 635
<i>Street Cleaning</i>								24 368	25 808	27 350
<i>Other</i>		5 470	3 454	7 732	4 894	4 894	4 894	-	-	-
Abattoirs								-	-	-
Air Transport								-	-	-
Forestry		4 826	2 764	7 683	4 119	4 119	4 119	-	-	-
Licensing and Regulation		644	690	49	776	776	776	-	-	-
Markets								-	-	-
Tourism								-	-	-
Total Expenditure - Functional	3	1 048 969	1 132 053	1 261 496	1 380 139	1 450 845	1 450 845	1 486 676	1 583 156	1 674 841
Surplus/(Deficit) for the year		154 864	24 513	149 671	56 498	39 650	39 650	1 407	8 861	12 129

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparisc.
2. Total Revenue by Functional Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure).
3. Total Expenditure by Functional Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure).
4. All amounts must be classified under a Functional classification. The GFS function 'Other' is only for Abattoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

check oprev balance	-	-	-	-	-6	-6	-	-	0
check opexp balance	-	-	-	0	1	1	-	-	-

EXPLANATORY NOTES

Table A2: Budgeted Financial Performance (revenue and expenditure by functional classification)

Revenue – Functional

Function: Governance and Administration

Sub-function: Finance and Administration

Although there is a 27% decrease in property rates tariffs, the increase in revenue results from the increase in valuation of properties and increase in equitable share.

Function: Community and Public Safety

Sub-function: Community and Social Services

The increase in revenue results from an increase in tariffs. It is however important to note that the proposed revenue is based on the anticipated actual performance of the income to be derived in 2016/2017 and not based on the approved budget for the same year.

Function: Community and Public Safety

Sub-function: Public Safety

The increase in revenue results from an increase in tariffs. It is however important to note that the proposed revenue is based on the anticipated actual performance of the income to be derived in 2016/2017 and not based on the approved budget for the same year.

Function: Community and Public Safety

Sub-function: Housing

The human settlements grant was reduced by R26mil (77%) from the preceding year.

Function: Economic and Environmental Services

Sub-function: Planning and Environment

The increase in revenue results from an increase in tariffs. It is however important to note that the proposed revenue is based on the anticipated actual performance of the income to be derived in 2016/2017 and not based on the approved budget for the same year.

Function: Trading Services

Sub-function: Energy Sources

Due to an increase in tariffs. It is however important to note that the proposed revenue is based on the anticipated actual performance of the income to be derived in 2016/2017 and not based on the approved budget for the same year.

Function: Trading Services

Sub-function: Water Management

Increase due to annual tariff increase. It is however important to note that the proposed revenue is based on the anticipated actual performance of the income to be derived in 2016/2017 and not based on the approved budget for the same year.

Function: Trading Services

Sub-function: Waste Water Management

Decrease due to RBIG funding that was not allocated to the municipality in the 2017 MTREF. The RBIG funding for the 15/16 financial year was R33mil, which was used to fund the Stellenbosch WWTW project.

Function: Trading Services

Sub-function: Waste Management

Increase due to annual tariff increase. It is however important to note that the proposed revenue is based on the anticipated actual performance of the income to be derived in 2016/2017 and not based on the approved budget for the same year.

Expenditure – Functional

Function: Governance and Administration

Sub-function: Finance and Administration

The minor increase emanates from the new sub-function of “Internal Audit” which has been disclosed separately from Finance and Administration for the mSCOA reforms.

Function: Governance and Administration

Sub-function: Internal Audit

New mSCOA sub-function.

Function: Community and Public Safety

Sub-function: Community and Social Services

“Fire Services” and “Street Cleaning” are now disclosed under separate functions and this has decreased the expenditure of the sub-function.

Function: Community and Public Safety

Sub-function: Public Safety

The decrease is a result of re-classification/ re-categorization of items to functions in alignment with mSCOA.

Function: Community and Public Safety

Sub-function: Housing

The human settlements grant was reduced by R26mil (77%) from the preceding year.

Function: Economic and Environmental Services

Sub-function: Road Transport

The decrease is a result of re-classification/ re-categorization of items to functions in alignment with mSCOA. The departments for traffic services, which were previously disclosed under “Public Safety” function, are now disclosed under “Road Transport”.

Function: Trading Services

Sub-function: Waste Management

The increase results from the inclusion of “street cleaning” function, which was previously under the “Community and social services” function.

WC024 Stellenbosch - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	240	360	480
Vote 2 - Planning and Development		5 084	5 817	6 423	8 015	8 415	8 415	12 348	7 990	8 488
Vote 3 - Human Settlements and Property Management		62 465	33 761	57 450	63 582	83 574	83 574	24 263	45 488	40 539
Vote 4 - Engineering Services		703 396	748 527	883 729	903 929	906 126	906 126	926 931	987 653	1 060 323
Vote 5 - Community and Protection Services		90 323	62 968	114 490	107 030	128 240	128 240	132 907	137 684	144 794
Vote 6 - Strategic and Corporate Services		2 199	2 172	1 540	1 377	1 437	1 437	143	148	154
Vote 7 - Financial Services		340 365	303 319	347 533	352 705	362 703	362 703	391 250	412 694	432 193
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 203 832	1 156 566	1 411 166	1 436 637	1 490 495	1 490 495	1 488 083	1 592 017	1 686 970
Expenditure by Vote, to be appropriated	1									
Vote 1 - Office of the Municipal Manager		7 640	7 717	8 303	14 291	14 291	14 291	23 158	24 770	26 512
Vote 2 - Planning and Development		21 091	29 446	35 444	53 835	56 910	56 910	58 316	62 774	67 613
Vote 3 - Human Settlements and Property Management		81 043	55 037	73 679	69 261	96 929	96 929	69 257	73 527	78 120
Vote 4 - Engineering Services		686 550	782 051	795 495	890 834	880 134	880 134	810 393	865 676	913 557
Vote 5 - Community and Protection Services		157 237	165 506	226 087	215 176	255 709	255 709	321 478	344 131	368 597
Vote 6 - Strategic and Corporate Services		68 736	61 346	78 354	71 680	80 591	80 591	121 293	125 616	130 289
Vote 7 - Financial Services		26 671	30 949	44 132	65 062	66 282	66 282	82 781	86 661	90 153
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 048 969	1 132 053	1 261 496	1 380 139	1 450 845	1 450 845	1 486 676	1 583 156	1 674 841
Surplus/(Deficit) for the year	2	154 864	24 513	149 671	56 498	39 650	39 650	1 407	8 861	12 129

References

1. Insert 'Vote': e.g. department, if different to functional classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

WC024 Stellenbosch - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote										
Vote 1 - Office of the Municipal Manager	1	-	-	-	-	-	-	240	360	480
1.1 - MUNICIPAL MANAGER'S OFFICE		-	-	-	-	-	-	240	360	480
Vote 2 - Planning and Development		5 084	5 817	6 423	8 015	8 415	8 415	12 348	7 990	8 488
2.1 - PLANNING AND DEVELOPMENT GENERAL		109	116	174	527	1 027	1 027	57	60	64
2.2 - BUILDING CONTROL		4 416	4 468	5 057	4 926	4 926	4 926	7 251	7 696	8 176
2.3 - TOWN PLANNING		191	345	141	380	380	380	27	28	30
2.4 - TOWN DEVELOPMENT		-	-	-	-	-	-	-	-	-
2.5 - COMMUNITY DEVELOPMENT		130	601	-	100	100	100	-	-	-
2.6 - LOCAL ECONOMIC DEVELOPMENT		237	288	1 051	2 081	1 981	1 981	5 014	205	218
Vote 3 - Human Settlements and Property Management		62 465	33 761	57 450	63 582	83 574	83 574	24 263	45 488	40 539
3.1 - INTERGRATED HUMAN SETTLEMENTS		47 879	18 147	41 550	34 150	55 920	55 920	7 767	28 000	22 000
3.2 - PROPERTY MANAGEMENT		3 893	4 274	3 671	4 803	7 527	7 527	5 090	5 397	5 722
3.3 - FACILITIES MANAGEMENT		-	-	-	11 450	11 450	11 450	4 973	5 271	5 588
3.4 - HOUSING ADMINISTRATION		10 693	11 340	12 229	13 179	8 677	8 677	6 434	6 820	7 229
Vote 4 - Engineering Services		703 396	748 527	883 729	903 929	906 126	906 126	926 931	987 653	1 060 323
4.1 - ENGINEERING SERVICES GENERAL		-	-	4	5	5	5	5	6	6
4.2 - REFUSE REMOVAL		43 343	54 982	63 853	69 519	69 519	69 519	75 761	82 261	89 768
4.3 - SEWERAGE		89 224	94 300	144 000	144 657	150 582	150 582	131 456	151 818	153 197
4.4 - ROADS AND STORMWATER		4 332	5 021	5 826	10 357	14 357	14 357	3 650	777	729
4.5 - WATER SERVICES		133 913	157 616	168 948	157 708	160 433	160 433	180 632	186 739	206 286
4.6 - ELECTRICAL ENGINEERING SERVICE		432 583	436 608	501 100	521 683	511 230	511 230	535 427	566 052	610 336
Vote 5 - Community and Protection Services		90 323	62 968	114 490	107 030	128 240	128 240	132 907	137 684	144 794
5.1 - COMMUNITY & PROTECTION SERVICES GENERAL		-	-	80	70	70	70	-	-	-
5.2 - FIRE SERVICES		96	473	465	513	513	513	540	568	-
5.3 - TRAFFIC SERVICES		81 193	50 563	102 103	83 790	105 000	105 000	107 129	110 446	114 880
5.4 - DISASTER MANAGEMENT		-	-	-	-	-	-	-	-	-
5.5 - LAW ENFORCEMENT		117	45	2	49	49	49	56	59	6
5.6 - PARKS, RIVERS AND AREA CLEANING		3 650	2 481	(1 062)	692	692	692	6 001	6 371	7 143
5.7 - SPORTSGROUNDS AND PICNIC SITES		2 952	2 604	2 401	10 087	10 087	10 087	6 847	7 223	9 031
5.8 - CEMETERIES		629	774	993	853	853	853	767	814	856
5.9 - HALLS		458	505	453	567	567	567	394	417	442
5.10 - LIBRARIES		1 228	5 524	9 055	10 408	10 408	10 408	11 174	11 785	12 435
Vote 6 - Strategic and Corporate Services		2 199	2 172	1 540	1 377	1 437	1 437	143	148	154
6.1 - CORPORATE SERVICES GENERAL		355	397	571	401	401	401	503	534	568
6.2 - HUMAN RESOURCES		1 075	1 620	699	815	875	875	16	17	18
6.3 - PROPERTY MANAGEMENT		-	-	-	-	-	-	-	-	-
6.4 - SECRETARIATE AND ADMINISTRATIO		-	-	-	-	-	-	-	-	-
6.5 - COUNCIL GENERAL AND SUPPORT		504	154	269	159	159	159	(380)	(406)	(435)
6.6 - INFORMATION TECHNOLOGY		-	-	-	-	-	-	-	-	-
6.7 - CORPORATE STRATEGY		-	-	-	-	-	-	-	-	-
6.8 - LEGAL SERVICES		265	-	-	2	2	2	3	3	3
		-	-	-	-	-	-	-	-	-
		-	2	2	-	-	-	-	-	-
Vote 7 - Financial Services		340 365	303 319	347 533	352 705	362 703	362 703	391 250	412 694	432 193
7.1 - Financial Services General		329 603	300 686	333 788	333 497	343 495	343 495	362 156	376 065	392 365
7.2 - Stores		20	-	-	-	-	-	-	-	-
7.3 - SCM		145	156	56	172	172	172	26	28	30
		10 597	2 478	13 689	19 036	19 036	19 036	29 068	36 602	39 798
Total Revenue by Vote	2	1 203 832	1 156 566	1 411 166	1 436 637	1 490 495	1 490 495	1 488 083	1 592 017	1 686 970

WC024 Stellenbosch - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Expenditure by Vote										
Vote 1 - Office of the Municipal Manager	1	7 640	7 717	8 303	14 291	14 291	14 291	23 158	24 770	26 512
1.1 - MUNICIPAL MANAGER'S OFFICE		5 915	5 934	6 252	6 612	6 612	6 612	11 069	11 978	12 967
1.2 - INTERNAL AUDIT		1 725	1 784	2 052	7 679	7 679	7 679	12 089	12 792	13 545
1.3 - RISK MANAGEMENT		-	-	-	-	-	-	-	-	-
Vote 2 - Planning and Development		21 091	29 446	35 444	53 835	56 910	56 910	58 316	62 774	67 613
2.1 - PLANNING AND DEVELOPMENT GENERAL		(40)	7 112	9 151	13 323	17 440	17 440	16 853	19 586	21 114
2.2 - BUILDING CONTROL		7 272	7 731	8 075	8 784	8 840	8 840	11 000	12 032	13 162
2.3 - TOWN PLANNING		6 088	5 916	7 428	8 696	8 696	8 696	7 850	8 590	9 401
2.4 - TOWN DEVELOPMENT		1 136	908	914	1 280	1 280	1 280	1 309	1 335	1 362
2.5 - COMMUNITY DEVELOPMENT		3 508	3 841	5 429	13 190	13 059	13 059	10 471	9 761	10 421
2.6 - LOCAL ECONOMIC DEVELOPMENT		3 127	3 938	4 447	8 563	7 596	7 596	10 832	11 469	12 153
Vote 3 - Human Settlements and Property Management		81 043	55 037	73 679	69 261	96 929	96 929	69 257	73 527	78 120
3.1 - INTEGRATED HUMAN SETTLEMENTS		49 982	17 919	38 745	19 093	46 261	46 261	19 747	21 270	22 930
3.2 - PROPERTY MANAGEMENT		6 177	8 020	9 500	14 050	14 550	14 550	13 494	14 162	14 869
3.3 - FACILITIES MANAGEMENT		11 944	16 956	14 804	20 150	20 150	20 150	21 356	22 460	23 635
3.4 - HOUSING ADMINISTRATION		12 941	12 142	10 631	15 968	15 968	15 968	14 660	15 635	16 686
Vote 4 - Engineering Services		686 550	782 051	795 495	890 834	880 134	880 134	810 393	865 676	913 557
4.1 - ENGINEERING SERVICES GENERAL		9 246	46 993	12 500	29 130	33 106	33 106	14 301	15 310	16 401
4.2 - REFUSE REMOVAL		57 235	64 897	56 643	75 245	75 482	75 482	71 937	75 605	79 505
4.3 - SEWERAGE		62 179	73 496	83 925	102 192	97 095	97 095	97 121	114 197	121 439
4.4 - ROADS AND STORMWATER		73 057	74 840	79 325	83 009	83 409	83 409	87 759	91 537	95 565
4.5 - WATER SERVICES		102 915	119 498	107 663	116 795	117 228	117 228	108 697	114 384	120 461
4.6 - ELECTRICAL ENGINEERING SERVICE		315 824	329 643	365 985	409 563	397 094	397 094	404 207	427 218	451 662
4.7 - CLIENT SERVICES		8 020	8 007	9 375	8 806	10 625	10 625	2 786	2 897	3 013
4.8 - SYSTEM OPERATIONS		58 073	64 678	80 080	66 095	66 095	66 095	23 585	24 529	25 510
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 5 - Community and Protection Services		157 237	165 506	226 087	215 176	255 709	255 709	321 478	344 131	368 597
5.1 - COMMUNITY & PROTECTION SERVICES GENERAL		7 291	19 413	13 165	18 793	21 840	21 840	7 347	8 253	8 936
5.2 - FIRE SERVICES		19 960	21 660	26 108	26 785	27 246	27 246	29 582	32 191	35 041
5.3 - TRAFFIC SERVICES		65 462	53 951	104 692	75 061	104 961	104 961	123 635	131 641	140 221
5.4 - DISASTER MANAGEMENT		408	548	893	437	567	567	3 836	4 061	4 301
5.5 - LAW ENFORCEMENT		2 226	6 164	7 326	20 728	21 246	21 246	48 644	52 027	55 837
5.6 - PARKS, RIVERS AND AREA CLEANING		35 822	35 677	44 245	40 855	47 295	47 295	72 771	77 635	82 973
5.7 - SPORTSGROUNDS AND PICNIC SITES		11 010	10 923	11 882	11 368	11 368	11 368	14 025	14 888	15 870
5.8 - CEMETERIES		2 465	2 966	3 101	4 261	4 311	4 311	4 657	4 999	5 368
5.9 - HALLS		2 967	3 003	3 558	3 679	3 665	3 665	4 156	4 501	4 876
5.10 - LIBRARIES		9 625	11 201	11 118	13 209	13 209	13 209	12 823	13 937	15 176
Vote 6 - Strategic and Corporate Services		68 736	61 346	78 354	71 680	80 591	80 591	121 293	125 616	130 289
6.1 - CORPORATE SERVICES GENERAL		3 896	8 291	4 502	5 972	5 972	5 972	2 678	2 867	3 072
6.2 - HUMAN RESOURCES		3 468	4 796	5 087	10 109	12 139	12 139	34 371	33 446	32 495
6.3 - PROPERTY MANAGEMENT		1 431	1 098	1 124	1 922	1 922	1 922	5 018	5 422	5 863
6.4 - SECRETARIATE AND ADMINISTRATIO		3 223	3 692	4 696	4 165	4 265	4 265	4 817	5 221	5 661
6.5 - COUNCIL GENERAL AND SUPPORT		40 744	29 534	40 897	22 493	22 493	22 493	31 789	33 495	35 303
6.6 - INFORMATION TECHNOLOGY		3 407	-	-	10 265	11 596	11 596	-	-	-
6.7 - CORPORATE STRATEGY		1 905	3 725	4 768	2 886	3 336	3 336	22 809	24 041	25 356
6.8 - LEGAL SERVICES		10 662	1 903	2 294	13 867	18 867	18 867	7 947	8 507	9 113
		-	-	-	-	-	-	-	-	-
		-	8 307	14 986	-	-	-	11 864	12 617	13 427
Vote 7 - Financial Services		26 671	30 949	44 132	65 062	66 282	66 282	82 781	86 661	90 153
7.1 - Financial Services General		26 595	30 567	42 750	45 416	46 636	46 636	81 664	85 448	88 837
7.2 - Stores		-	-	-	56	56	56	1 083	1 177	1 279
7.3 - SCM		75	79	109	86	86	86	35	36	37
		-	303	1 273	19 504	19 504	19 504	-	-	-
Total Expenditure by Vote	2	1 048 969	1 132 053	1 261 496	1 380 139	1 450 845	1 450 845	1 486 676	1 583 156	1 674 841
Surplus/(Deficit) for the year	2	154 864	24 513	149 671	56 498	39 650	39 650	1 407	8 861	12 129

EXPLANATORY NOTES

Table A3: Budgeted Financial Performance (revenue and expenditure by municipal vote)

Revenue by Vote

Planning and Development

Building Control

The increase is due to the substantial tariff increases.

Human Settlements

Integrated Human Settlements

The decrease is due to the reduced human settlements grant funding.

Engineering Services

Refuse Removal

Increase due to annual tariff increase. It is however important to note that the proposed revenue is based on the anticipated actual performance of the income to be derived in 2016/2017 and not based on the approved budget for the same year.

Sewerage

Decrease due to the exclusion of the Regional Bulk Infrastructure Grant for the waste water treatment works in Stellenbosch.

Water Services

Increase due to annual tariff increase. It is however important to note that the proposed revenue is based on the anticipated actual performance of the income to be derived in 2016/2017 and not based on the approved budget for the same year.

COMMUNITY AND PROTECTION SAFETY

Parks, Rivers and Area Cleaning

The increase is a result of re-classification/ re-categorization of items to functions in alignment with mSCOA.

Expenditure by Vote

HUMAN SETTLEMENTS

Integrated Human Settlements

The decrease is due to the reduced human settlements grant funding.

ENGINEERING SERVICES

The decrease in the vote's expenditure is attributable to implementation of the cost containment measures and splitting the finance charges from borrowings (which were previously accounted for in the vote) between different votes.

COMMUNITY AND PROTECTION SERVICES

Law Enforcement

The increase is a result of re-classification/ re-categorization of items to functions in alignment with mSCOA.

STRATEGIC AND CORPORATE SERVICES

Human Resources

The increase in expenses is because of the centralization of recruitment costs to the Human Resources Department.

FINANCIAL SERVICES

Financial Services General

The steep increase is due to increase of a re-classification/ re-categorization of items to functions in alignment with mSCOA.

WC024 Stellenbosch - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source											
Property rates	2	235 933	252 369	270 379	286 997	288 275	288 275	288 275	313 009	331 790	351 697
Service charges - electricity revenue	2	423 563	415 477	466 637	486 545	476 092	476 092	476 092	496 336	526 495	559 523
Service charges - water revenue	2	103 002	122 013	141 998	125 481	128 206	128 206	128 206	143 043	153 055	163 767
Service charges - sanitation revenue	2	56 809	65 556	77 121	73 484	79 409	79 409	79 409	88 677	96 658	105 357
Service charges - refuse revenue	2	35 250	40 025	44 719	42 013	42 013	42 013	42 013	46 351	50 522	55 069
Service charges - other		(14 955)	(17 291)	(24 761)	-	-	-	-	-	-	-
Rental of facilities and equipment		15 368	16 810	16 791	19 488	14 886	14 886	14 886	17 994	19 074	20 218
Interest earned - external investments		29 858	40 186	49 713	36 877	45 377	45 377	45 377	37 999	32 553	28 178
Interest earned - outstanding debtors		4 887	6 314	5 714	7 284	7 284	7 284	7 284	7 664	8 274	8 932
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		71 128	38 752	90 713	70 821	92 031	92 031	92 031	97 064	99 742	103 491
Licences and permits		5 901	7 120	7 239	8 100	8 100	8 100	8 100	9 913	10 572	11 277
Agency services		1 844	2 018	1 907	2 268	2 268	2 268	2 268	2 514	2 670	2 836
Transfers and subsidies		92 688	82 289	123 909	112 721	140 154	140 154	140 154	128 342	138 159	158 544
Other revenue	2	80 246	26 371	35 730	36 628	36 628	36 628	36 628	37 598	38 536	40 627
Gains on disposal of PPE		1 380	1 256	-	1 370	1 370	1 370	1 370	1 441	1 516	-
Total Revenue (excluding capital transfers and contributions)		1 142 904	1 099 264	1 307 807	1 310 077	1 362 094	1 362 094	1 362 094	1 427 946	1 509 615	1 609 517
Expenditure By Type											
Employee related costs	2	282 933	313 819	350 842	397 314	406 478	406 478	406 478	485 607	525 145	567 792
Remuneration of councillors		13 527	14 431	15 844	17 027	17 027	17 027	17 027	17 293	18 157	19 065
Debt impairment	3	92 265	39 991	69 067	23 887	63 496	63 496	63 496	65 924	70 539	75 477
Depreciation & asset impairment	2	137 899	158 374	149 053	165 200	165 200	165 200	165 200	168 339	171 970	175 685
Finance charges		11 343	13 409	22 714	31 472	20 222	20 222	20 222	28 622	40 822	42 822
Bulk purchases	2	269 097	287 344	323 734	351 285	344 317	344 317	344 317	346 143	366 911	388 926
Other materials	8										
Contracted services		31 357	38 898	15 112	17 209	17 384	17 384	17 384	191 605	199 269	207 240
Transfers and subsidies		4 818	5 555	8 175	8 703	8 375	8 375	8 375	6 250	6 563	6 891
Other expenditure	4, 5	205 456	260 232	306 021	368 043	408 347	408 347	408 347	176 893	183 781	190 944
Loss on disposal of PPE		275	-	934							
Total Expenditure		1 048 969	1 132 053	1 261 496	1 380 139	1 450 845	1 450 845	1 450 845	1 486 676	1 583 156	1 674 841
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		93 935	(32 788)	46 311	(70 062)	(88 752)	(88 752)	(88 752)	(58 730)	(73 541)	(65 324)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		60 929	57 302	103 360	126 560	128 401	128 401	128 401	60 137	82 402	77 453
Transfers and subsidies - capital (in-kind - all)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		154 864	24 513	149 671	56 498	39 650	39 650	39 650	1 407	8 861	12 129
Taxation											
Surplus/(Deficit) after taxation		154 864	24 513	149 671	56 498	39 650	39 650	39 650	1 407	8 861	12 129
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		154 864	24 513	149 671	56 498	39 650	39 650	39 650	1 407	8 861	12 129
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		154 864	24 513	149 671	56 498	39 650	39 650	39 650	1 407	8 861	12 129

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item: e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development: e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method (Includes Joint Ventures)

EXPLANATORY NOTES

Table A4: Budgeted Financial Performance (revenue and expenditure)

Revenue by Source

Property Rates

Increase in Property Rates revenue is based on the significant increase in property valuations, although the average tariff for property rates decreased.

Water

Proposed revenue is based on the anticipated actual performance of the income to be derived in the 2016/2017 financial year and not based on the approved budget for the same year. Therefore the increase in income is more than the revenue to be derived from the average tariff increase of 7%.

Sewerage

Proposed revenue is based on the anticipated actual performance of the income to be derived in the 2016/2017 financial year and not based on the approved budget for the same year. Therefore the increase in income is more than the revenue to be derived from the average tariff increase of 7%.

Refuse

Proposed revenue is based on the anticipated actual performance of the income to be derived in the 2016/2017 financial year and not based on the approved budget for the same year. Therefore the increase in income is more than the revenue to be derived from the average tariff increase of 6.2%.

Expenditure by type**Employee Related Costs**

The increase in Employee Costs emanates from the outcomes of the TASK evaluation process.

Finance Charges

The increase in Finance Charges is as a result of increased borrowings.

Other Expenditure

Refer to attachment of Table A1 for detail.

WC024 Stellenbosch - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 3 - Human Settlements and Property Management		13 231	19 438	124	43 650	48 906	48 906	48 906	31 767	36 420	19 320
Vote 4 - Engineering Services		57 499	108 134	108 134	289 036	255 202	255 202	255 202	200 937	141 644	83 500
Vote 5 - Community and Protection Services		-	1 502	366	11 163	12 013	12 013	12 013	-	-	-
Vote 6 - Strategic and Corporate Services		-	-	-	5 000	6 200	6 200	6 200	3 500	2 000	1 300
Vote 7 - Financial Services		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	70 730	129 074	108 624	348 849	322 321	322 321	322 321	236 204	180 064	104 120
Single-year expenditure to be appropriated	2										
Vote 1 - Office of the Municipal Manager		94	13	36	35	35	35	35	35	35	35
Vote 2 - Planning and Development		1 134	872	1 315	3 077	3 333	3 333	3 333	5 393	2 335	250
Vote 3 - Human Settlements and Property Management		6 216	7 633	27 698	9 920	16 768	16 768	16 768	21 105	10 980	6 270
Vote 4 - Engineering Services		79 593	74 130	264 329	84 616	113 719	113 719	113 719	129 961	107 070	100 565
Vote 5 - Community and Protection Services		12 783	14 001	14 538	13 705	20 030	20 030	20 030	21 879	13 780	10 383
Vote 6 - Strategic and Corporate Services		3 717	2 668	4 931	2 560	5 845	5 845	5 845	1 610	5 100	5 100
Vote 7 - Financial Services		473	1 552	1 289	1 030	530	530	530	1 870	150	150
Capital single-year expenditure sub-total		104 010	100 869	314 136	114 943	160 259	160 259	160 259	181 853	139 450	122 753
Total Capital Expenditure - Vote		174 741	229 943	422 760	463 792	482 580	482 580	482 580	418 057	319 514	226 873
Capital Expenditure - Functional											
Governance and administration		15 456	16 622	32 813	29 188	26 247	26 247	26 247	26 265	13 875	11 435
Executive and council		993	13	18 260	35	35	35	35	35	35	35
Finance and administration		14 463	16 609	1 289	29 153	26 212	26 212	26 212	26 230	13 840	11 400
Internal audit		-	-	13 265	-	-	-	-	-	-	-
Community and public safety		20 960	27 650	13 308	56 090	81 145	81 145	81 145	53 501	51 870	29 143
Community and social services		966	2 308	1 845	2 917	17 707	17 707	17 707	8 364	6 205	6 273
Sport and recreation		6 436	6 133	6 701	12 713	14 526	14 526	14 526	2 530	1 030	130
Public safety		1 214	188	571	2 900	9 117	9 117	9 117	7 785	3 825	2 000
Housing		12 344	19 021	4 191	37 560	39 796	39 796	39 796	34 822	40 810	20 740
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		31 365	42 335	38 072	52 638	61 554	61 554	61 554	58 025	40 970	30 860
Planning and development		1 137	872	1 315	3 077	3 333	3 333	3 333	5 853	2 645	540
Road transport		28 467	40 314	34 651	48 081	56 742	56 742	56 742	50 722	37 125	29 620
Environmental protection		1 761	1 149	2 106	1 480	1 480	1 480	1 480	1 450	1 200	700
Trading services		106 712	143 336	264 620	325 876	313 634	313 634	313 634	278 866	211 429	154 085
Energy sources		29 320	39 435	38 047	49 590	51 055	51 055	51 055	49 448	55 850	61 400
Water management		38 614	62 283	60 080	59 719	56 171	56 171	56 171	77 600	55 100	41 850
Waste water management		38 255	34 783	163 874	200 567	190 074	190 074	190 074	139 983	82 094	38 450
Waste management		523	6 834	2 620	16 000	16 335	16 335	16 335	11 835	18 385	12 385
Other		248	-	48	-	-	-	1 400	1 400	1 370	1 350
Total Capital Expenditure - Functional	3	174 741	229 943	348 861	463 792	482 580	482 580	482 580	418 057	319 514	226 873
Funded by:											
National Government		36 839	47 439	86 977	80 106	80 106	80 106	80 106	47 594	52 302	59 353
Provincial Government		13 481	9 780	16 382	36 430	38 271	38 271	38 271	12 543	30 100	18 100
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	50 319	57 220	103 359	116 536	118 377	118 377	118 377	60 137	82 402	77 453
Public contributions & donations	5	10 609	82	-	11 024	13 174	13 174	13 174	-	-	-
Borrowing	6	11 533	57 433	92 567	161 000	-	-	-	160 000	80 000	-
Internally generated funds		102 279	115 209	152 934	175 231	351 029	351 029	351 029	197 920	157 112	149 420
Total Capital Funding	7	174 741	229 943	348 861	463 792	482 580	482 580	482 580	418 057	319 514	226 873

WC024 Stellenbosch - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1										
Capital expenditure - Municipal Vote	2										
Multi-year expenditure appropriation											
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
1.1 - MUNICIPAL MANAGER'S OFFICE		-	-	-	-	-	-	-	-	-	-
1.2 - INTERNAL AUDIT		-	-	-	-	-	-	-	-	-	-
1.3 - RISK MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 2 - Planning and Development		-	-	-	-	-	-	-	-	-	-
2.1 - PLANNING AND DEVELOPMENT GENERAL		-	-	-	-	-	-	-	-	-	-
2.2 - BUILDING CONTROL		-	-	-	-	-	-	-	-	-	-
2.3 - TOWN PLANNING		-	-	-	-	-	-	-	-	-	-
2.4 - TOWN DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
2.5 - COMMUNITY DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
2.6 - LOCAL ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 3 - Human Settlements and Property Management		13 231	19 438	124	43 650	48 906	48 906	48 906	31 767	36 420	19 320
3.1 - INTERGRATED HUMAN SETTLEMENTS		13 231	18 607	-	34 350	38 824	38 824	38 824	22 767	36 420	19 320
3.2 - PROPERTY MANAGEMENT		-	830	-	-	9 782	9 782	9 782	9 000	-	-
3.3 - FACILITIES MANAGEMENT		-	-	124	9 300	300	300	300	-	-	-
3.4 - HOUSING ADMINISTRATION		-	-	-	-	-	-	-	-	-	-
Vote 4 - Engineering Services		57 499	108 134	108 134	289 036	255 202	255 202	255 202	200 937	141 644	83 500
4.1 - ENGINEERING SERVICES GENERAL		-	715	715	-	-	-	-	-	-	-
4.2 - REFUSE REMOVAL		430	3 242	3 242	8 600	(732)	(732)	(732)	6 000	13 000	6 000
4.3 - SEWERAGE		32 857	30 778	30 778	198 517	188 024	188 024	188 024	127 633	78 644	33 500
4.4 - ROADS AND STORMWATER		-	16 667	16 667	4 000	3 350	3 350	3 350	4 000	-	-
4.5 - WATER SERVICES		24 213	35 315	35 315	50 119	45 010	45 010	45 010	50 100	33 000	25 000
4.6 - ELECTRICAL ENGINEERING SERVICE		-	21 417	21 417	27 800	19 550	19 550	19 550	13 204	17 000	19 000
4.7 - CLIENT SERVICES		-	-	-	-	-	-	-	-	-	-
4.8 - SYSTEM OPERATIONS		-	-	-	-	-	-	-	-	-	-
Vote 5 - Community and Protection Services		-	1 502	366	11 163	12 013	12 013	12 013	-	-	-
5.1 - COMMUNITY & PROTECTION SERVICES GENERAL		-	-	-	500	500	500	500	-	-	-
5.2 - FIRE SERVICES		-	-	-	-	-	-	-	-	-	-
5.3 - TRAFFIC SERVICES		-	-	-	-	-	-	-	-	-	-
5.4 - DISASTER MANAGEMENT		-	-	-	-	-	-	-	-	-	-
5.5 - LAW ENFORCEMENT		-	1 202	262	200	1 050	1 050	1 050	-	-	-
5.6 - PARKS, RIVERS AND AREA CLEANING		-	-	-	1 130	1 130	1 130	1 130	-	-	-
5.7 - SPORTSGROUNDS AND PICNIC SITES		-	300	-	9 333	9 333	9 333	9 333	-	-	-
5.8 - CEMETERIES		-	-	-	-	-	-	-	-	-	-
5.9 - HALLS		-	-	-	-	-	-	-	-	-	-
5.10 - LIBRARIES		-	-	104	-	-	-	-	-	-	-
Vote 6 - Strategic and Corporate Services		-	-	-	5 000	6 200	6 200	6 200	3 500	2 000	1 300
6.1 - CORPORATE SERVICES GENERAL		-	-	-	-	-	-	-	-	-	-
6.2 - HUMAN RESOURCES		-	-	-	-	-	-	-	-	-	-
6.3 - PROPERTY MANAGEMENT		-	-	-	-	-	-	-	-	-	-
6.4 - SECRETARIATE AND ADMINISTRATIO		-	-	-	-	-	-	-	-	-	-
6.5 - COUNCIL GENERAL AND SUPPORT		-	-	-	-	-	-	-	-	-	-
6.6 - INFORMATION TECHNOLOGY		-	-	-	5 000	6 200	6 200	6 200	3 500	2 000	1 300
6.7 - CORPORATE STRATEGY		-	-	-	-	-	-	-	-	-	-
6.8 - LEGAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 7 - Financial Services		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		70 730	129 074	108 624	348 849	322 321	322 321	322 321	236 204	180 064	104 120

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1										
Capital expenditure - Municipal Vote											
Single-year expenditure appropriation	2										
Vote 1 - Office of the Municipal Manager		94	13	36	35	35	35	35	35	35	35
1.1 - MUNICIPAL MANAGER'S OFFICE		-	13	36	35	35	35	35	35	35	35
1.2 - INTERNAL AUDIT		94	-	-	-	-	-	-	-	-	-
1.3 - RISK MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 2 - Planning and Development		1 134	872	1 315	3 077	3 333	3 333	3 333	5 393	2 335	250
2.1 - PLANNING AND DEVELOPMENT GENERAL		1 134	711	1 135	3 077	2 882	2 882	2 882	132	20	-
2.2 - BUILDING CONTROL		-	-	-	-	-	-	-	-	-	-
2.3 - TOWN PLANNING		-	135	154	-	-	-	-	1 005	-	-
2.4 - TOWN DEVELOPMENT		-	26	27	-	-	-	-	-	-	-
2.5 - COMMUNITY DEVELOPMENT		-	-	-	-	54	54	54	63	15	250
2.6 - LOCAL ECONOMIC DEVELOPMENT		-	-	-	-	397	397	397	4 193	2 300	-
Vote 3 - Human Settlements and Property Management		6 216	7 633	27 698	9 920	16 768	16 768	16 768	21 105	10 980	6 270
3.1 - INTERGRATED HUMAN SETTLEMENTS		83	201	21 941	3 040	(3 396)	(3 396)	(3 396)	8 025	4 370	1 420
3.2 - PROPERTY MANAGEMENT		4 619	6 321	3 871	2 040	13 905	13 905	13 905	13 050	6 590	4 850
3.3 - FACILITIES MANAGEMENT		1 473	899	1 413	4 670	4 320	4 320	4 320	-	-	-
3.4 - HOUSING ADMINISTRATION		42	213	473	170	1 939	1 939	1 939	30	20	-
Vote 4 - Engineering Services		79 593	74 130	264 329	84 616	113 719	113 719	113 719	129 961	107 070	100 565
4.1 - ENGINEERING SERVICES GENERAL		2 161	56	747	575	883	883	883	460	310	510
4.2 - REFUSE REMOVAL		528	2 652	2 620	7 400	17 067	17 067	17 067	5 835	5 385	6 385
4.3 - SEWERAGE		5 257	2 805	162 728	850	850	850	850	11 900	3 700	4 450
4.4 - ROADS AND STORMWATER		28 304	23 630	28 277	44 401	53 712	53 712	53 712	47 772	37 475	30 470
4.5 - WATER SERVICES		14 402	26 969	46 623	9 600	11 161	11 161	11 161	26 750	21 350	16 350
4.6 - ELECTRICAL ENGINEERING SERVICE		28 941	18 018	23 335	21 790	30 047	30 047	30 047	37 244	38 850	42 400
4.7 - CLIENT SERVICES		-	-	-	-	-	-	-	-	-	-
4.8 - SYSTEM OPERATIONS		-	-	-	-	-	-	-	-	-	-
Vote 5 - Community and Protection Services		12 783	14 001	14 538	13 705	20 030	20 030	20 030	21 879	13 780	10 383
5.1 - COMMUNITY & PROTECTION SERVICES GENERAL		347	179	2 802	-	-	-	-	50	20	-
5.2 - FIRE SERVICES		867	9	302	2 400	2 600	2 600	2 600	3 490	900	500
5.3 - TRAFFIC SERVICES		304	1 215	1 454	730	730	730	730	2 200	850	150
5.4 - DISASTER MANAGEMENT		-	-	-	-	-	-	-	-	-	-
5.5 - LAW ENFORCEMENT		2 243	2 367	1 917	1 928	7 945	7 945	7 945	2 895	2 075	1 350
5.6 - PARKS, RIVERS AND AREA CLEANING		4 765	3 329	3 289	1 690	2 902	2 902	2 902	3 725	2 850	2 200
5.7 - SPORTSGROUNDS AND PICNIC SITES		3 291	4 594	3 033	2 040	2 640	2 640	2 640	7 934	6 725	6 183
5.8 - CEMETERIES		149	745	947	520	520	520	520	520	20	-
5.9 - HALLS		358	405	719	850	1 146	1 146	1 146	200	-	-
5.10 - LIBRARIES		458	1 158	74	3 547	1 547	1 547	1 547	865	340	-
Vote 6 - Strategic and Corporate Services		3 717	2 668	4 931	2 560	5 845	5 845	5 845	1 610	5 100	5 100
6.1 - CORPORATE SERVICES GENERAL		87	843	679	1 060	1 316	1 316	1 316	810	4 500	4 500
6.2 - HUMAN RESOURCES		-	-	40	-	-	-	-	-	-	-
6.3 - PROPERTY MANAGEMENT		-	-	-	-	-	-	-	-	-	-
6.4 - SECRETARIATE AND ADMINISTRATIO		-	-	-	-	-	-	-	-	-	-
6.5 - COUNCIL GENERAL AND SUPPORT		-	-	-	-	-	-	-	-	-	-
6.6 - INFORMATION TECHNOLOGY		3 630	1 696	-	1 500	4 529	4 529	4 529	800	600	600
6.7 - CORPORATE STRATEGY		-	129	2 975	-	-	-	-	-	-	-
6.8 - LEGAL SERVICES		-	-	1 237	-	-	-	-	-	-	-
Vote 7 - Financial Services		473	1 552	1 289	1 030	530	530	530	1 870	150	150
7.1 - Financial Services General		473	1 552	1 289	1 030	530	530	530	1 870	150	150
7.2 - Stores		-	-	-	-	-	-	-	-	-	-
7.3 - SCM		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		104 010	100 869	314 136	114 943	160 259	160 259	160 259	181 853	139 450	122 753
Total Capital Expenditure		174 741	229 943	422 760	463 792	482 580	482 580	482 580	418 057	319 514	226 873

EXPLANATORY NOTES

Table A5: Budgeted Capital Expenditure by vote, standard classification and funding

The overall decrease in the capital budget is due to massive investment in infrastructure that was under-taken in the 15/16 and 16/17 financial years to redress the infrastructure backlog. The 2017-2020 MTREF capital budgets are to “consolidate” infrastructure investments.

Furthermore, there were reductions in capital grants that limited the municipality in expanding the infrastructure and asset base in the form of RBIG, Human Settlements Grant and INEP.

WC024 Stellenbosch - Table A6 Budgeted Financial Position

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
ASSETS											
Current assets											
Cash		14 273	16 782	7 948	30 416	88 827	88 827	88 827	18 896	21 644	31 717
Call investment deposits	1	490 655	592 648	600 239	365 310	365 310	365 310	365 310	400 646	347 635	298 715
Consumer debtors	1	156 050	98 783	112 194	96 734	96 734	96 734	96 734	105 505	113 124	120 234
Other debtors		49 821	97 892	123 325	55 877	55 877	55 877	55 877	60 646	54 827	58 636
Current portion of long-term receivables		77	906	1 387	40	40	40	40	40	40	40
Inventory	2	16 371	21 632	35 658	14 761	14 761	14 761	14 761	13 746	15 729	14 389
Total current assets		727 247	828 643	880 752	563 137	621 548	621 548	621 548	599 478	552 999	523 731
Non current assets											
Long-term receivables		628	4 175	2 188	2 006	2 006	2 006	2 006	2 006	2 006	2 006
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		539 343	414 211	413 958	551 396	551 396	551 396	551 396	561 220	570 001	575 681
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	4 090 225	3 985 118	4 174 416	4 628 865	4 628 931	4 628 931	4 628 931	4 867 141	5 008 349	5 054 966
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		10 808	10 659	8 907	11 545	11 545	11 545	11 545	12 875	13 825	14 725
Intangible		3 228	5 328	6 777	14 516	15 388	15 388	15 388	15 741	15 728	15 998
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		4 644 232	4 419 492	4 606 246	5 208 328	5 209 266	5 209 266	5 209 266	5 458 984	5 609 909	5 663 377
TOTAL ASSETS		5 371 479	5 248 135	5 486 998	5 771 465	5 830 815	5 830 815	5 830 815	6 058 462	6 162 908	6 187 108
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	10 480	9 105	11 908	10 039	10 039	10 039	10 039	16 984	19 895	18 895
Consumer deposits		11 443	12 488	13 191	12 976	12 976	12 976	12 976	12 976	12 976	12 976
Trade and other payables	4	168 025	222 179	252 498	190 547	190 547	190 547	190 547	196 635	201 634	210 777
Provisions		53 087	81 737	46 140	42 675	42 675	42 675	42 675	51 639	55 004	60 626
Total current liabilities		243 034	325 510	323 738	256 237	256 237	256 237	256 237	278 234	289 509	303 275
Non current liabilities											
Borrowing		109 962	150 334	186 386	349 342	322 617	322 617	176 595	314 867	374 972	356 076
Provisions		202 257	229 197	284 109	241 159	241 159	241 159	241 159	261 975	284 349	313 195
Total non current liabilities		312 218	379 531	470 495	590 501	563 776	563 776	417 754	576 842	659 321	669 272
TOTAL LIABILITIES		555 252	705 041	794 233	846 738	820 013	820 013	673 991	855 077	948 830	972 547
NET ASSETS	5	4 816 226	4 543 094	4 692 765	4 924 727	5 010 801	5 010 801	5 156 823	5 203 385	5 214 078	5 214 561
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		3 855 555	4 543 094	4 692 765	3 276 555	3 410 375	3 410 375	3 556 397	4 963 006	5 003 698	5 034 181
Reserves	4	960 671	-	-	1 648 172	1 600 427	1 600 427	1 600 427	240 380	210 380	180 380
TOTAL COMMUNITY WEALTH/EQUITY	5	4 816 226	4 543 094	4 692 765	4 924 727	5 010 801	5 010 801	5 156 823	5 203 385	5 214 078	5 214 561

References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

WC024 Stellenbosch - Table A7 Budgeted Cash Flows

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		233 568	242 274	266 402	281 200	282 478	282 478	282 478	300 489	318 518	337 629
Service charges		556 828	560 922	649 411	700 832	699 029	740 029	740 029	739 507	792 345	846 906
Other revenue		23 247	123 133	107 732	79 292	99 820	99 820	99 820	97 893	101 447	106 636
Government - operating	1	90 948	85 710	115 759	110 550	134 063	134 063	134 063	128 342	138 159	158 544
Government - capital	1	61 476	57 220	120 192	128 731	130 572	130 572	130 572	60 137	82 402	77 453
Interest		29 858	40 186	46 347	43 433	51 933	60 933	60 933	45 356	40 413	36 663
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(756 815)	(792 769)	(973 863)	(1 081 273)	(1 128 658)	(1 048 658)	(1 048 658)	(1 145 401)	(1 222 864)	(1 306 199)
Finance charges		(11 343)	(13 409)	(20 391)	(31 472)	(20 222)	(20 222)	(20 222)	(28 622)	(40 822)	(42 822)
Transfers and Grants	1	(4 788)	(5 555)	(6 216)	(7 891)	(7 563)	(7 563)	(7 563)	(6 250)	(6 563)	(6 891)
NET CASH FROM/(USED) OPERATING ACTIVITIES		222 979	297 711	305 374	223 401	241 453	371 453	371 453	191 451	203 036	207 921
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		2 982	1 744	353	5 698	5 698	5 698	5 698	3 500	3 200	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		1 376	(4 158)	2 142	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	558	(480 000)	-	-	-	-	-	-	-
Payments											
Capital assets		(174 367)	(230 351)	(347 967)	(463 792)	(478 580)	(478 580)	(478 580)	(418 057)	(319 514)	(226 873)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(170 009)	(232 207)	(825 473)	(458 093)	(472 882)	(472 882)	(472 882)	(414 557)	(316 314)	(226 873)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		24 082	50 000	50 000	161 000	-	-	-	160 000	80 000	-
Increase (decrease) in consumer deposits		-	-	-	1 387	1 387	1 387	1 387	-	-	-
Payments											
Repayment of borrowing		(11 016)	(11 003)	(11 145)	(11 958)	(11 958)	(11 958)	(11 958)	(14 784)	(16 984)	(19 895)
NET CASH FROM/(USED) FINANCING ACTIVITIES		13 066	38 997	38 855	150 429	(10 571)	(10 571)	(10 571)	145 216	63 016	(19 895)
NET INCREASE/ (DECREASE) IN CASH HELD		66 036	104 502	(481 243)	(84 263)	(242 000)	(112 000)	(112 000)	(77 889)	(50 262)	(38 848)
Cash/cash equivalents at the year begin:	2	438 892	504 928	609 430	479 989	613 808	609 430	609 430	497 430	419 542	369 279
Cash/cash equivalents at the year end:	2	504 928	609 430	128 187	395 726	371 808	497 430	497 430	419 542	369 279	330 432

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

WC024 Stellenbosch - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash and investments available											
Cash/cash equivalents at the year end	1	504 928	609 430	128 187	395 726	371 808	497 430	497 430	419 542	369 279	330 432
Other current investments > 90 days		0	(0)	480 000	-	82 329	(43 293)	(43 293)	-	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		504 928	609 430	608 187	395 726	454 137	454 137	454 137	419 542	369 279	330 432
Application of cash and investments											
Unspent conditional transfers		33 741	37 080	46 821	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	(30 603)	(5 619)	(8 841)	48 974	48 280	42 886	42 886	44 795	47 572	46 634
Other provisions		201 583	-	165 426	164 693	164 693	164 693	164 693	51 639	55 004	60 626
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	144 176	113 547	177 900	148 611	214 409	214 409	3 000	240 380	210 380	180 380
Total Application of cash and investments:		348 897	145 007	381 305	362 278	427 382	421 988	210 579	336 814	312 955	287 640
Surplus(shortfall)		156 031	464 423	226 882	33 448	26 755	32 149	243 558	82 727	56 324	42 792

References

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT, taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable,
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

WC024 Stellenbosch - Table A9 Asset Management

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	76 356	111 856	104 203	63 868	81 320	81 320	200 133	183 919	108 660
Roads Infrastructure		24 820	3 613	(80)	4 280	2 676	2 676	15 342	38 934	12 690
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		28 680	5 196	9 850	16 300	14 748	14 748	17 700	5 750	28 300
Water Supply Infrastructure		(10 086)	18 115	32 618	26 000	21 823	21 823	39 200	40 800	28 100
Sanitation Infrastructure		11	29 779	(13 642)	250	(2 450)	(2 450)	49 556	58 655	15 000
Solid Waste Infrastructure		2 784	9 320	5 961	400	14 176	14 176	7 000	14 500	11 100
Rail Infrastructure		-	13	-	-	150	150	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		46 209	66 035	34 708	47 230	51 122	51 122	128 798	158 639	95 190
Community Facilities		9 051	6 732	34 453	5 183	13 924	13 924	22 507	7 700	4 520
Sport and Recreation Facilities		610	1 845	(674)	-	-	-	1 350	-	-
Community Assets		9 667	8 578	33 779	5 183	13 924	13 924	23 857	7 700	4 520
Heritage Assets		219	-	-	-	-	-	1 350	1 350	1 350
Revenue Generating		-	-	-	-	-	-	100	-	-
Non-revenue Generating		-	-	-	-	-	-	5 900	1 400	300
Investment properties		-	-	-	-	-	-	6 000	1 400	300
Operational Buildings		3 201	9 914	6 722	6 235	3 472	3 472	350	-	-
Housing		526	-	6 648	-	600	600	18 600	2 130	1 830
Other Assets		3 727	9 914	13 370	6 235	4 072	4 072	18 950	2 130	1 830
Biological or Cultivated Assets		-	-	-	-	-	-	630	250	200
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		1 258	2 800	-	500	500	500	100	100	200
Intangible Assets		1 258	2 800	-	500	500	500	100	100	200
Computer Equipment		3 429	1 515	1 185	-	200	200	1 525	1 330	600
Furniture and Office Equipment		4 063	5 712	10 686	720	624	624	1 671	1 465	1 320
Machinery and Equipment		3 124	4 460	3 425	-	(150)	(150)	14 392	8 670	3 150
Transport Assets		4 666	12 843	7 050	4 000	11 029	11 029	720	740	-
Libraries		-	-	-	-	-	-	2 140	145	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets</u>	2	98 385	118 086	244 658	399 924	383 410	383 410	28 350	18 500	30 400
Roads Infrastructure		1 411	30 611	29 960	36 146	45 162	45 162	11 150	4 000	14 350
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	31 277	34 830	22 790	31 790	31 790	8 000	6 100	6 800
Water Supply Infrastructure		35 805	32 618	29 729	28 419	30 869	30 869	6 000	6 000	6 000
Sanitation Infrastructure		32 857	1 000	86 025	202 967	192 474	192 474	1 700	1 700	2 700
Solid Waste Infrastructure		48	475	1 903	4 200	16 112	16 112	-	-	-
Rail Infrastructure		-	-	450	650	1 449	1 449	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		70 127	95 987	182 897	295 172	317 856	317 856	26 850	17 800	29 850
Community Facilities		28 264	13 084	4 707	12 396	13 928	13 928	-	-	50
Sport and Recreation Facilities		-	2 323	7 601	11 713	11 713	11 713	200	200	-
Community Assets		28 264	15 406	12 308	24 109	25 647	25 647	200	200	50
Heritage Assets		-	491	1 500	600	600	600	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	2 691	31 693	15 950	(998)	(998)	300	500	500
Housing		-	-	2 650	34 350	15 874	15 874	-	-	-
Other Assets		-	2 691	34 343	50 300	14 876	14 876	300	500	500
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	900	3 950	2 450	4 195	4 195	-	-	-
Intangible Assets		-	900	3 950	2 450	4 195	4 195	-	-	-
Computer Equipment		-	245	3 450	6 100	7 300	7 300	-	-	-
Furniture and Office Equipment		-	77	1 380	4 839	5 045	5 045	-	-	-
Machinery and Equipment		-	1 344	2 250	9 778	(522)	(522)	1 000	-	-
Transport Assets		-	950	2 580	6 576	8 419	8 419	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<u>Total Upgrading of Existing Assets</u>	6	-	-	-	-	-	-	189 574	116 345	88 563
Roads Infrastructure		-	-	-	-	-	-	23 225	9 150	9 950
Storm water Infrastructure		-	-	-	-	-	-	1 200	500	1 000
Electrical Infrastructure		-	-	-	-	-	-	20 468	39 700	24 000
Water Supply Infrastructure		-	-	-	-	-	-	33 850	15 900	10 300
Sanitation Infrastructure		-	-	-	-	-	-	86 227	30 950	27 750
Solid Waste Infrastructure		-	-	-	-	-	-	1 500	1 000	1 000
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	2 300	1 500	1 000
Infrastructure		-	-	-	-	-	-	168 770	98 700	75 000
Community Facilities		-	-	-	-	-	-	3 170	1 170	600
Sport and Recreation Facilities		-	-	-	-	-	-	5 554	5 845	6 153
Community Assets		-	-	-	-	-	-	8 724	7 015	6 753
Heritage Assets		-	-	-	-	-	-	250	250	250
Revenue Generating		-	-	-	-	-	-	1 000	3 250	3 850
Non-revenue Generating		-	-	-	-	-	-	-	-	-

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
Investment properties		-	-	-	-	-	-	7 000	3 250	3 850
Operational Buildings		-	-	-	-	-	-	4 400	700	200
Housing		-	-	-	-	-	-	1 500	3 400	-
Other Assets		-	-	-	-	-	-	5 900	4 100	200
Biological or Cultivated Assets		-	-	-	-	-	-	700	700	700
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	550	200	400
Intangible Assets		-	-	-	-	-	-	550	200	400
Computer Equipment		-	-	-	-	-	-	2 000	1 300	1 300
Furniture and Office Equipment		-	-	-	-	-	-	680	830	110
Machinery and Equipment		-	-	-	-	-	-	1 000	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4									
Roads Infrastructure		26 231	34 223	29 880	40 426	47 838	47 838	49 717	52 084	36 990
Storm water Infrastructure		-	-	-	-	-	-	1 200	500	1 000
Electrical Infrastructure		28 680	36 474	44 680	39 090	46 538	46 538	46 168	51 550	59 100
Water Supply Infrastructure		25 719	50 733	62 347	54 419	52 691	52 691	79 050	62 700	44 400
Sanitation Infrastructure		32 868	30 778	72 383	203 217	190 024	190 024	137 483	91 305	45 450
Solid Waste Infrastructure		2 833	9 795	7 865	4 600	30 288	30 288	8 500	15 500	12 100
Rail Infrastructure		-	13	450	650	1 599	1 599	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	2 300	1 500	1 000
Infrastructure		116 330	162 016	217 605	342 402	368 978	368 978	324 418	275 139	200 040
Community Facilities		37 315	19 816	39 160	17 579	27 852	27 852	25 677	8 870	5 170
Sport and Recreation Facilities		610	4 168	6 927	11 713	11 713	11 713	7 104	6 045	6 153
Community Assets		37 925	23 984	46 086	29 292	39 566	39 566	32 781	14 915	11 323
Heritage Assets		219	491	1 500	600	600	600	1 600	1 600	1 600
Revenue Generating		-	-	-	-	-	-	1 100	3 250	3 850
Non-revenue Generating		-	-	-	-	-	-	5 900	1 400	300
Investment properties		-	-	-	-	-	-	7 000	4 650	4 150
Operational Buildings		3 201	12 606	38 415	22 185	2 473	2 473	5 050	1 200	700
Housing		526	-	9 298	34 350	16 474	16 474	20 100	5 530	1 830
Other Assets		3 727	12 606	47 713	56 535	18 948	18 948	25 150	6 730	2 530
Biological or Cultivated Assets		-	-	-	-	-	-	1 330	950	900
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		1 258	3 700	3 950	2 950	4 695	4 695	650	300	600
Intangible Assets		1 258	3 700	3 950	2 950	4 695	4 695	650	300	600
Computer Equipment		3 429	1 760	4 635	6 100	7 500	7 500	3 525	2 630	1 900
Furniture and Office Equipment		4 063	5 789	12 066	5 559	5 669	5 669	2 351	2 295	1 430
Machinery and Equipment		3 124	5 804	5 675	9 778	(672)	(672)	16 392	8 670	3 150
Transport Assets		4 666	13 793	9 630	10 576	19 447	19 447	720	740	-
Libraries		-	-	-	-	-	-	2 140	145	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		174 741	229 943	348 861	463 792	464 730	464 730	418 057	318 764	227 623
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Roads Infrastructure		791 606	825 829	764 496	758 714	766 125	766 125	765 929	765 604	747 564
Storm water Infrastructure		97 254	43 417	58 573	59 066	75 048	75 048	74 198	72 546	71 286
Electrical Infrastructure		252 433	288 907	289 575	307 635	315 083	315 083	341 633	372 583	410 054
Water Supply Infrastructure		1 702 465	1 753 198	1 755 625	1 790 924	1 789 196	1 789 196	1 847 492	1 888 400	1 909 918
Sanitation Infrastructure		166 232	197 011	337 871	523 718	510 525	510 525	628 117	698 537	722 058
Solid Waste Infrastructure		64 836	28 945	39 048	39 377	50 032	50 032	58 532	74 032	86 132
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	1 836	2 849	3 337
Infrastructure		3 074 826	3 137 306	3 245 189	3 479 434	3 506 010	3 506 010	3 717 737	3 874 551	3 950 349
Community Facilities		42 802	49 925	134 643	180 922	173 007	173 007	196 599	203 371	206 338
Sport and Recreation Facilities		-	-	-	-	-	-	6 229	11 356	16 545
Community Assets		42 802	49 925	134 643	180 922	173 007	173 007	202 829	214 727	222 883
Heritage Assets		-	-	-	-	-	-	1 600	3 200	4 800
Revenue Generating		539 343	555 934	555 043	551 396	551 396	551 396	552 496	555 746	559 596
Non-revenue Generating		724	724	2 224	2 824	2 824	2 824	8 724	14 254	16 085
Investment Properties		540 067	556 658	557 267	554 220	554 220	554 220	561 220	570 001	575 681
Operational Buildings		-	-	-	-	-	-	(23 855)	(49 790)	(72 700)
Housing		-	-	-	-	-	-	20 100	25 630	27 461
Other Assets		-	-	-	-	-	-	(3 755)	(24 160)	(45 239)
Biological or Cultivated Assets		10 808	10 350	11 545	11 545	11 545	11 545	12 875	13 825	14 725
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		3 228	5 330	12 028	14 516	15 388	15 388	15 741	15 728	15 998
Intangible Assets		3 228	5 330	12 028	14 516	15 388	15 388	15 741	15 728	15 998
Computer Equipment		97 187	103 379	95 070	96 569	94 709	94 709	92 811	90 200	86 597
Furniture and Office Equipment		145 781	155 068	142 606	144 853	142 064	142 064	138 442	135 496	131 423
Machinery and Equipment		340 155	361 825	332 746	337 990	331 482	331 482	341 797	344 087	340 538
Transport Assets		388 749	413 514	380 281	386 274	378 836	378 836	373 540	367 963	361 330
Libraries		-	-	-	-	-	-	2 140	2 285	2 285
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	4 643 604	4 793 354	4 911 377	5 206 322	5 207 261	5 207 261	5 456 978	5 607 903	5 661 371
EXPENDITURE OTHER ITEMS										
Depreciation	7	137 899	158 374	149 053	165 200	165 200	165 200	168 339	171 970	175 685
Repairs and Maintenance by Asset Class	3	55 007	58 453	54 658	83 499	91 423	91 423	95 459	99 278	103 248

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<i>Roads Infrastructure</i>		6 145	7 333	7 186	8 041	8 341	8 341	9 139	9 596	10 076
<i>Storm water Infrastructure</i>		-	-	-	3 637	3 637	3 637	3 819	4 010	4 211
<i>Electrical Infrastructure</i>		11 939	12 167	11 923	13 491	13 491	13 491	14 291	15 005	15 756
<i>Water Supply Infrastructure</i>		7 910	10 115	9 912	11 077	19 878	19 878	11 671	12 255	12 867
<i>Sanitation Infrastructure</i>		10 456	14 678	14 385	11 225	1 499	6 165	14 831	15 573	16 352
<i>Solid Waste Infrastructure</i>		9 955	9 402	9 214	3 279	3 279	3 279	3 642	3 824	4 015
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		46 405	53 695	52 621	50 751	50 125	54 792	57 394	60 264	63 277
Community Facilities		1 242	3 896	1 192	19 553	28 103	23 436	23 800	25 138	25 441
Sport and Recreation Facilities		-	-	-	2 151	2 151	2 151	2 053	2 156	2 264
Community Assets		1 242	3 896	1 192	21 705	30 254	25 587	25 853	27 294	27 704
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		7 312	796	780	11 024	11 024	11 024	12 212	11 720	12 267
Housing		-	-	-	-	-	-	-	-	-
Other Assets		7 312	796	780	11 024	11 024	11 024	12 212	11 720	12 267
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		48	66	65	20	20	20	-	-	-
Intangible Assets		48	66	65	20	20	20	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		192 907	216 827	203 711	248 699	256 623	256 623	263 799	271 247	278 934
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		56.3%	51.4%	70.1%	86.2%	82.5%	82.5%	52.1%	42.3%	52.3%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		71.3%	74.6%	164.1%	242.1%	232.1%	232.1%	129.5%	78.4%	67.7%
<i>R&M as a % of PPE</i>		1.3%	1.5%	1.3%	1.8%	2.0%	2.0%	2.0%	2.0%	2.0%
<i>Renewal and upgrading and R&M as a % of PPE</i>		3.0%	4.0%	6.0%	9.0%	9.0%	9.0%	6.0%	4.0%	4.0%

References

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to 'Budgeted Financial Position' (written down value)
6. Detail of upgrading of existing assets provided in Table SA34e
7. Detail of depreciation provided in Table SA34d

WC024 Stellenbosch - Table A10 Basic service delivery measurement

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Household service targets	1									
Water:										
Piped water inside dwelling		32 412	33 967	33 967	36 779	36 779	36 779	38 618	40 549	42 576
Piped water inside yard (but not in dwelling)		3 626	3 738	3 738	3 854	3 854	3 854	4 047	4 249	4 461
Using public tap (at least min.service level)	2	6 424	6 623	6 623	6 828	6 828	6 828	7 169	7 528	7 904
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-tota.</i>		42 462	44 328	44 328	47 461	47 461	47 461	49 834	52 326	54 942
Using public tap (< min.service level)	3	1 887	1 520	1 520	1 305	1 305	1 305	1 370	1 439	1 511
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		416	304	304	292	292	292	307	322	338
<i>Below Minimum Service Level sub-total</i>		2 303	1 824	1 824	1 597	1 597	1 597	1 677	1 761	1 849
Total number of households	5	44 765	46 152	46 152	49 058	49 058	49 058	51 511	54 086	56 791
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		38 976	40 184	40 184	43 679	43 679	43 679	45 863	48 156	50 564
Flush toilet (with septic tank)		1 762	1 817	1 817	1 873	1 873	1 873	1 967	2 065	2 168
Chemical toilet		331	341	341	352	352	352	370	388	407
Pit toilet (ventilated)		215	222	222	229	229	229	240	252	265
Other toilet provisions (> min.service level)		1 070	1 103	1 103	1 137	1 137	1 137	1 194	1 254	1 316
<i>Minimum Service Level and Above sub-tota.</i>		42 354	43 667	43 667	47 270	47 270	47 270	49 634	52 115	54 721
Bucket toilet		1 172	1 172	1 172	1 172	1 172	1 172	1 231	1 292	1 357
Other toilet provisions (< min.service level)		172	177	177	182	182	182	191	201	211
No toilet provisions		1 067	550	550	434	434	434	456	478	502
<i>Below Minimum Service Level sub-total</i>		2 411	1 899	1 899	1 788	1 788	1 788	1 877	1 971	2 070
Total number of households	5	44 765	45 566	45 566	49 058	49 058	49 058	51 511	54 086	56 791
Energy:										
Electricity (at least min.service level)		11 999	12 371	12 371	13 639	13 639	13 639	14 321	15 037	15 789
Electricity - prepaid (min.service level)		29 604	30 522	30 522	32 860	32 860	32 860	34 503	36 228	38 040
<i>Minimum Service Level and Above sub-tota.</i>		41 603	42 893	42 893	46 499	46 499	46 499	48 824	51 265	53 828
Electricity (< min.service level)		214	221	221	223	223	223	234	246	258
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		2 949	2 490	2 490	2 336	2 336	2 336	2 453	2 575	2 704
<i>Below Minimum Service Level sub-total</i>		3 163	2 711	2 711	2 559	2 559	2 559	2 687	2 821	2 962
Total number of households	5	44 766	45 604	45 604	49 058	49 058	49 058	51 511	54 086	56 791
Refuse:										
Removed at least once a week		38 933	40 140	40 140	43 660	43 660	43 660	39 475	41 449	43 521
<i>Minimum Service Level and Above sub-tota.</i>		38 933	40 140	40 140	43 660	43 660	43 660	39 475	41 449	43 521
Removed less frequently than once a week		1 099	908	908	768	768	768	-	-	-
Using communal refuse dump		1 387	1 205	1 205	1 074	1 074	1 074	1 128	1 184	1 243
Using own refuse dump		2 122	2 188	2 188	2 256	2 256	2 256	2 369	2 487	2 612
Other rubbish disposal		792	817	817	842	842	842	884	928	975
No rubbish disposal		432	444	444	458	458	458	481	505	530
<i>Below Minimum Service Level sub-total</i>		5 832	5 562	5 562	5 398	5 398	5 398	4 862	5 105	5 360
Total number of households	5	44 765	45 702	45 702	49 058	49 058	49 058	44 337	46 553	48 881
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500
Sanitation (free minimum level service)		14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500
Electricity/other energy (50kwh per household per month)		14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500
Refuse (removed at least once a week)		14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		15	15	15	15	15	15	15	15	15
Sanitation (free sanitation service to indigent households)		15	15	15	15	15	15	15	15	15
Electricity/other energy (50kwh per indigent household per month)		15	15	15	15	15	15	15	15	15
Refuse (removed once a week for indigent households)		15	15	15	15	15	15	15	15	15
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided		58	58	58	58	58	58	58	58	58
Highest level of free service provided per household										
Property rates (R value threshold)		95 000	95 000	95 000	95 000	95 000	95 000	200 000	200 000	200 000
Water (kilolitres per household per month)		6	6	6	10	10	10	10	10	10
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)		73	83	87	94	94	94	101	107	114
Electricity (kwh per household per month)		60	60	60	60	60	60	100	100	100
Refuse (average litres per week)		250	250	250	250	250	250	250	265	281
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		29 821	32 347	34 675	40 039	40 039	40 039	39 422	41 787	44 294
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	3 553	3 553	3 553	5 089	5 445	5 826
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	6 654	6 654	6 654	7 654	8 343	9 094
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	7 179	7 179	7 179	1 117	1 184	1 255
Refuse (in excess of one removal a week for indigent households)		-	-	-	6 543	6 543	6 543	7 929	8 642	9 420
Municipal Housing - rental rebates										
Housing - top structure subsidies		38	16	25	10	10	10	15	15	15
Other										
Total revenue cost of subsidised services provided	6	29 860	32 362	34 700	63 978	63 978	63 978	61 225	65 416	69 904

References

1. Include services provided by another entity; e.g. Eskom.
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)
8. Must reflect the cost to the municipality of providing the Free Basic Service

PART 2

A: OVERVIEW OF STELLENBOSCH MUNICIPALITY

Background

Stellenbosch Municipality is located in the heart of the Cape Winelands. It is situated about 50 km from Cape Town and is flanked by the N1 and N2 main routes. The municipal area covers approximately 900 km².



The Stellenbosch Municipality at a Glance

Stellenbosch Municipality is located in the heart of the Cape Winelands. It is situated about 50 km from Cape Town and is flanked by the N1 and N2 main routes. The municipal area covers approximately 900 km² and has a population of approximately 155 000 people.

The Municipality's area of jurisdiction includes the town of Stellenbosch and stretches past Jamestown to as far as Raithby in the south, to Bottelary, Koelenhof, and Klappmuts to the north, and over the Helshoogte Pass to Pniel, Kylemore, Groendal and Franschhoek in the east.

Apart from formal settlement areas, the municipal area also includes a number of informal settlements. Stellenbosch town is the second oldest town in South Africa, dating back to 1679 when an island in the Eerste River was named Stellenbosch by the then Governor of the Cape, Simon van der Stel. The first farming activities in the area were started in 1679. Today, the area has become primarily known for its extraordinary wines and its fruit. The towns of Stellenbosch and

Franschhoek are renowned for various architectural styles such as Dutch, Georgian and Victorian, which reflect their heritage and traditions, but also divisions of the past.

The area houses excellent educational institutions, including the University of Stellenbosch and a number of prestigious schools. It has a strong business sector, varying from major South African businesses and corporations, to smaller enterprises and home industries. The tourism industry alone is responsible for the creation of about 18 000 jobs in the area. Wine farms and cellars abound, and the area is the home of the very first wine route in South Africa.

A variety of sport facilities is available. Coetzenburg, with its athletics and rugby stadiums, has hosted star performances over many generations. The municipal area has a number of theatres, which include the University's HB Thom Theatre, Spier Amphitheatre, Klein Libertas Theatre, Dorpstraat Theatre, Aan de Braak Theatre, and Oude Libertas Amphitheatre– renowned for its summer season of music, theatre and dance.

The area is known for its quality, award-winning restaurants and is a tourist haven with many boutiques, galleries, and curio shops. There are several museums and art galleries and the area is host to a number of annual cultural, food and wine, and sports festivals. A wide array of accommodation is available for visitors to choose from. Welfare and community organizations abound and the Municipality and University play a leading role in assisting to meet the needs of previously neglected communities.

B: THE STATE OF THE GREATER STELLENBOSCH AREA

INTRODUCTION

The information contained in this profile highlights statistics for the Stellenbosch Municipality in relation to the district and the broader Western Cape Province. This profile primarily uses data sourced from Socio-economic profile from Western Cape Government (Stellenbosch 2016). The data used by Western Cape Government include StatsSA data from Census 2011.

Statistics South Africa (StatsSA), administrative data from Provincial Treasury and other sector departments, the 2015 MERO and Quantec. The latest survey data available at municipal level from Statistics South Africa includes the 2011 Census data. The updated population forecasts by the Department of Social Development are valuable and will assist with future planning.

In all, the profile reflects the socio-economic reality of the area. As such, valuable insight can be gained as to the developmental challenges faced by communities residing within a specific geographical area.

Stellenbosch Municipality has shown improvement over the years with regard to its socio-economic environment. The Municipality has a strong economic resource base including human capital that could contribute to economic growth and development. The favorable economic climate in Stellenbosch has led to decreasing poverty levels.

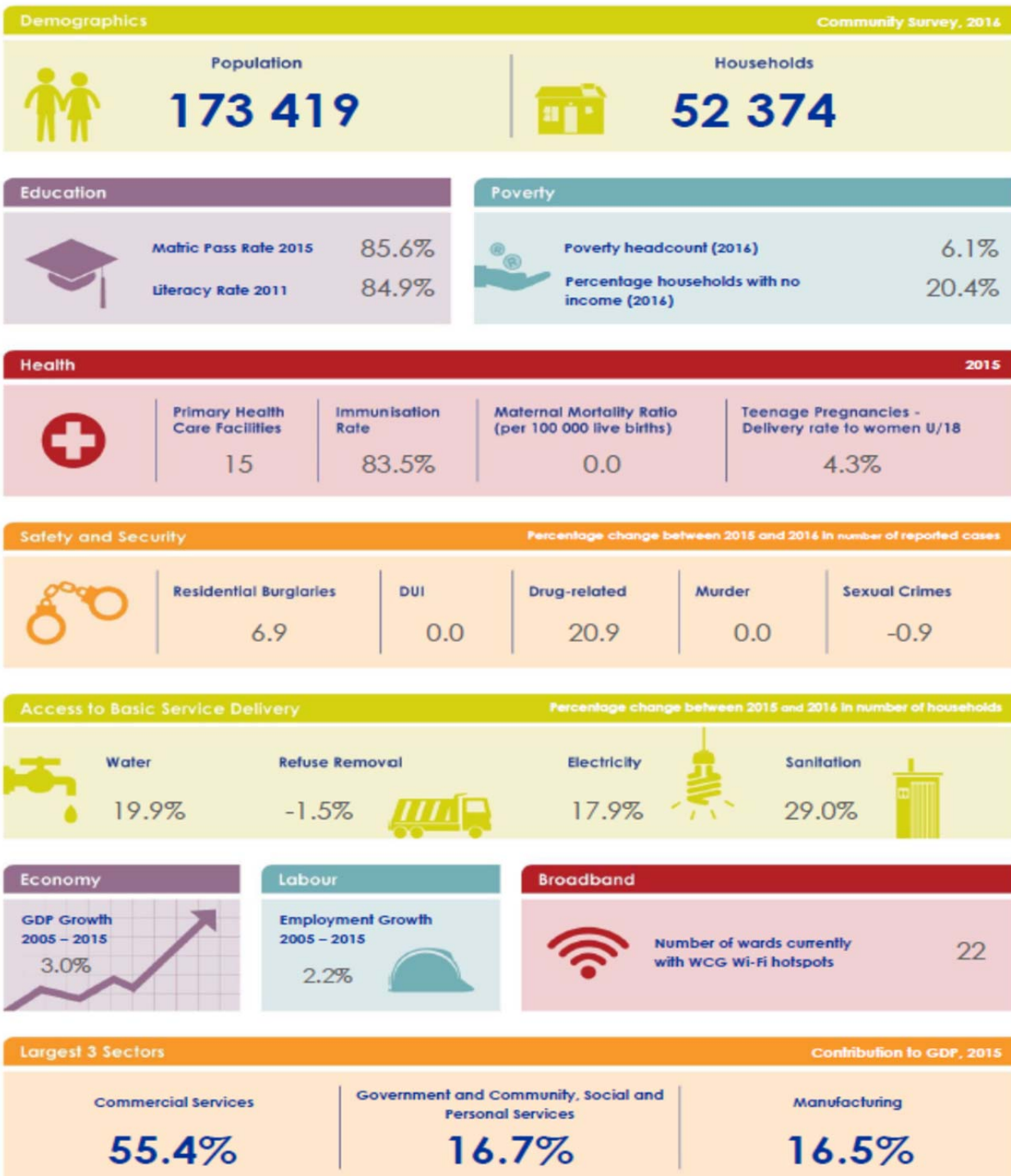
Stellenbosch Municipality is hard hit when it comes to residential burglaries and drug-related crime. Murders is also a challenge as the murder rate per 100 000 population, at 45, is the highest in the District.

Economic growth in Stellenbosch is the strongest within the District, with the post-recession recovery period (2010 - 2013) growth at 3.7 per cent per annum. Despite high job losses in the agriculture sector, Stellenbosch was the only municipality in the District to experience overall net growth in employment over the 2005 - 2013 period.

Despite the progress in relation to other municipalities, poverty levels are still relatively high, which places increased reliance on indigent support from the Municipality and other special services being provided by the Province.

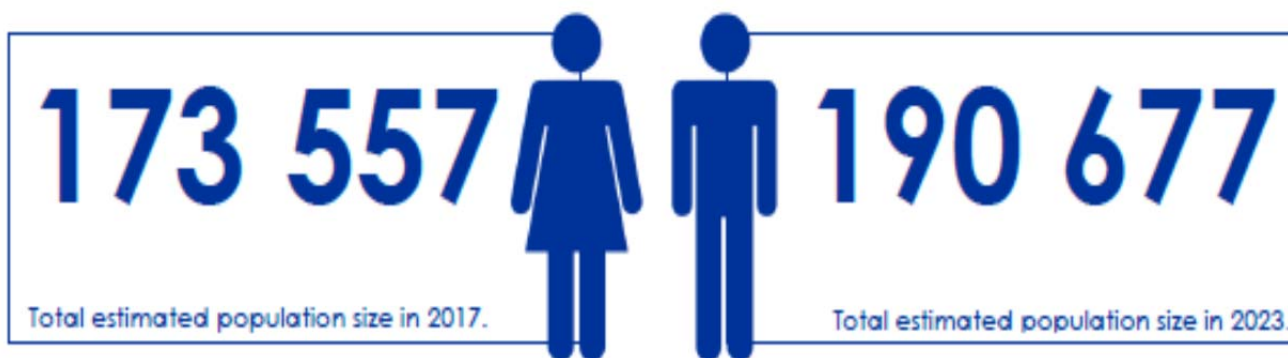
Given strong population growth and continued emphasis on economic growth and development, the need to conserve and better manage limited resources, including that of the environment, is becoming more pronounced. The interface of the environment with social and economic sectors will also require much more attention and emphasis in coming years.

At a Glance: Stellenbosch



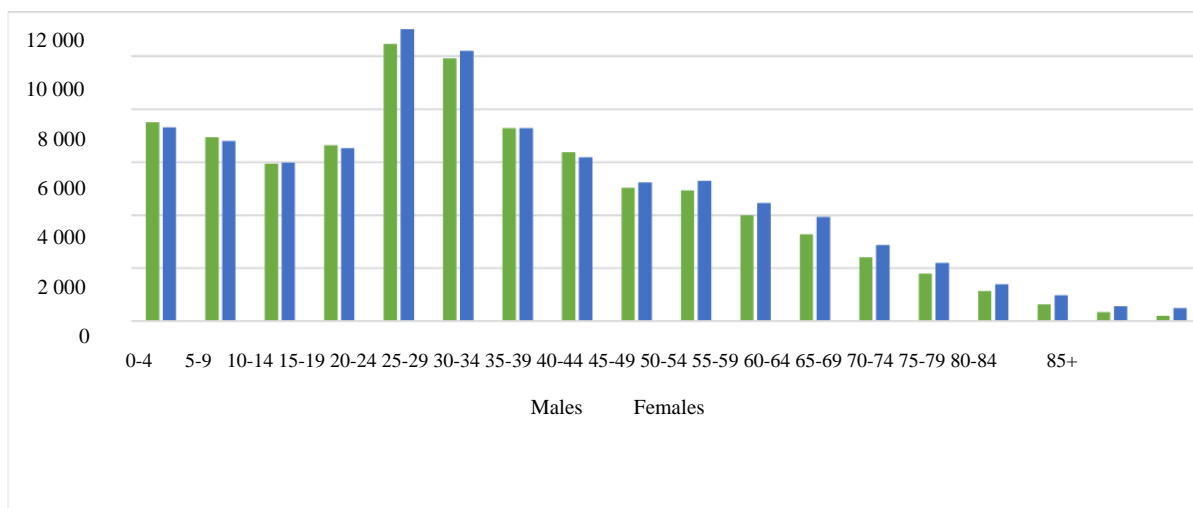
Source: Western Cape Government: Socio-economic Profile – Stellenbosch Municipality 2016

2.1 DEMOGRAPHIC PROFILE



Stellenbosch has the second largest population in the Cape Winelands District which, according to the forecasts of the Western Cape Department of Social Development, is estimated to be **173 557** in 2017¹. This total gradually increases across the 5-year planning cycle and is expected to reach **190 677** by 2023. This equates to an approximate **9.9 per cent growth** off the 2017 base estimate. In 2017, Stellenbosch's population gender breakdown will be relatively evenly split between male (84 849, 48.9 per cent) and female (88 708, 51.1 per cent). For 2023, the split is anticipated to be 93 125 (48.8 per cent) and 97 552 (51.2 per cent) for males and females respectively.

Age Distribution



Stellenbosch's population is expected to in 2017 be strongly concentrated within the 20 – 24 and 25 – 29 age categories. This concentration can possibly be attributed to several factors. Firstly, as Stellenbosch is a university town, many school finishers do not leave the region, but continue their studies locally. There is also the large influx of students that temporarily migrate to Stellenbosch in order to study at the University.

These students do not specifically earn an income which could potentially increase the Municipality’s dependency ratio. Stellenbosch’s economy is also driven by the agricultural sector which requires the seasonal influx of labour.

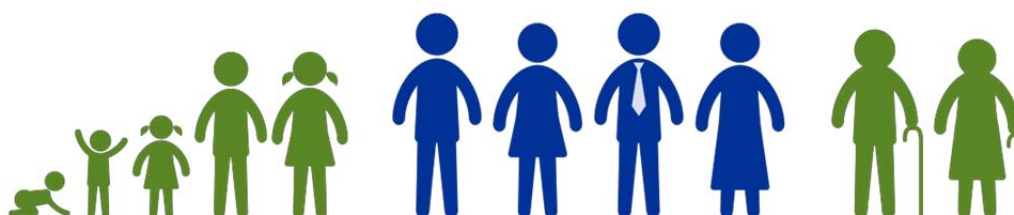
Households



In order to ensure basic service delivery to all, municipal budget allocations should be informed by credible and accurate assumptions regarding the number of households within a municipal area.

According to Census 2011, there were **43 420** households within the greater Stellenbosch region in 2011. As per the 2016 Community Survey estimates, the number of households increased to **52 374** in 2016 which equates to a 20.6 per cent increase off the 2011 base.

Age Cohorts

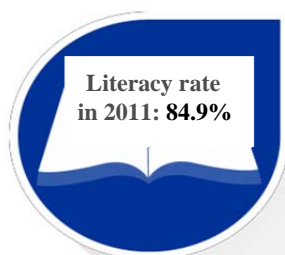


Year	Children: 0 – 14	Working Age: 15 – 65	Aged: 65 +	Dependency Ratio
2011	35 545	112 533	7 654	38.4
2017	40 500	123 338	9 719	40.7
2023	44 103	134 294	12 280	42.0

Stellenbosch is expected to experience rising dependency ratios of 38.4, 40.7 and 42.0 across 2011, 2017 and 2023 respectively. As higher dependency ratios imply greater strain on the working age to support their economic dependents (children and aged), this increase will have far reaching social, economic and labour market implications. An increase in the dependency ratio is often associated with a relative decrease in the working age population.

From a national perspective, the relative decrease in the working age population will result in lower tax revenues, pension shortfalls and overall inequality as citizens struggle to tend to the needs of their dependents amidst increased economic hardship. At the municipal level, this decrease in the working age population will also result in a smaller base from which local authorities can collect revenue for basic services rendered and will necessitate the prioritisation of municipal spending.

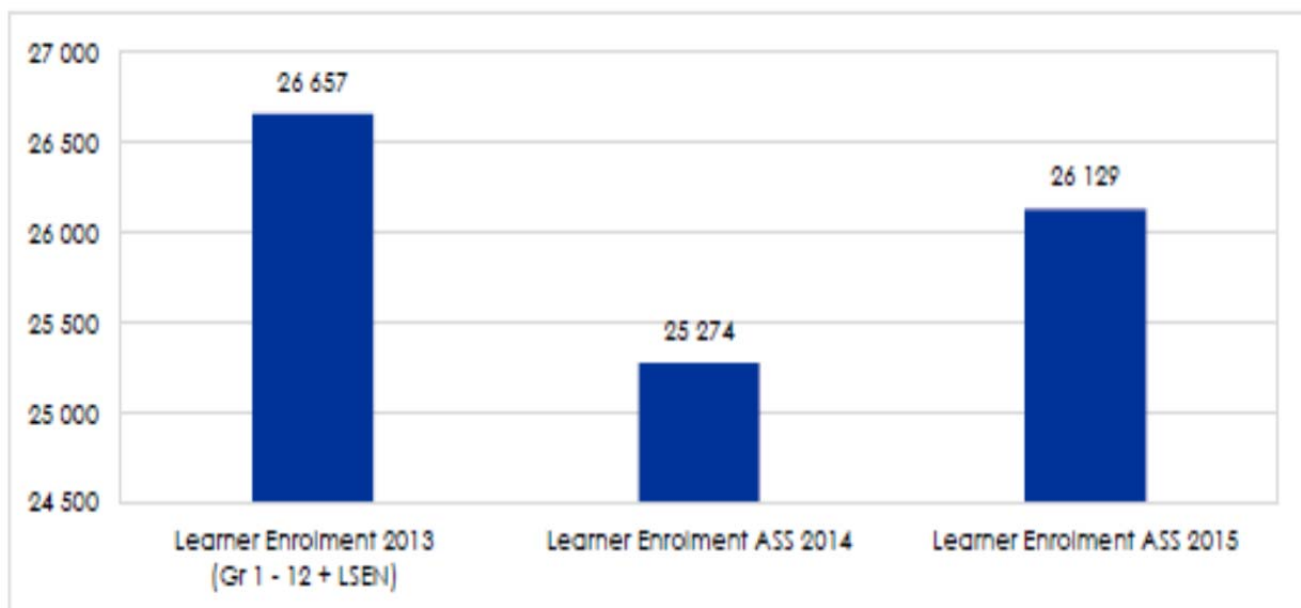
2.2 EDUCATION



Literacy

Literacy is used to indicate a minimum education level attained. A simple definition of literacy is the ability to read and write, but it is more strictly defined as the successful completion of a minimum of 7 years of formal education. Since most learners start school at the age of 7 years, the literacy rate is calculated as the proportion of those 14 years and older who have successfully completed a minimum of 7 years of formal education. The literacy rate in Stellenbosch was recorded at 84.9 per cent in 2011 which was higher than the average literacy rates of the Cape Winelands District (81.7 per cent) and the rest of South Africa (80.9 per cent). It was however lower than that of the Western Cape (87.2 per cent).

Learner Enrolment



Learner enrolment in Stellenbosch dropped by 1 383 learners between 2013 and 2014, which might be due to the inclusion of data on learners with special education needs (LSEN) in the 2013 WCED survey. Subsequently, learner enrolment increased with 855 learners between 2014 and 2015.

Learner-Teacher Ratio



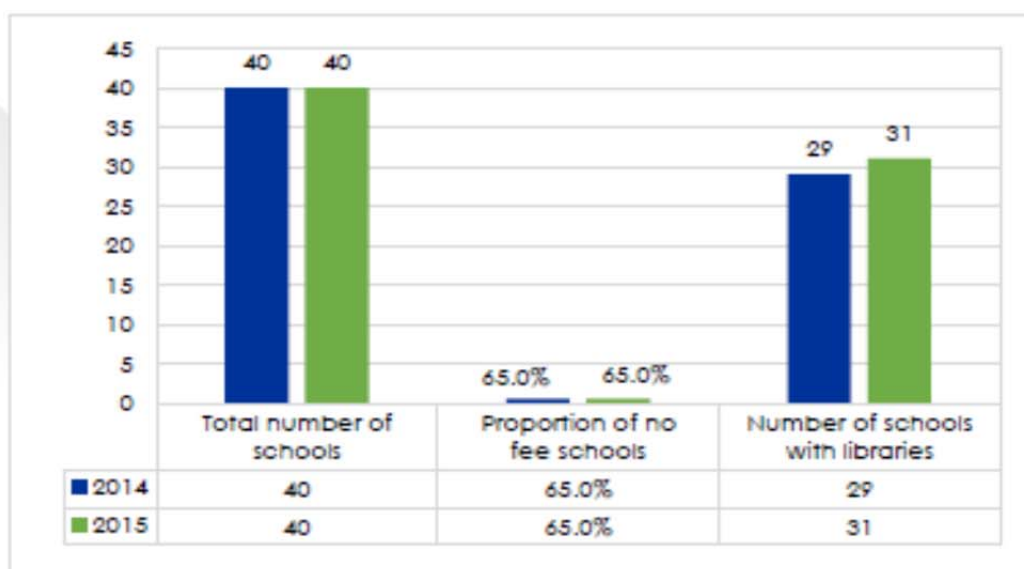
The learner-teacher ratio within Stellenbosch remained below 30 learners per teacher between 2012 and 2014 but deteriorated to 33 learners per teacher in 2015. According to the Department of Education the number of learners per teacher was 30.3 in 2010. Factors influencing the learner-teacher ratio is the ability of schools to employ more educators when needed and the ability to collect fees.

Grade 12 Drop-Out Rates

The drop-out rate for learners within Stellenbosch that enrolled from Grade 10 in 2014 to Grade 12 in 2016 was recorded at 23 per cent. These high levels of high school drop-outs are influenced by a wide array of socio-economic factors including teenage pregnancies, availability of no-fee schools, indigent households and unemployment.

Educational Facilities

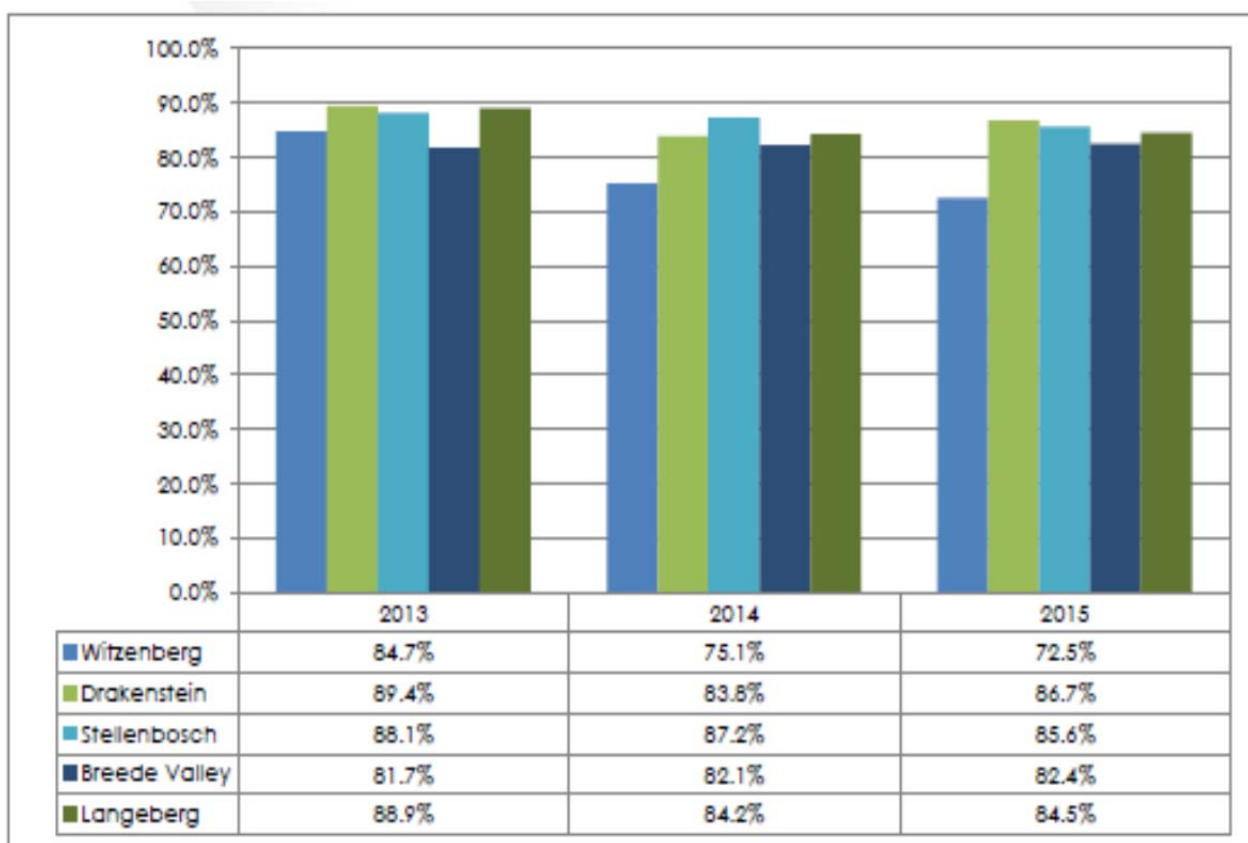
The availability of adequate education facilities such as schools, FET colleges and schools equipped with libraries and media centres could affect academic outcomes positively.



Stellenbosch had 40 schools in 2015 which had to accommodate 26 129 learners at the start of 2015. Given the tough economic climate, schools have been reporting an increase in parents being unable to pay their school fees. Despite this situation, the proportion of no-fee schools has remained at 65.0 per cent between 2014 and 2015, which could in future further increase the drop-out rate. There is thus an increased need for the Western Cape Department of Education (WCED) to offer certain fee-paying schools to become no-fee schools. The number of schools equipped with libraries increased from 29 in 2014 to 31 in 2015 indicating a positive change towards improvement of education outcomes in Stellenbosch.

Education Outcomes

Education remains one of the key avenues through which the state is involved in the economy. In preparing individuals for future engagement in the labour market, policy choices and decisions in the sphere of education play a critical role in determining the extent to which future economic and poverty reduction plans can be realised.



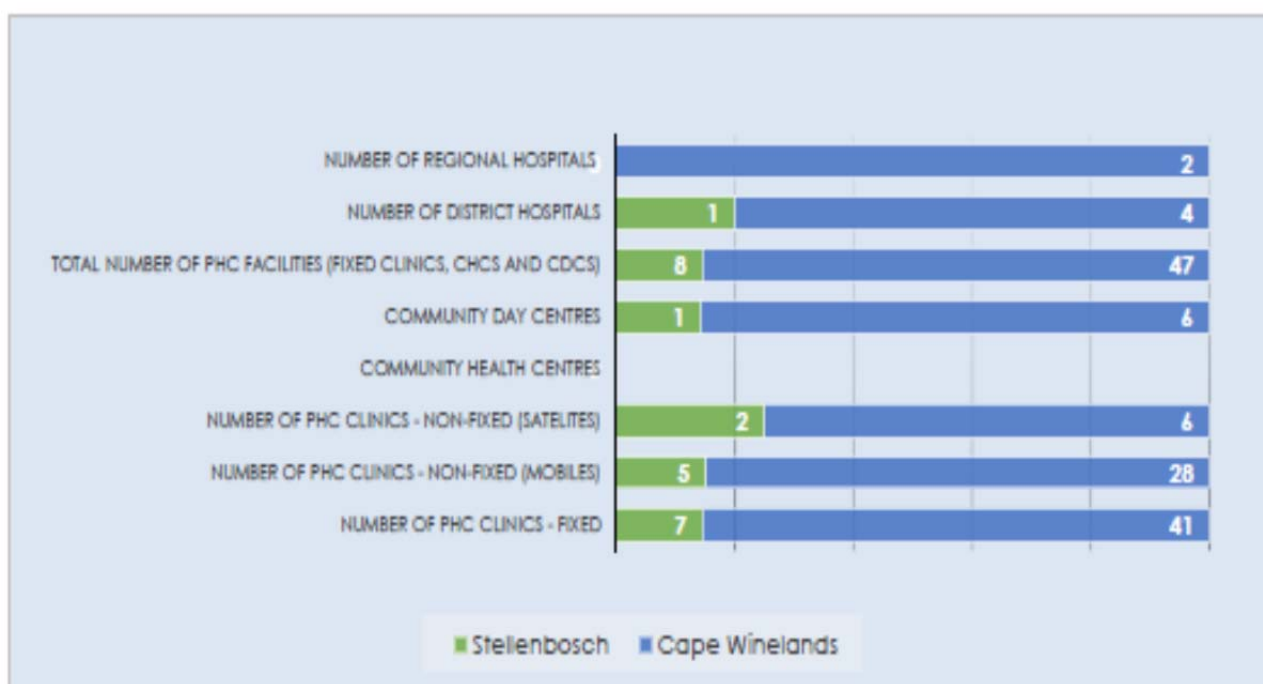
Stellenbosch’s matric outcomes remained consistently above 85 per cent between 2013 and 2015, with the highest pass rate of 88.1 per cent recorded in 2013, but a lower rate of 85.6 per cent in 2015.

2.3 HEALTH

The information provided by the Department of Health as detailed in this section, pertains only to public sector healthcare institutions. Any privately provided facilities or services are not reflected in the information below.

Healthcare Facilities

All citizens' rights to access to healthcare services are directly affected by the number and spread of facilities within their geographical reach. South Africa's healthcare system is geared in such a way that people have to move from primary, with a referral system, to secondary and tertiary levels.



The Cape Winelands District has a range of primary healthcare facilities which includes 41 fixed clinics, 34 mobile/satellite clinics, 6 community day centres and 4 district hospitals. Of these facilities, 7 fixed clinics, 7 mobile/satellite clinics and 1 district hospital are situated within the Stellenbosch municipal area.

Emergency Medical Services

Health Indicator	Stellenbosch	Cape Winelands
EMS Operational Ambulances	5	36
Population (2017)	173 557	853 423
No. of operational ambulances per 10 000 people	0.29	0.42

Access to emergency medical services is critical for rural citizens due to rural distances between towns and health facilities being much greater than in the urban areas. Combined with the relatively lower population per square kilometre in rural areas, ambulance coverage is greater in rural areas in order to maintain adequate coverage for rural communities. Within the Cape Winelands District, Stellenbosch has 0.29 ambulances per 10 000 population, lower than the district average of 0.42.

HIV/AIDS

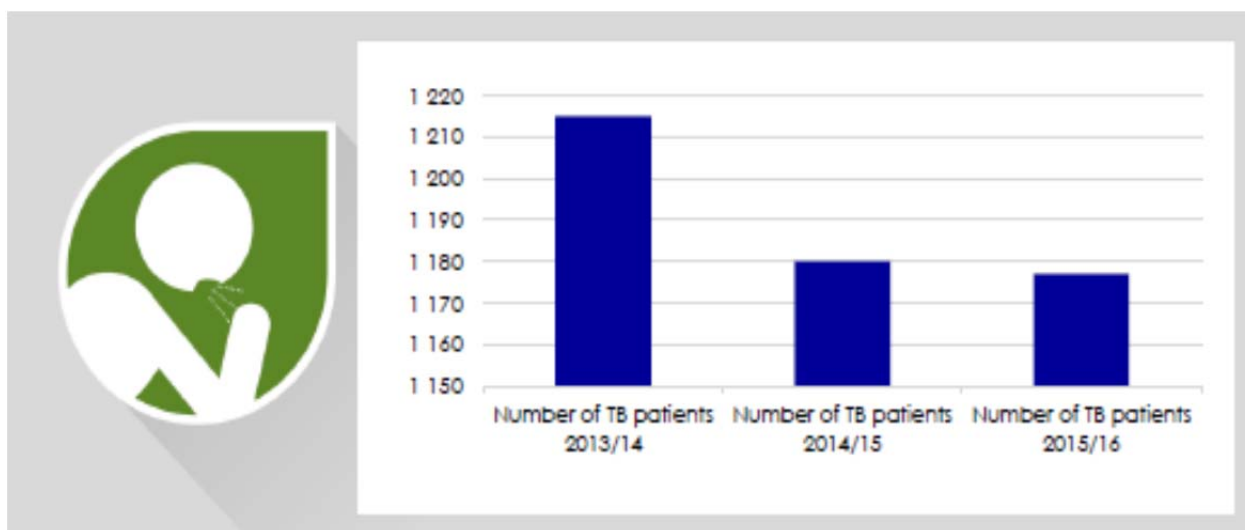
Health Indicator	Stellenbosch	Cape Winelands
Total registered patients receiving ART	4 808	23 172
No. of new ART patients	921	5 195
HIV Transmission Rate	2.6%	1.7%

At the end of March 2016, anti-retroviral treatment (ART) was provided to over 200 000 persons in the Province, 23 172 of whom were in the Cape Winelands District and 4 808 in the Stellenbosch municipal area. At the end of March 2016, 921 new ART patients were being treated from 9 treatment sites in the Stellenbosch municipal area.

In addition to improving the quality of life of the patient, anti-retroviral treatment to mothers both before and at birth, also decreases the chances that infants will contract HIV from their mothers.

The most recent information for Stellenbosch indicates a mother-to-child transmission rate of 2.6 per cent which is higher than the 1.7 per cent District and the 1.4 per cent Provincial rate as well as the medium term annual target for 2015/16 and 2016/17.

Tuberculosis



The number of TB patients in the Cape Winelands District increased over the past few years, reaching 7 531 in 2015/16, treated at 102 clinics or treatment sites. In the Stellenbosch municipal area, the patient load had a slight decrease in 2015/16. Most recent information shows a patient load of 1 177 with treatment administered from 16 clinics or treatment sites.

Child Health

Health Indicator	Stellenbosch	Cape Winelands
Immunisation	83.5%	78.4%
Malnutrition	0.4	1.4
Neonatal mortality rate	2.2	6.5
Low birth weight	9%	15%

In 2015, the full **immunisation coverage rate** for the Cape Winelands was 78.4 per cent. In Stellenbosch it was higher at 83.5 per cent, showing a deterioration from the 2014 rate of 86.0 per cent. The number of malnourished **children under five years** in the Cape Winelands in 2015 was 1.4 per 100 000 children. Stellenbosch's rate currently at 0.4 is lower than the District rate.

The District's **neonatal mortality rate** of 6.5 is higher than the Province's 2019 target of 6.0 per 1 000 live births. Stellenbosch's rate at 2.2 is lower than the District rate and the Provincial target and has improved from the 2014 rate of 4.0. In the Cape Winelands District, 15.0 per cent of babies born were **underweight**; at 9.0 per cent, Stellenbosch's rate is lower than the District's and the Provincial average of 14.5 per cent.

Maternal Health

Health Indicator	Stellenbosch	Cape Winelands
Maternal Mortality Ratio	0	46.5
Delivery Rate to Women under 18 years	4.3%	6.1%
Termination of Pregnancy Rate	0.4	0.7

Maternal mortality rate: Stellenbosch has a zero maternal mortality ratio. In comparison, the District recorded 46.5 per 100 000 live births. The Province has a maternal mortality ratio target of 65 by 2019.

Births to teenage mothers: In 2015, the delivery rate to women under 18 years in the District was 6.1 per cent. At 4.3 per cent, Stellenbosch's rate is lower than the District rate.

Termination of pregnancy: Stellenbosch's termination of pregnancy rate of 0.4 per 1 000 live births is lower than the District's 0.7 per cent. Overall almost all of the indicators for child and maternal health have improved in the last year which indicates that Stellenbosch is making progress towards reaching its health targets. The only concern is with regards to its immunisation rate which has decreased in the last year.

2.4 POVERTY

The intensity of poverty as well as the poverty headcount of municipalities is analysed in this section. The intensity of poverty is measured by calculating the Poverty Gap Index, which is the average poverty gap in the population as a proportion of the poverty line. The Poverty Gap Index estimates the depth of poverty by considering how far, on the average, the poor are from that poverty line.

The Poverty Gap Index is a percentage between 0 and 100 per cent. A theoretical value of zero implies that no one in the population is below the poverty line. Individuals whose income is above the poverty line have a gap of zero while individuals whose income is below the poverty line would have a gap ranging from 1 per cent to 100 per cent, with a theoretical value of 100 per cent implying that everyone in the population has an income that is below the poverty line or zero. A higher poverty gap index means that poverty is more severe.

This section also provides information on annual household income for residents living within the Stellenbosch municipal Area. Poverty tends to be prevalent in areas where the majority of households fall within the low income bracket.

Poverty Headcount and Intensity

Area	Poverty Headcount (Percentage)		Poverty Intensity	
	2011	2016	2011	20
Stellenbosch	3.8	6.1	42.1	39
Cape Winelands District	2.5	3.1	42.0	41
Western Cape	3.6	2.7	42.6	40

The intensity of poverty, i.e. the proportion of poor people that are below the poverty line within the Stellenbosch municipal area, decreased from 42.1 per cent in 2011 to 39.8 per cent in 2016. This percentage is still high and should be moving towards zero as income of more households within the Stellenbosch municipal area moves away from the poverty line.

Household Income

The annual income for households living within the Stellenbosch municipal area shows the proportion of people that fall within the low, middle and high income brackets.

Poor households fall under the low income bracket, which ranges from no income to just over R50 000 annually (R4 166 per month). An increase in living standards can be evidenced by a rising number of households entering the middle and high income brackets.

Amount (2016)	Cape Winelands District	Stellenbosch	
No income	13.1	20.4	Low income
R1 – R6 327	1.9	2.0	
R6 328 – R12 653	3.5	3.5	
R12 654 – R25 306	13.4	10.6	
R25 307 – R50 613	20.1	16.6	Middle Income
R50 614 – R101 225	18.4	15.5	
R101 226 – R202 450	12.3	11.6	
R202 451 – R404 901	8.8	8.5	
R404 902 – R809 802	5.7	6.5	High income
R809 803 – R1 619 604	2.0	3.3	
R1 619 605 – R3 239 209	0.5	1.0	
R3 239 209 or more	0.4	0.7	

Approximately 53.1 per cent of households in Stellenbosch fall within the low income bracket, of which 20.4 per cent have no income. Less than fifty per cent of households fall within the middle to higher income categories, split between 35.6 per cent in middle income group and 11.5 per cent in the higher income group. A sustained increase in economic growth within the Stellenbosch municipal area is needed if the 2030 NDP income target of R110 000 per person, per annum is to be achieved.

Indigent Households

The Non-Financial Census of Municipalities released by Statistics South Africa in 2016 indicates increases or decreases of indigent households per municipal area between 2014 and 2015.

Area	2014	2015	Change
Stellenbosch	5	5 757	515
Cape Winelands District	39 368	38 374	-634
Western Cape	413 259	360	-53 021

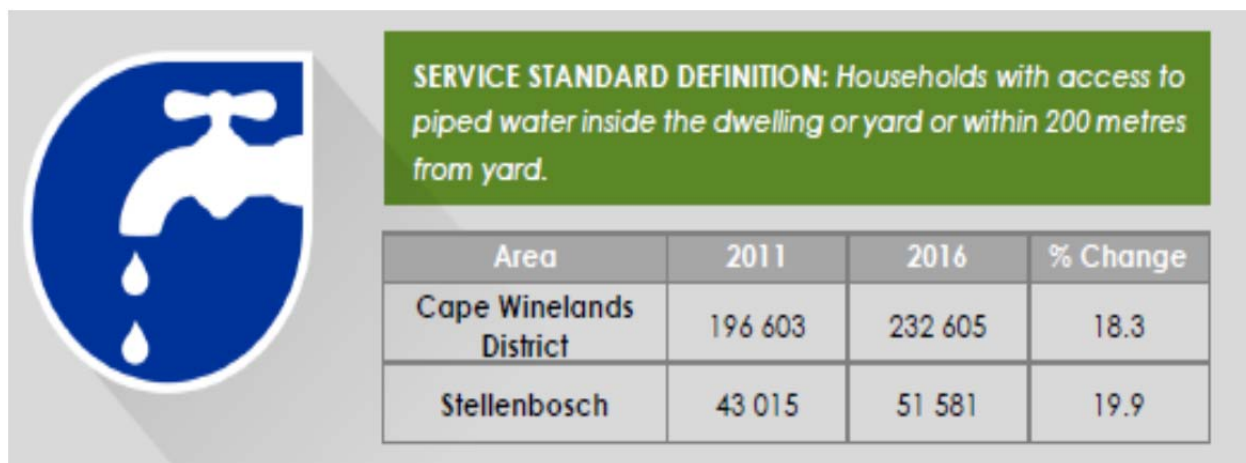
The Stellenbosch municipal area experienced an increase in the number of indigents between 2014 and 2015, implying increased burden on municipal financial resources.

2.5 BASIC SERVICE DELIVERY

The profile uses data from Census 2011 and the Community Survey of 2016 for the analysis of access to basic services. *Please note: Access level definitions for water and electricity were phrased differently in the respective Census 2011 and Community Survey 2016 questionnaires.*

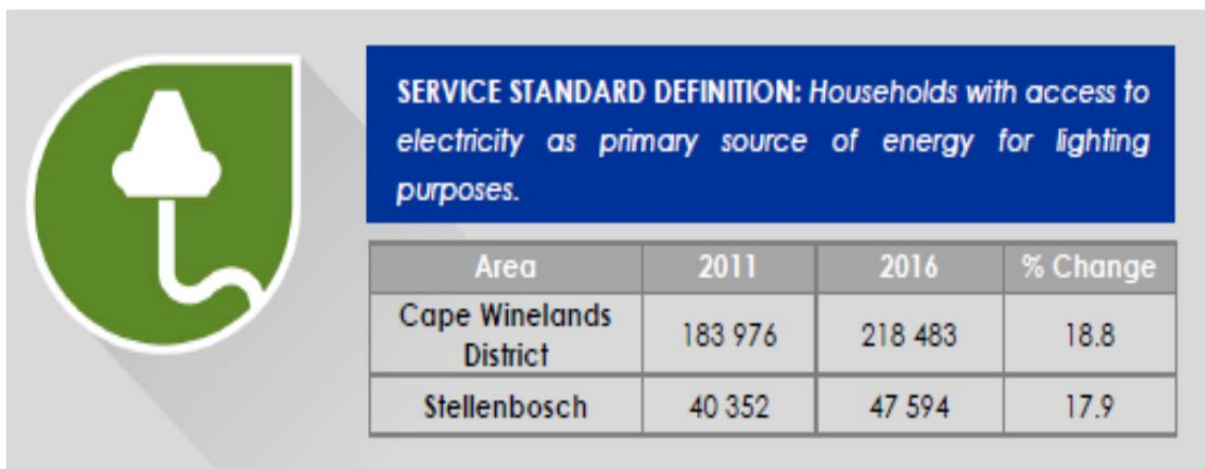
Access to Water

Statistics South Africa estimates the number of households in the Stellenbosch municipal area increased from 43 420 in 2011 to 52 374 in 2016. The biggest source of water in Stellenbosch municipal area in 2016 was access to piped water inside their dwelling/yard/or within 200 metres. Access to piped water for these categories increased by 19.9 per cent from 43 015 households in 2011 to 51 581 households in 2016 and increased by 18.3 per cent across the District over the same period.



Access to Electricity

The biggest source of energy for lighting purposes in Stellenbosch municipal area in 2016 was electricity. However, 2.8 per cent of households make use of other sources of energy, i.e. sources which they do not pay for, generators, solar home systems, battery, and no access to electricity. Access to electricity for lighting purposes improved by 17.9 per cent from 40 352 households in 2011 to 47 594 households in 2016 and increased by 18.8 per cent across the District over the same period.

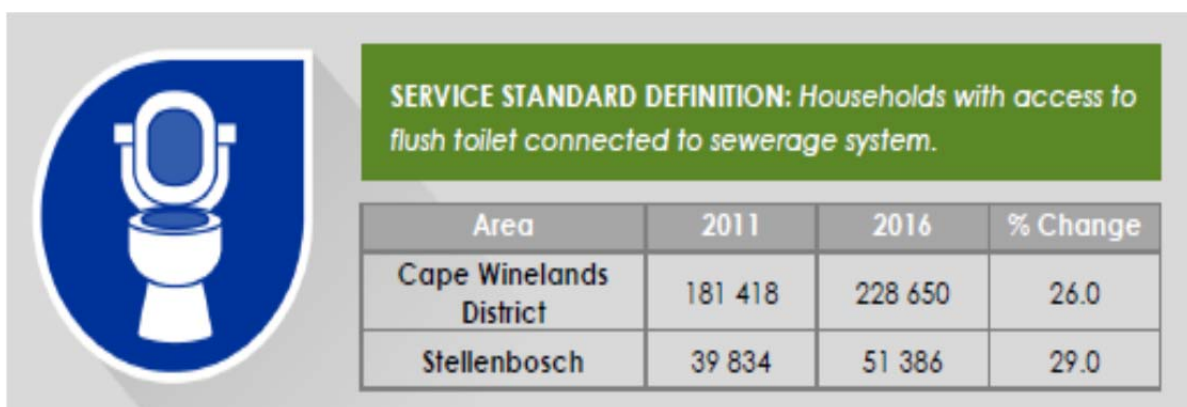


Access to Sanitation

The biggest source of sanitation was access to flush toilets connected to a sewerage system/chemical toilet. Access to flush toilets connected to a sewerage system improved by 29.0 per cent from 39 834 households in 2011 to 51 386 households in 2016 and by 26.0 per cent across the District over the same period.

In 2011, 91.7 per cent of the households in Stellenbosch enjoyed such level of access, while this percentage grew to 98.1 per cent in 2016 reflecting a total increase in access of 11 552 households.

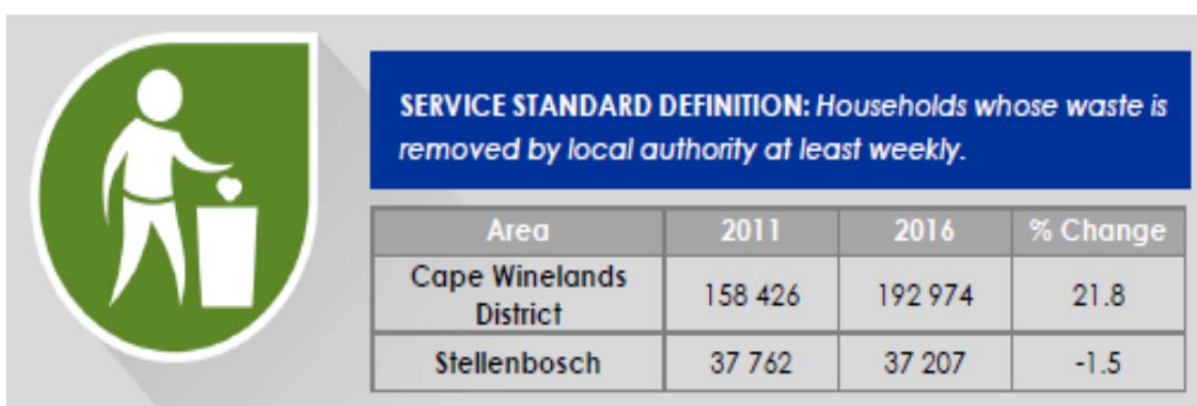
Alarming, a total of 988 households (1.9 per cent of total households) within Stellenbosch still have to make use of other sanitation services i.e. to toilet facilities other than flushed and chemical (i.e. pit latrine, ecological toilets, bucket toilets or none).



Access to Refuse Removal

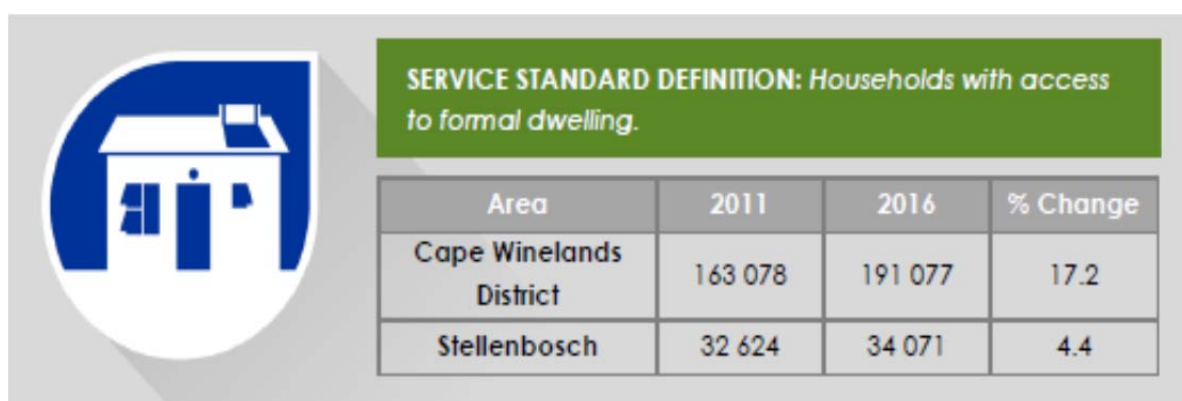
The majority of household in Stellenbosch has their refuse removed by local authorities at least weekly (71.0 per cent) and a further 7.7 per cent of households have refuse removed by the local authorities/private company less often. This percentage is significantly below the District’s average of 81.8 per cent. It is of concern to note that 10.2 per cent of households (5 358) in Stellenbosch still have to make use of communal/own refuse dumps.

Refuse removed by local authority once a week decreased by 1.5 per cent from 37 762 households in 2011 to 37 207 households in 2016 and increased by 21.8 per cent across the District over the same period.



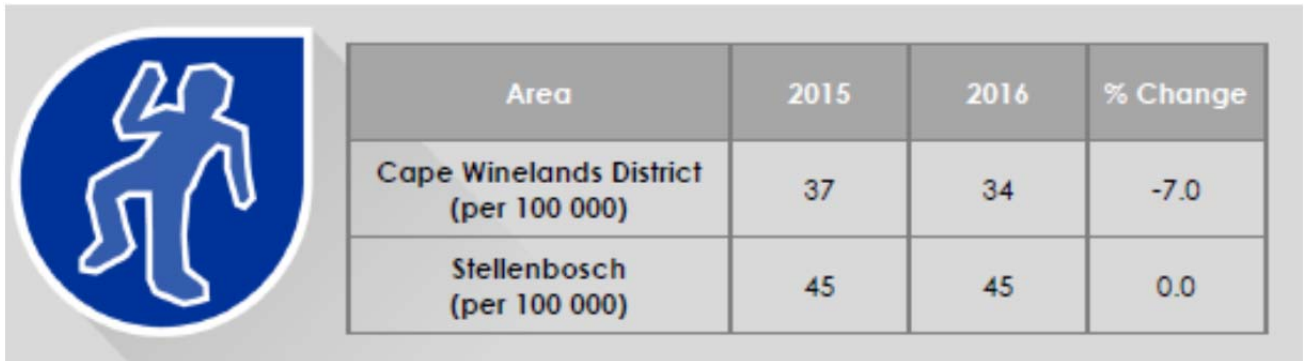
Access to Housing

The majority of households in Stellenbosch area currently reside in formal dwellings (65.1 per cent) whilst 34.9 per cent of the households reside either in informal (17 829), traditional (366) and other (107) dwellings in 2016. In comparison, the municipality’s percentage for formal households was 75.1 per cent in 2011. While the absolute figures increased by 4.4 per cent from 32 624 households in 2011 to 34 071 households in 2016, the housing market in Stellenbosch could not keep up with the demand. The same goes for the District, in which 81.0 per cent (191 077) of households currently reside in formal dwellings, coming from 82.3 per cent (163 078) in 2011.



2.6 SAFETY AND SECURITY

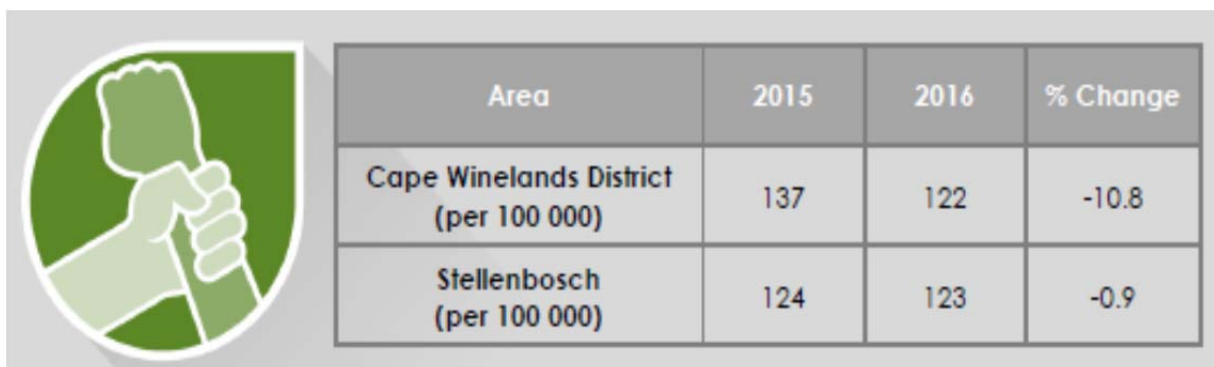
Murder



Definition: *Murder is a social contact crime resulting in the loss of life of the victim, but excludes cases where the loss of life occurred as a result of a response to a crime, for example self-defence.*

The murder rate within Stellenbosch remained unchanged at 45 reported cases per 100 000 people between 2015 and 2016. The murder rate however decreased considerably by 7.0 per cent within the Cape Winelands District from 62 in 2015 to 58 in 2016. The murder rate nevertheless remains a major concern throughout the Cape Winelands District; especially in Stellenbosch area which experienced substantially higher cases of murder than the District.


Sexual Offences



Definition: *Sexual offences includes rape (updated to the new definition of rape to provide for the inclusion of male rape), sex work, pornography, public indecency and human trafficking.*

The cases of sexual offences in Stellenbosch decreased ever so slightly by -0.9 per cent from 124 incidences in 2015 to 123 in 2016. However, the cases of sexual offences in the Cape Winelands District dropped by 10.8 per cent from 137 in 2015 to 122 in 2016.

Drug-Related Crimes



Area	2015	2016	% Change
Cape Winelands District (per 100 000)	1 412	1 456	3.1
Stellenbosch (per 100 000)	1 195	1 444	20.9

Definition: *Drug-related crimes refers to the situation where the perpetrator is found to be in possession of, under the influence of, or selling illegal drugs. This is a crime detected through police activity rather than reports by members of the public. An increase in crimes of this nature may therefore reflect an increase in police.*


Drug-related crimes has a severe negative impact on human development by degrading the quality of life as it infiltrates all aspects of society including families, health, the work environment and the economy. Drug-related crimes within Stellenbosch increased sharply by 20.9 per cent from 1 195 reported cases per 100 000 people in 2015 to 1 444 cases in 2016.

The Cape Winelands District is no exception, with drug-related crimes increasing by 3.1 per cent from 1 412 in 2015 to 1 456 in 2016.

Driving under the Influence


Driving under the influence (DUI): *DUI refers to a situation where the driver of a vehicle is found to be over the legal blood alcohol limit. This is a crime detected through police activity rather than reports by members of the public.*

The number of reported cases of driving under the influence of alcohol or drugs (per 100 000 people) in Stellenbosch remained unchanged at 102 between 2015 and 2016. However, the cases of driving under the influence of drugs and alcohol in the Cape Winelands District dropped significantly by 7.0 per cent from 115 in 2015 to 110 in 2016. Stellenbosch's cases of driving under the influence of drugs and alcohol remain below the District average.



Area	2015	2016	% Change
Cape Winelands District (per 100 000)	115	110	-7.0
Stellenbosch (per 100 000)	102	102	0.0

Residential Burglaries



Area	2015	2016	% Change
Cape Winelands District (per 100 000)	817	797	-2.5
Stellenbosch (per 100 000)	1 037	1 108	6.9

Definition: Residential burglary is defined as the unlawful entry of a residential structure with the intent to commit a crime, usually a theft.

Given its regular occurrence and the psychological impact on victims, residential burglaries are an obstinate concern in South Africa. The number of residential burglaries cases within Stellenbosch area increased by 6.9 per cent from 1 037 in 2015 to 1 108 in 2016. However, residential burglaries within the Cape Winelands District declined by 2.5 per cent from 817 in 2015 to 797 in 2016.

The cases of residential burglaries crimes nevertheless remain a major concern throughout the Cape Winelands District, especially in Stellenbosch which experienced a substantially higher rate of residential burglaries than the District.

2.7 THE ECONOMY

Economic growth at the municipal level is essential for the attainment of economic development, the reduction of poverty and improved accessibility. Fostering this growth requires an in-depth understanding of the economic landscape within which each respective municipality operates.

Stellenbosch comprised a massive R10.686 billion (or 24.1 per cent) of the Districts total R44.161 billion GDP as at the end of 2015, making it the region's economic hub. GDP growth averaged 3.0 per cent per annum over the period 2005 – 2015. This is marginally below the District average of 3.5 per cent. Average annual growth of 2.4 per cent in the post-recessionary period nevertheless comes in marginally below the long-term trend and the District average of 2.8 per cent.

Stellenbosch employed 20.0 per cent (75 039 labourers) of the Cape Winelands District's labour force in 2015, and employment growth remained fairly moderate, averaging 2.2 per cent per annum since 2005, which was on par with the overall district employment growth rate of 1.9 per cent per annum. Employment growth has recovered marginally in the post-recessionary period (2010 - 2015) averaging 2.4 per cent per annum (which is below the district's rate of 2.9 per cent over the period 2010 – 2015). Stellenbosch has experienced job losses prior to and during the recession, but these jobs have been recovered and approximately 14 268 (net) additional jobs have been created since 2005.

The majority (30.7 per cent or 23 064 workers) of the employed workforce Stellenbosch operate within the informal sector, which has grown by 9.0 per cent per annum on average since 2005. Most of the job created experienced during the recession emanated from this sector. The low-skilled sector employed 24.0 per cent of the municipality's workforce, and contracted by 1.1 per cent per annum on average since 2005.

The semi-skilled sector (which employs 22 073 workers or 29.4 per cent of the municipality's workforce) experienced marginal growth of 1.3 per cent per annum over the past decade. The skilled sector employed a substantial 11 889 workers, and grew at a steady rate of 1.2 per cent per annum since 2005. A detailed sectoral analysis is provided in the ensuing section.

Primary Sector

Agriculture, Forestry and Fishing

This sector comprised R669.0 million (or 6.3 per cent) of the Municipality's GDP in 2015. It displayed 'placid' growth of 1.4 per cent for the period 2005 - 2015, but growth has nevertheless contracted in the post-recessionary period (the sector experienced contraction of 0.8 per cent over the period 2010 – 2015).

Agriculture, forestry and fishing employed 12.4 per cent of the municipality's workforce. Employment growth over the period 2005 – 2015 has contracted by 2.4 per cent per annum on average. Employment picked up significantly after the recession and grew at a rate of 3.1 per cent per annum on average since 2010. On net employment, 2 976 jobs have been lost since 2005 - not all of the jobs lost prior to and during the recession have been recovered.

The labour force in the primary sector is characterised by a relatively large proportion of low-skilled labour. The majority (58.2 per cent or 5 432 workers) of the workforce in agriculture, forestry and fishing operate within the low-skill sector, which has experienced a contraction of 3.1 per cent since 2005, but nevertheless grew by 2.9 per cent per annum over the post-recession period (2010 – 2015). The semi-skilled sector employs 1 844 workers and the sector has contracted at a rate of 2.5 per cent per annum since 2005 but experienced a notable recovery of 3.5 per cent per annum over the post-recession period term (2010 – 2015).

The skilled sector employs the smallest proportion of the industry's workforce (5.0 per cent or 469 workers). This segment has shown robust growth post-recession (3.8 per cent per annum), but a 2.3 per cent per annum contraction over the long term (2005 – 2015).

The informal sector makes up 17.0 per cent of the industry's workforce and was the only sector to experience long term growth (albeit marginal) as employment grew by 1.1 per cent per annum over the period 2005 – 2015. Informal employment within the agriculture, forestry and fishing industry furthermore experienced robust growth of 3.1 per cent per annum since 2010.

GDP		2015	Trend 2005 – 2015	Recovery 2010 – 2015
		R669.0 million	1.4%	-0.8%
Employment		9 334	-2.4%	3.1%
Skill Levels	Skilled	469	-2.3%	3.8%
	Semi-skilled	1 844	-2.5%	3.5%
	Low-skilled	5 432	-3.1%	2.9%
	Informal	1 589	1.1%	3.1%

Secondary Sector

Manufacturing

The manufacturing sector comprised R1.760 billion (or 16.5 per cent) of the Municipality's GDP in 2015. The sector has experienced contraction of 0.2 per cent per annum on average over the period 2005 – 2015.

GDP growth in the latter half of the decade (0.5 per cent for period 2010 – 2015) was below that of the long term trend for the industry and the overall municipal GDP growth rate (2.4 per cent) over the period under review as the sector manages to recover after the recession. The manufacturing industry employed 10.3 per cent of the Municipality's workforce.

Employment growth has shed jobs (1 128) over the past decade contracting at 0.6 per cent per annum over the period 2005 – 2015. Employment has nevertheless remained at a similar level in the post-recessionary period, contracting at 1.0 per cent per annum. A disproportionately large number of workers (employed in the manufacturing sector) are classified as semi-skilled (40.9 per cent) and low-skilled (24.2 per cent).

Only 13.3 per cent of those employed in the manufacturing sector are categorised as skilled and a similar number (21.6 per cent) operate within the informal sector. This sector has experienced contraction of employment in the post-recessionary period at 0.3 per cent.

GDP		2015	Trend 2005 – 2015	Recovery 2010 – 2015
		R1.760 billion	-0.2%	0.5%
Employment		7 694	-0.6%	-1.0%
Skill Levels	Skilled	1 023	0.0%	-0.3%
	Semi-skilled	3 146	-0.3%	-0.4%
	Low-skilled	1 861	-2.2%	-2.5%
	Informal	1 664	1.2%	-0.3%

Construction

GDP		2015	Trend 2005 – 2015	Recovery 2010 – 2015
		R423.1 million	6.4%	2.5%
Employment		4 789	4.4%	3.4%
Skill Levels	Skilled	278	3.3%	1.4%
	Semi-skilled	1 473	1.1%	-0.6%
	Low-skilled	666	-0.1%	-2.5%
	Informal	2 372	10.3%	9.8%

The construction sector comprised R423.1 million (or 4.0 per cent) of the Municipality's GDP in 2015, making it the fifth largest sector in the region. Construction has nevertheless witnessed robust growth since 2005, with growth averaging 6.4 per cent per annum. GDP growth has nevertheless slowed since the recession and grew by 2.5 per cent over the period 2010 – 2015 as the sector struggles to fully recover after the recession and consequently struggles to maintain its

position as fastest growing industry. The construction sector employed only 6.4 per cent of the Municipality's workforce.

Employment in the Municipality's construction sector has grown by 4.4 per cent per annum since 2005. Approximately 1 300 jobs have been created since 2005. However, subdued growth has been witnessed over the period 2010 – 2015 (where employment growth grew by 3.4 per cent per annum).

The majority (49.5 per cent or 2 372) of the workers employed in the construction industry operate within the informal sector. Employment growth within this sector has been consistently high since 2005 (10.3 per cent). Low-skilled employment makes up 13.9 per cent and semi-skilled employment makes up 30.8 per cent of the workforce in the construction industry, and both sectors have been experiencing contractions after the recession. Workers employed in these sectors who have lost their jobs may have found employment in the informal sector. Skilled employment makes up only 5.8 per cent of the construction industry's workforce, and has experienced a measured growth rate over the past decade, with growth decelerating since 2010.

Tertiary Sector

Commercial Services

GDP		2015	Trend 2005 – 2015	Recovery 2010 – 2015
		R5.921 billion	4.6%	3.7%
Employment		35 846	4.6%	3.1%
Skill Levels	Skilled	5 824	1.8%	1.5%
	Semi-skilled	11 495	2.4%	2.0%
	Low-skilled	4 606	1.7%	1.3%
	Informal	13 921	11.9%	5.6%

Commercial services encompass the wholesale and retail trade, catering and accommodation, transport, storage and communication and finance, insurance, real estate & business services industries. This sector comprised R5.921 billion (or 55.4 per cent) of the Municipality's GDP in 2015 (the largest sector in the region).

The industry grew steadily over the period 2005 – 2015 (4.6 per cent per annum compared to the overall municipal average of 3.0 per cent), the sector displayed sluggishness in the post-recessionary period continuing to grow at a rate of 3.7 per cent per annum on average. This sector employed 47.8 per cent of the municipality's workforce (making it the largest employer).

Employment has shown moderate growth throughout the past decade recording a 4.6 per cent growth rate per annum. Employment growth has not maintained this trajectory, tapering off (3.1 per cent) over the period 2010 – 2015 as the sector remains on par with the sluggish growth across other industries in the municipality post-recession (overall municipal employment growth averaged 2.4 per cent per annum over this period). The commercial services industry has created 12 494 jobs on net since 2005.

A large proportion (32.1 per cent) of the industry's workforce are classified as semi-skilled, while 12.8 per cent are classified as low-skilled and 16.2 per cent are classified as skilled. The low-skilled/semi-skilled/skilled workforce has shown moderate growth both prior to and post-recession. Informal employment within the commercial services industry makes up 38.8 per cent of the industry's workforce and has experienced robust growth of 11.9 per cent per annum since 2005, and lower but still strong growth of 5.6 per cent per annum over the last 5 years.

Government and Community, Social and Personal Services

GDP		2015	Trend 2005 – 2015	Recovery 2010 – 2015
		R1.79 billion	2.4%	1.9%
Employment		17 207	3.0%	2.2%
Skills	Skilled	4 257	1.2%	0.9%
	Semi-skilled	4 033	2.8%	2.5%
	Low-skilled	5 415	0.7%	0.2%
	Informal	3 502	16.0%	8.2%

The general government & community, social and personal services is relatively small (comprising only 16.7 per cent or R1.79 billion of the Municipality's overall GDP in 2015). The industry experienced GDP growth of 2.4 per cent over the period 2005 – 2015 (and marginally decreased to a rate of 1.9 per cent per annum since 2010).

The industry however employs a noteworthy share (22.9 per cent) of the Municipality's workforce and its employment growth over the period 2005 – 2015 averaged 3.0 per cent per annum. Employment growth has tapered off somewhat (2.2 per cent) since the recession. The majority (31.5 per cent) of the industry's workforce are classified as low-skilled, while 23.4 per cent falls within the semi-skilled category and 24.7 per cent are classified as skilled. Employment in the skilled category grew moderately at 1.2 per cent over the period 2005 - 2015 overall, and has slowed slightly since 2010 recording a figure of 0.9 per cent.

Semi-skilled employment grew at a modest rate of 2.8 per cent per annum since 2005, which persisted in the post-recessionary period at 2.5 per cent. Employment growth among the low-skilled workforce grew by 0.7 per cent for the period 2005 – 2015. The informal sector employ 20.4 per cent of the industries workforce, recording stellar growth of 16.0 per cent per annum over the period 2005 – 2015 (this growth nevertheless stemming from a small base), halving to 8.2 per cent in the post-recessionary period.

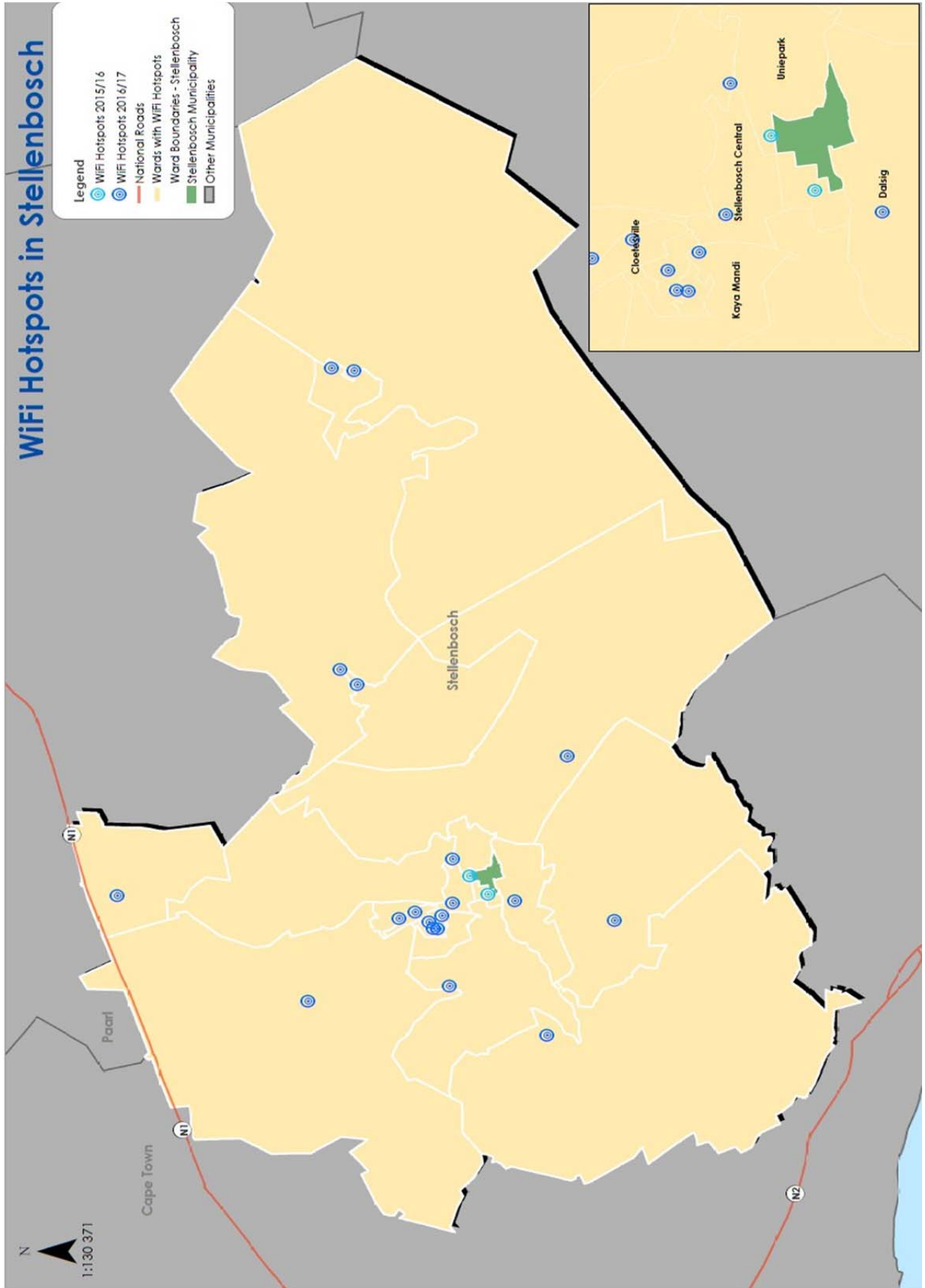
2.8 BROADBAND

As broadband penetration is an official Western Cape Government (WCG) Game Changer, the Province has a broadband vision that by 2030, every citizen in every town and village will have access to affordable high speed broadband infrastructure and services, will have the necessary skills to be able to effectively utilise this infrastructure and is actively using broadband in their day to day lives.

Striving towards this vision, the WCG aims to by 2020 improve business competitiveness and the livelihoods of citizens through various broadband initiatives. This 2020 objective includes the goal of increasing internet penetration in the Province to 70 per cent. The WCG has allocated R1.6 billion towards this Game Changer across the 2016 MTEF.

One such initiative entails the establishment of a Wi-Fi hotspot at a provincial government building (schools, libraries, clinics, community centres and other public facilities) in each ward of each local municipality across the Province.

These hotspots will allow limited access (250 Mb per month) to each user, as well as to allow free of charge access to all gov.za websites. All 22 wards within the Stellenbosch Municipality current have a WCG Wi-Fi hotspot. The location of these hotspots is reflected in the map attached hereto.



B: LEGISLATIVE ENVIRONMENT

Legal Requirements

The medium term revenue and expenditure framework for 2017/2018, 2018/2019 and 2019/2020 was compiled in accordance with the requirements the relevant legislation, of which the following are the most important:

- i) the Constitution, Act 108 of 1996
- ii) the Local Government Transition Act, Act 209 of 1993
- iii) the Municipal Structures Act, Act 117 of 1998
- iv) the Municipal Systems Act, Act 32 of 2000
- iv) the Municipal Finance Management Act, Act 56 of 2003

In addition to the above, the Municipal Budget and Reporting Framework as approved on 17 April 2009 gave a clear directive on the prescribed reporting framework and structure to be used.

Guidelines issued by National Treasury

National Treasury issued the following circulars regarding the budget for 2015/2016:

MFMA Circular No. 74 Municipal Budget Circular for the 2015/16 MTREF- 12 December 2014

MFMA Circular No. 75 Municipal Budget Circular for the 2015/16 MTREF- 04 March 2015

Other circulars used during the compilation of the budget:

- MFMA Circular No. 48 Municipal Budget Circular for the 2009/10 MTREF – 2 March 2009
- MFMA Circular No. 51 Municipal Budget Circular for the 2010/11 MTREF – 19 February 2010
- MFMA Circular No. 54 Municipal Budget Circular for the 2011/12 MTREF – 10 December 2010
- MFMA Circular No. 55 Municipal Budget Circular for the 2011/12 MTREF – 8 March 2011
- MFMA Circular No. 58 Municipal Budget Circular for the 2012/13 MTREF – 14 December 2011
- MFMA Circular No. 59 Municipal Budget Circular for the 2012/13 MTREF – 16 March 2012
- MFMA Circular No. 64 Municipal Budget Circular for the 2012/13 MTREF – November 2012
- MFMA Circular No. 66 Municipal Budget Circular for the 2013/2014 MTREF – 24 January 2013
- MFMA Circular No. 67 Municipal Budget Circular for the 2012/13 MTREF – 12 March 2013
- MFMA Circular No. 70 Municipal Budget Circular for the 2014/15 MTREF- 4 December 2013
- MFMA Circular No. 78 Municipal Budget Circular for 2016/2017 MTREF - 7 December 2015
- MFMA Circular No.79 Municipal Budget Circular for 2016/2017 MTREF - 7 March 2016
- MFMA Circular No.82 Cost Containment Measures for 2016/2017 MTREF - 30 March 2016
- MFMA Circular No.85 Municipal Budget Circular for 2017/2018 MTREF – 9 December 2016
- MFMA Circular No. 86 Municipal Budget Circular for 2017/2018 MTREF – 8 March 2017

The following are discussion points that are highlighted in the above:

- National outcomes/priorities
- Headline inflation forecasts
- Local Government Conditional Grants & additional allocations
- Municipal Standard Chart of Accounts (mSCOA)
- Development of Integrated Development Plan (IDP)
- Revising rates, tariffs and other charges
- Funding choices and management issues
- Conditional transfers to municipalities
- Municipal Budget and Reporting Regulations
- Budget process and submissions for the 2017/18 MTREF

The guidelines provided in the above mentioned circulars, annexures and other economic factors were taken into consideration and informed budget preparation and compilation.

C: OVERVIEW OF ANNUAL BUDGET PROCESS

In terms of Section 24 of the MFMA, Council must, at least 30 days before the start of the financial year, consider the annual budget for approval. Section 53 requires the Mayor of a municipality to provide general political guidance over the budget process and the priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations, gazetted on 17 April 2009, states that the Mayor of a municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging with the responsibilities set out in section 53 of the Act.

A time schedule outlining important dates and deadlines as prescribed for the IDP/Budget process was approved on **25 August 2016**. The budget process for the 2017/2018 MTREF period proceeded/will proceed according to the following timeline

Activity	Time frame
Formulation of budget assumptions	September 2016
Detailed programmes and projects to further define budget	November 2016 – March 2017
Draft IDP and Budget considered by Council	29 March 2017
Draft IDP and Budget - public participation	April 2017
Final approval of budget and IDP	31 May 2017

D: OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH THE INTEGRATED DEVELOPMENT PLAN (IDP)

OUR OVERARCHING STRATEGY

Our overarching strategy is as follows:

STRATEGIC FOCUS AREAS	PREDETERMINED OBJECTIVES	PROGRAMS
STRATEGIC FOCUS AREA 1: VALLEY OF POSSIBILITY	1.1 Create an environment conducive to business development and job creation.	<ol style="list-style-type: none"> 1. Development and implementation of Integrated zoning scheme. 2. Develop local economic development hubs. 3. Investment in bulk and connecting engineering infrastructure for development purposes.
	1.2 To facilitate and co-ordinate support to emerging entrepreneurs by utilizing internal SCM processes and linking SMME's with opportunities in the market.	<ol style="list-style-type: none"> 1. Develop a guiding document to link Small Medium and Micro Enterprises to Supply CM and open market opportunities. 2. Update and implement the preferential procurement policy.
	1.3 To provide, upgrade and maintain an effective engineering infrastructure to support effective service delivery.	<p>Major capital expenditure is planned in the following areas during the 2017/2018 financial year:</p> <p>Electricity</p> <ul style="list-style-type: none"> • Energy Efficiency and Demand Side Management • Integrated National Electrification Programme • Electricity Network <p>Roads, Stormwater and Traffic Engineering</p> <ul style="list-style-type: none"> • Reconstruction of roads • Upgrade of Gravel Roads • Reseal of Roads • Main Roads Intersection Improvements • Klapmuts Public Transport Interchange <p>Solid Waste</p> <ul style="list-style-type: none"> • Major Drop-offs : Construction-Franschhoek <p>Water Services</p> <ul style="list-style-type: none"> • Extension of WWTW: Stellenbosch • Relocation/ Upgrading main Water Supply line: Idas Valley Storage Dams • Bulk Sewer Outfall: Jamestown • Bulk water supply Pipe Reservoir: Dwarsriver (Johannesdal/Kylemore/Pniel) • New Plankenburg: Main Sewer Outfall • Water Treatment Works: Paradyskloof • Waterpipe Replacement • Idas Valley Merriman Outfall Sewer

STRATEGIC FOCUS AREAS	PREDETERMINED OBJECTIVES	PROGRAMS
		<p>Sports Fields</p> <ul style="list-style-type: none"> • Upgrade of Sport Facilities • Information Technology • Upgrade and Expansion of IT Infrastructure Platforms Human Settlements • New Community Halls Klapmuts • Housing Project Kayamandi Watergang/ Zone O
	<p>1.4 To ensure the provision of non-motorised transport routes as a functional mode of transport</p>	<ol style="list-style-type: none"> 1. Construction and upgrading of pedestrian and cycle Paths. 2. Develop Specific Non-Motorised Transport routes according to needs. 3. Design, construct and upgrade Cycle paths. 4. Design and construct Bicycle parking facilities. 5. Construct Bus and Taxi shelters.
<p>STRATEGIC FOCUS AREA 2: A GREEN AND SUSTAINABLE VALLEY</p>	<p>2.1 Managing human use of the biosphere and its resources</p>	<ol style="list-style-type: none"> 1. Conserve natural resources, biodiversity and landscapes. 2. Encourage the use of materials obtained from sustainable sources in new development and in the design of buildings. 3. Facilitate the use of green energy. 4. Minimise the use of the four generic resources, namely energy, water, land and materials. 5. Maximise the re-use and/or recycling of resources. 6. Use renewable resources in preference to non-renewable resources. 7. Minimise air, land and water pollution.
	<p>2.2 Enhancing the integrity of the environment as an imperative for long-term sustainability.</p>	<ol style="list-style-type: none"> 1. Maintain essential ecological processes, preservation of genetic diversity and the insurance of the sustainable utilisation of natural resources. 2. Plan and design the cultural (human) environment in a manner that enhances the intrinsic value (including heritage and traditional legacy) of the subject places and Stellenbosch Municipality as a whole.
	<p>2.3 Incorporating bio-diversity into the environment as an imperative for long-term sustainability.</p>	<ol style="list-style-type: none"> 1. Biodiversity conservation is a prerequisite for sustainable development, and for biodiversity conservation to succeed, the maintenance of environmental integrity (as defined by ecological, economic and social criteria) must be one of the primary determinants of land-use planning

STRATEGIC FOCUS AREAS	PREDETERMINED OBJECTIVES	PROGRAMS
	2.4 Ensuring spatial sustainability.	<ol style="list-style-type: none"> 1. Promote land development that is within the environmental, fiscal, institutional and administrative means of Stellenbosch Municipality. 2. Ensure that special consideration is given to the protection of high-potential farm land. 3. Uphold consistency of land-use measures in accordance with environmental requirements and associated management instruments. 4. Limit urban development to locations where such development can be sustainable, where urban sprawl can be limited, and where such development can result in sustainable communities. 5. Implement strategies to ensure that any form of development, on balance, improves current circumstances in the subject area.
	2.5 Facilitate efficient use of all forms of capital available to Stellenbosch.	<ol style="list-style-type: none"> 1. Implement plans to ensure that development optimizes the use of existing resources and infrastructure (i.e. monetary capital, environmental capital and infrastructural capital) and that such development result in beneficial synergies and multipliers in the local economy.
	2.6 Building Human capacity and ability.	<ol style="list-style-type: none"> 1. Promote Cooperative skills development: Encourage Full involvement of stakeholders:
	2.7 Efficient information management (refer to Environmental Management Framework)	<ol style="list-style-type: none"> 1. Develop and implement a biodiversity register.
STRATEGIC FOCUS AREA 3: A SAFE VALLEY	3.1 To implement an integrated safety strategy to incorporate multi-stakeholder engagements and to focus on institutional, situational and social crime prevention interventions.	<ol style="list-style-type: none"> 1. Identify and develop a safety network database. 2. Allocation of roles and responsibilities to stakeholders. 3. Sign MOUs with SAPS to extent municipal law enforcement security cluster. 4. Perform ward based risks assessments.
	3.2 To develop and implement Institutional Crime prevention strategies, with the focus on improved law enforcement and neighbourhood watches.	<ol style="list-style-type: none"> 1. Build the capacity of safety stakeholders. 2. Register neighbourhood watches in all wards. 3. Perform joint planning initiatives to promote safety in all wards.
	3.3 To develop and implement Situational Crime prevention strategies	<ol style="list-style-type: none"> 1. Identify and map crime hot spots. 2. Convert crime hot spots into safe spaces by addressing the cause of crime in the identified hot spots. 3. Introduce appropriate technology and

STRATEGIC FOCUS AREAS	PREDETERMINED OBJECTIVES	PROGRAMS
		extent Close Circuit Television coverage to all wards.
	3.4 To implement and facilitate social crime prevention initiatives in all wards	<ol style="list-style-type: none"> 1. Provide support to Early Childhood Development centres. 2. Develop, facilitate and implement youth programs in partnership with public and private institutions. 3. Develop, facilitate and implement entrepreneurial programs.
STRATEGIC FOCUS AREA 4: DIGNIFIED LIVING	4.1 To develop and maintain sustainable human settlements that will provide in the diverse range of housing needs	<ol style="list-style-type: none"> 1. Develop and implement a housing pipeline. 2. Implement upgrading of informal settlements program 3. Integrated Residential development program. 4. Social Housing program 5. Community Residential Units.
	4.2 To develop and implement a social infrastructure master plan for the upgrading and maintenance of social facilities in all wards.	<ol style="list-style-type: none"> 1. Identify and map all current social infrastructure. 2. Identify and upgrade facilities for multi-purpose usage. 3. Identify areas to establish new facilities for sport and recreation facilities.
	4.3 To involve and build the capacity of stakeholders in the planning and management (governance) of the areas where they live. (Promote participatory planning and integrated implementation)	<ol style="list-style-type: none"> 1. Conduct community meetings, project steering committee meetings, beneficiary community meetings, housing consumer education sessions.
	4.4 To provide access to basic services for households in the WC024 area.	<ol style="list-style-type: none"> 1. Implement the access to basic services program Provision of communal water points. 2. Provision of communal ablution facilities 3. Provision of chemical toilets. Provision of basic waste removal services.
STRATEGIC FOCUS AREA 5: GOOD GOVERNANCE AND COMPLIANCE	5.1 To develop, align and implement effective Management Information Systems.	<ol style="list-style-type: none"> 1. Align and integrate current Management Information systems. Implement MSCOA requirements on Information Systems.
	5.2 An effective asset management system to optimize the use of municipal assets.	<ol style="list-style-type: none"> 1. Update and implement the asset management policy Establish an asset management section as part of the organisation structure.
	5.3 To manage integrated development planning and the efficient measurement of predetermined objectives as per regulatory framework.	<ol style="list-style-type: none"> 1. Implement the performance management plan.
	5.4 To involve the community in the planning and management of programmes and projects that affect them in partnership with the municipality	<ol style="list-style-type: none"> 1. Improve ward planning by the introduction of geo-mapping to ward committees

STRATEGIC FOCUS AREAS	PREDETERMINED OBJECTIVES	PROGRAMS
	5.5 To review municipal governance processes as per the Risk Based Audit Plan	1. Implement annually actions listed in the relevant risk based audit plan.
	5.6 A skilled and capable workforce that supports the growth objectives of the municipal area	1. Organisational design 2. Implement the workplace skills plan.
	5.7 A responsive and, accountable, effective and efficient local government system	1. Monthly compliance reporting to Council committees and other relevant oversight bodies. 2. Implementation of Municipal Standard Chart of Accounts.
	5.8 To implement an effective revenue management system.	1. Organisational Restructuring to improve revenue management. 2. Effective billing systems. 3. Effective credit control and debt collection processes.
	5.9 To provide accurate and relevant financial information for decision making.	1. Implement the Municipal Standard Chart of Accounts.
	5.10 To develop and implement a responsive, accountable, effective and efficient customer care structure and system.	1. Organisational restructuring to implement a centralised and integrated customer care system.

E: OVERVIEW OF MUNICIPAL BY-LAWS BUDGET RELATED POLICIES

The following budget related policy was developed:

Supply Chain Management Policy for Standard for Infrastructure Procurement and Delivery Management (SIPDM)

This policy establishes the Stellenbosch Municipality's policy for infrastructure delivery management in accordance with the provisions of the regulatory frameworks for procurement and supply chain management. It includes the procurement for a new facility to be occupied and used as a functional entity but excludes:

- a) the storage of goods and equipment following their delivery to Stellenbosch Municipality' which are stored and issued to contractors or to employees;
- b) the disposal or letting of land;
- c) the conclusion of any form of land availability agreement;
- d) the leasing or rental of moveable assets; and
- e) public private partnerships. Refer to Appendix 29.

The following existing policies were reviewed and amended

Property Rates By-Law

In terms of Section 3 of the Property Rates Act, a municipal council must adopt a policy consistent with the property rates act on levying of rates on rateable properties in the municipality. Refer to Appendix 4.

Tariff By-Law

In terms of section 75(1) of the Systems Act, a municipal council must adopt by-laws to give effect to the implementation and enforcement of its tariff policy. In terms of section 75(2) of the Systems Act, by-laws adopted in terms of section 75(1) of the Systems Act may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination. Refer to Appendix 5.

Special Ratings Area By-Law

A "special rating area" refers to a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act. This By-law aims to provide for the establishment of special ratings areas, to provide for additional rates and to provide for matter incidental thereto. Refer to Appendix 6.

Property Rates Policy

The revised Rates Policy as required by the Municipal Property Rates Act (Act no 6 of 2004) is attached as Appendix 7.

Supply Chain Management Policy

Section 111 of the MFMA requires each Municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act. The Preferential Procurement Policy Framework Act, no 5 of 2000 and its accompanying regulations influences and dictates process around the evaluation and awarding of points. In this regard, the Minister of Finance acting in terms of section 5 of the Procurement Policy Framework Act, revised the Regulations accompanying this Act on the 20th January 2017 for implementation by all affected public entities by the 1 April 2017. The Supply Chain Management Policy was therefore amended and adopted at Council during February 2017. Refer to Appendix 8.

Travel and Subsistence Policy

This policy sets out the basis for the payment of subsistence, travel allowance, hourly rate when applicable for the purpose of official travelling. Refer to Appendix 9.

Indigent Policy

Due to the level of unemployment and subsequent poverty in the municipal area, there are households which are unable to pay for basic municipal services. The provision of free basic services ensures that registered indigent consumers have access to basic services. This policy provides the framework for the administration of free basic services to indigent consumers. Refer to Appendix 10.

Credit Control and Debt Collection Policy

This policy provides a framework to enable Council to proactively manage and collect all money due for services rendered and outstanding property taxes, subject to the provisions of the Municipal Systems Act of 2000 and any other applicable legislation and internal policies of Council. Refer to Appendix 11.

Irrecoverable Debt Policy

This policy enables Council and the CFO to write off irrecoverable debt of indigent consumers, debt which cannot be recovered due to consumers not being registered as indigent or not traceable or due to prescription of debt. Refer to Appendix 12.

Tariff Policy

This policy serves as the implementing tool which guides the levying of tariffs for municipal services in accordance with the provisions of the Municipal Systems Act and any other applicable legislation. Tariffs represent the charges levied by Council on consumers for the utilization of services provided by the Municipality and rates on properties. Tariffs will be calculated in various ways, dependent upon the nature of the service being provided. Refer to Appendix 13.

Grant-in-aid Policy

This policy provide the framework for grants-in-aid to non-governmental organisations (NGO's), community-based organisations (CBO's) or non-profit organisations (NPO's) and bodies that are used by government as an agency to serve the poor, marginalised or otherwise vulnerable as envisaged by Sections 12 and 67 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003). Refer Appendix 14.

Special Ratings Area Policy

The aim of the policy is to provide the framework to strike an appropriate balance between facilitating self-funded community initiatives that aim to improve and/or upgrade neighbourhoods. Refer to Appendix 15.

Development Charges Policy

The Municipality derives its authority to impose a development charge in terms of Section 75A. General power to levy and recover fees, charges and tariffs of the Local Government: Municipal Systems Act, 2000, Act 32 of 2000.

Section 75A reads as follows:

- (1) A municipality may-(a) levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and (b) recover collection charges and interest on any outstanding amount.
- (2) The fees, charges or tariffs referred to in subsection (1) are levied by a municipality by resolution passed by the municipal council with a supporting vote of a majority of its members.
- (3) After a resolution contemplated in subsection (2) has been passed, the municipal manager must, without delay-
 - *conspicuously display a copy of the resolution for a period of at least 30 days at the main administrative office of the municipality and at such other places within the municipality to which the public has access as the municipal manager may determine;*

- *publish in a newspaper of general circulation in the municipality a notice stating that a resolution as contemplated in subsection (2) has been passed by the council; that a copy of the resolution is available for public inspection during office hours at the main administrative office of the municipality and at the other places specified in the notice; and the date on which the determination will come into operation; and*
- *seek to convey the information referred to in paragraph (b) to the local community by means of radio broadcasts covering the area of the municipality.*

(4) The municipal manager must forthwith send a copy of the notice referred to in subsection (3)(b) to the MEC for local government concerned. (Section 75A inserted by section 39 of Act 51 of 2002).

The draft policy/bylaw, which does not contain track changes, as it is essentially a new policy in view of the following motivation:

The Municipality approved its new Land Use Planning Bylaw in terms of the Spatial Planning and Land Use Planning Act, 2013 (Act 16 of 2013) in October 2015 and it was officially promulgated and became effective in December 2015. Since then, the Municipality faces significant changes in the planning environment, amongst others the need for and manner of generating development charges.

The intent is aligned with the following:

- Striving to make Stellenbosch the preferred town for investment and business, where investment inflows and new enterprise translate into jobs and prosperity.
- Establishing the greenest municipality which will not only make Stellenbosch attractive for visitors and tourists, but will also provide a desirable environment for new industries.
- Ensuring a dignified living for all Stellenbosch citizens, who feel that they own their town, take pride in it and have a sense of self-worth and belonging.
- Creating a safer Stellenbosch valley, where civic pride and responsibility supplant crime and destructive behaviour.

The following are the primary principles which underpin the proposed development contributions:

- Equity and Fairness: Development charges should be reasonable, balanced and practical. The purpose of development charges is to ensure that those who cause the establishment or creation of new community facilities, social infrastructure and emergency services, or who cause off-site development impacts, pay for the associated costs.

-
- **Predictability:** Development charges should be a predictable, legally certain and reliable source of revenue to the Municipality for providing the necessary community facilities, social infrastructure and emergency services.
 - **Spatial and Economic Neutrality:** The development contributions must ensure the timely, sustainable financing of the required community facilities, social infrastructure and emergency services.
 - **Administrative Ease and Uniformity:** The determination, calculation and operation of development contributions should be administratively simple and transparent.

Development has an impact on the demand for social infrastructure as much as it does services infrastructure. The infrastructure is essential to support sustainable social and economic development and to ensure the health and well-being of the residents and property owners of the Municipality. Without this infrastructure, investment in Stellenbosch will be hampered and, as the cost to the Municipality in providing social infrastructure is high, funding to cover the cost must be obtained from development charges. Such contributions are a targeted and an equitable way of ensuring that the new beneficiaries make an appropriate and fair contribution to the cost through the developer. In addition thereto, the new integrated zoning scheme bylaw will grant development and land use rights to property owners without the need for the submission of time-consuming land use planning applications with uncertain outcomes. This significantly improves the investment attraction of the municipality and reduces the cost of doing business in the property development sphere. Where previously development charges were only levied on such land use planning decisions, they will now be levied on consideration of building plans or development agreements as well, given the other advantages provided for in the relevant legislation. Refer to Appendix 16.

Virementation Policy

The policy sets out the Virement principles and processes which the Stellenbosch Municipality will follow during a financial year. These virements will represent a flexible mechanism to effect budgetary amendments within a municipal financial year. The policy shall give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the Approved budget and it will be applicable to all municipal staff and councillors involved in budget implementation. Refer to Appendix 17.

Cash Management and Investment Policy

To regulate and provide directives in respect of the investment of funds and to maximize returns from authorized investments, consistent with the primary objective of minimizing risk. Refer to Appendix 18.

Asset Management Policy

The Municipal Finance Management Act Number 56 of 2003 will be the legislative framework for the Asset Management Policy whilst Generally Recognised Accounting Practice (GRAP) will be the accounting framework.

The Municipal Council of Stellenbosch is in terms of the MFMA and GRAP obliged to adopt an Asset Management Policy to regulate the effective management of all council's assets.

- **And whereas** the municipal manager as accounting officer of municipal funds, assets and liabilities is responsible for the effective implementation of the asset management policy which regulates the acquisition, safeguarding, maintenance of all assets and disposal of assets where the assets are no longer used to provide a minimum level of basic service as regulated in terms of section 14 of the MFMA.
- **And whereas** these assets must be protected over their useful life and may be used in the production or supply of goods and services or for administrative purposes in meeting the municipality's operational requirements.
- **Now therefore** the municipal council of the Stellenbosch Municipality adopts this asset management policy. Refer to Appendix 19.

Financing of External Bodies performing municipal functions Policy

The purpose of this Policy is to provide a framework for financial assistance by Stellenbosch Municipality ("the Municipality") to external organisations/bodies conducting local government functions to the extent as set out in section 155(6)(a) and (7) of the Constitution as listed in Part B of Schedule 4 and 5. Refer to Appendix 20.

Accounting Policy

This policy provides the accounting framework applicable to the finances of the municipality and is informed by the Municipal Finance Management Act (Act no 56 of 2003). Refer to Appendix 21.

The following existing budget related policies were reviewed but no amendments were necessary:

Budget Implementation and Monitoring Policy

The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the planning, preparation and approval of the annual and adjustments budgets. The framework for virementations

is also explained and regulated in this policy as well as monitoring roles and responsibilities. Refer to Appendix 22.

Petty Cash Policy

All purchases below R 2 000 are regulated by this policy. Clear processes and procedures are stipulated to ensure that all transactions are processed effective and efficiently in a bid to ensure prudent financial control. Refer to Appendix 23.

Borrowing, Funds and Reserves

This policy strives to establish a borrowing framework policy for the Municipality and set out the objectives, policies, statutory requirements and guidelines for the borrowing of funds. The policy provides a framework to ensure that the annual budget of Stellenbosch Municipality is fully funded and that all funds and reserves are maintained at the required level to avoid future year non cash backed liabilities. The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework. Refer to Appendix 24.

Liquidity Policy

The documented Liquidity Policy sets out the minimum risk management measures that Stellenbosch Municipality has to implement and adhere to in order to ensure that its current and future liquidity position is managed in a prudent manner. This policy will be implemented to provide guidance on the minimum liquidity level that Stellenbosch Municipality has to maintain in order to comply with required legislative and / or National Treasury directives and within the overall financial management objectives as approved/reviewed by the Council from time to time. Refer to Appendix 25.

Inventory Management Policy

In terms of the MFMA, the Accounting Officer for a municipality must:

- (a) be responsible for the effective, efficient, economical and transparent use of the resources of the municipality as per section 62 (1)(a);
- (b) take all reasonable steps to prevent unauthorised, irregular and fruitless and wasteful expenditure and other losses as per section 62(1)(d); and
- (c) be responsible for the management, including the safeguarding and the maintenance of the assets, and for the management of the liabilities, of the municipality as per section 63 (1)(a) and (b).

The policy aims to achieve the following objectives which are to provide guidelines that employees of the Municipality must follow in the management and control of inventory, including safeguarding

and disposal of inventory, procure inventory in line with the established procurement principles contained in the Municipality's Supply Chain Management Policy and eliminate any potential misuse of inventory and possible theft. Refer to Appendix 26.

Preferential Procurement Policy

Section 217(1) of the Constitution, 1996 (Act 108 of 1996) provides that when contracting for goods and services, organs of state must do so in accordance with a system that is fair, equitable, transparent, competitive and cost effective. Section 217(2) and (3) of the Constitution allows organs of state to grant preferences when procuring for goods and services within a Framework prescribed by National legislation. The preferential procurement policy is founded on the following principles, namely, value for money, open and effective competition, ethics and fair dealing, accountability and reporting and equity. This policy will be applicable to all active industry sectors within the Stellenbosch Municipal area and must be read with the supply chain management policy of the municipality. Refer to Appendix 27.

Performance Management Policy Framework

Performance Management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality. At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

The constitution of S.A (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players."

Section 57 makes the employment of the Municipal Manager and Managers directly accountable to him subject to a separate performance agreement concluded annually before the end of July each year. Section 67 regards the monitoring, measuring and evaluating of performance of staff as a platform to develop human resources and to hold municipal staff accountable to serve the public efficiently and effectively. Performance Management, therefore, is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers and the Municipal Entities.

This framework therefore describes how the municipality's performance process, for the organisation as a whole will be conducted, organised and managed.

It also has the following objectives:

- Clarify processes of implementation
- Ensure compliance with legislation
- Demonstrate how the system will be conducted
- Define roles and responsibilities
- Promote accountability and transparency
- Reflect the linkage between the IDP, Budget, SDBIP and individual and service provider performance. Refer to Appendix 28.

F: OVERVIEW OF KEY BUDGET ASSUMPTIONS

Municipalities' long-term financial viability depends largely on the extent to which improved and sustainable revenue capacity on the one hand and sound financial management of its resources on the other hand can be achieved. These imperatives necessitate proper multi-year financial planning. Future impacts of revenue streams, expenditure requirements and the financial implications for the community at large (i.e. the potential influence on rates, tariffs and service charges) must be identified and assessed to determine the sustainability of planned interventions, programs, projects and sundry service delivery actions.

Taking these principals into consideration, the following assumptions (**ceteris paribus**) were made and relates to the parameters within which the budget was compiled for the next three years

	2017/2018	2018/2019	2019/2020
Percentage Increase:			
Water	7.00%	7.00%	7.00%
Electricity	2.22%	6.00%	6.00%
Sanitation	9.00%	9.00%	9.00%
Refuse	9.00%	9.00%	9.00%
Property Rates - Residential	-24.67%	6.00%	6.00%
Property Rates - Agricultural	-24.30%	6.00%	6.00%
Property Rates - Business	-17.28%	6.00%	6.00%
Collection Rates			
Water	96%	96%	96%
Electricity	96%	96%	96%
Sanitation	96%	96%	96%
Refuse	96%	96%	96%
Rates	96%	96%	96%
Employee Related Costs			
Salaries and Wages and related costs	7.36%	7.00%	7.00%
Notch Increment	2.40%	2.40%	2.40%
Other Assumptions			
Bulk Purchases - Electricity	0.31%	6.00%	6.00%
Bulk Purchases - Water	6.00%	6.00%	6.00%

Budgetary constraints and economic challenges meant that the municipality had to apply a combination of cost-saving interventions and higher than headline CPI revenue increases to ensure a sustainable budget over the medium term.

The budget theme of “*Driving Efficiencies; i.e. reprioritization of existing resources / current allocations*”, resulted from the realization that no, or limited, scope for additional externally- or internally-funded revenue growth existed and the challenge that more needed to be done with the existing resource envelope. This was reiterated in **National Treasury Budget Circular 58** where it states that “...municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts. **Municipalities should also pay particular attention to managing all revenue and cash streams effectively and carefully evaluate all spending decisions.**”

The municipal plans to implement a fleet management solution that will enable managers/heads/supervisor to effectively and efficiently manage and monitor the fleet allocated to their respective departments. As a result we foresee that the fuel and oil expenses will decrease with 8% for the 2017/2018 Financial year.

In previous financial year the municipality implemented means to manage the telephone usage which resulted in a reduction in the telephone cost. The telephone expenditure decreased with 8.5% to R3.071 million in 2017/2018.

During the new financial year the municipality plans to implement measures that will decrease spending on Consulting and Planning Fees as well as spending on Legal Cost by focusing more on in-house capacity building rather than making use of contracted/ outsourced consulting and legal services.

These are some of the initiatives the municipality plans to implement under the budget theme “*Driving Efficiencies; i.e. reprioritization of existing resources / current allocations*”,

G: HIGH LEVEL BUDGET OVERVIEW

Capital Budget for 2017/2018, 2018/2019 and 2019/2020

Although the capital budget is infrastructure orientated and addresses the very urgent need for the upgrading of infrastructure as addressed by the different infrastructure master plans, it does however speak to the IDP (Integrated Development Plan) and the needs of the community. It's also aligned to the strategic priority in the State of the Nation Address of Infrastructure investment and the "back to basics" approach. The responsiveness of the budget can be measured against what was identified as priorities by the community and the actual amount allocated, bearing in mind that resources are limited, to address or at least alleviate the most critical needs identified.

In this regard it is important to note that the need for infrastructure upgrades, inclusive of electricity infrastructure were key to ensure the delivery of sustainable services.

The capital budgets as proposed, amounts to:

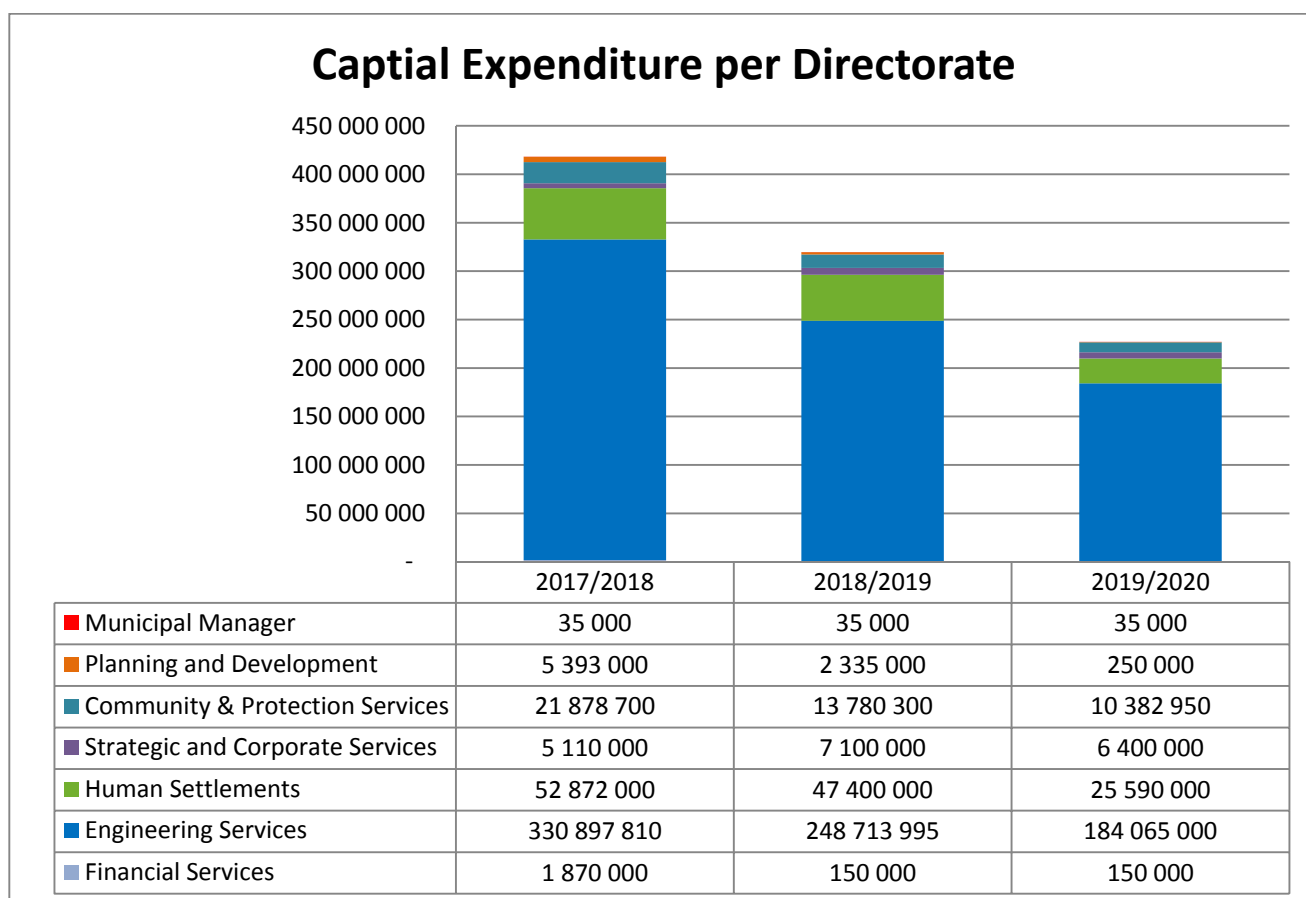
<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>
R	R	R
418 056 510	319 514 295	226 872 950

Compilation of the Capital Budget

The capital budgets depicted per Directorate are as follows:

	<u>2017/2018</u>		<u>2018/2019</u>		<u>2019/2020</u>	
	R	%	R	%	R	%
Municipal Manager	35,000	0.01%	35,000	0.01%	35,000	0.02%
Planning and Development	5,393,000	1.29%	2,335,000	0.73%	250,000	0.11%
Community and Protection Services	21,878,700	5.23%	13,780,300	4.31%	10,382,950	4.58%
Strategic and Corporate Services	5,110,000	1.22%	7,100,000	2.22%	6,400,000	2.82%
Human Settlements	52,872,000	12.65%	47,400,000	14.84%	25,590,000	11.28%
Engineering Services	330,897,810	79.15%	248,713,995	77.84%	184,065,000	81.13%
Financial Services	1,870,000	0.45%	150,000	0.05%	150,000	0.07%
	418,056,510	100.00%	319,514,295	100.0%	226,872,950	100.0%

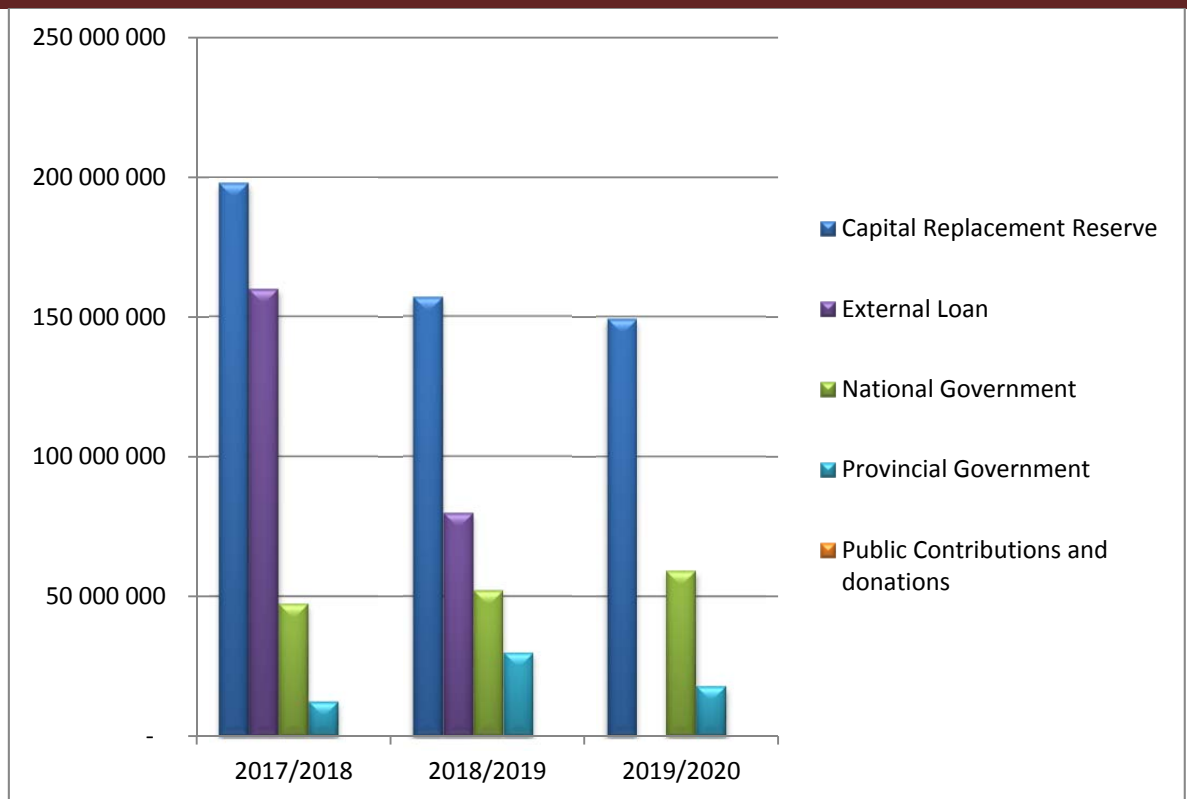
Investment in infrastructure for the next three years equals:



Financing of the Capital Budget

The proposed financing sources of the capital budget for the next three years are as follows:

	2017/2018		2018/2019		2019/2020	
	R		R		R	
<u>Own Funding</u>						
Capital Replacement Reserve	197,919,510	47.34%	157,112,295	49.17%	149,419,950	65.86%
<u>External Funding</u>						
Grants National Government	47,594,000	11.39%	52,302,000	16.37%	59,353,000	26.16%
Grants Provincial Government	12,543,000	3.00%	30,100,000	9.42%	18,100,000	7.98%
External Loans	160,000,000	38.27%	80,000,000	25.04%	0	0.00%
Public Contributions and donations	0	0.00%	0	0.00%	0	0.00%
	418,056,510	100.00%	319,514,295	100.00%	226,872,950	100.00%



As alluded to in the before-mentioned text and in the Council item; substantial investment in infrastructure is crucial in order to maintain sustainable levels of service delivery. For the detailed capital projects please refer to **Appendix 1 – Part 2 – Section N**.

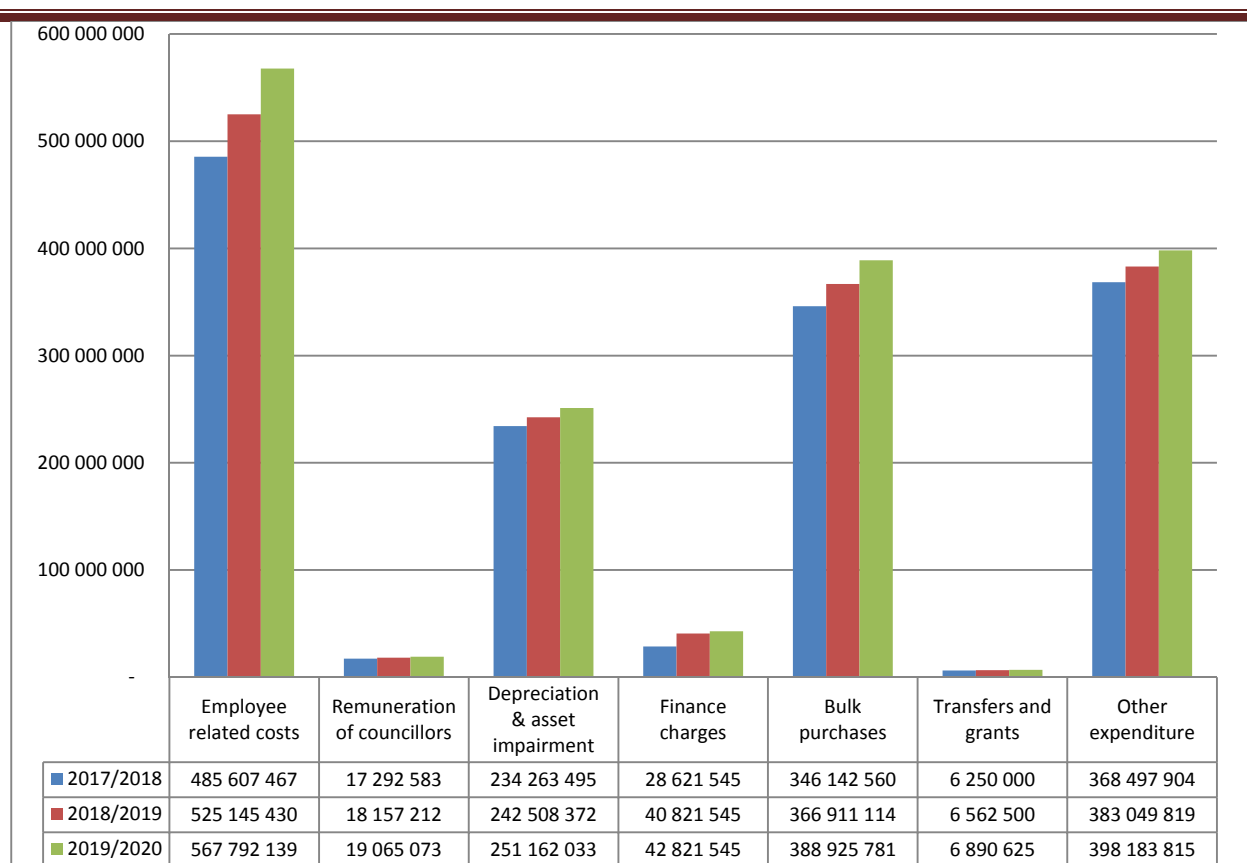
Operating Budget for 2017/2018, 2018/2019 and 2019/2020
Expenditure

The operating expenditure budget per Vote (Directorate) is as follows:

	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>
	R	R	R
Municipal Manager	23,157,755	24,769,817	26,511,824
Planning and Development	58,316,204	62,774,382	67,612,543
Human Settlements	69,257,003	73,527,333	78,119,833
Community and Protection Services	321,477,649	344,131,242	368,597,297
Engineering Services	810,393,069	865,676,327	913,556,917
Strategic and Corporate Services	121,292,823	125,616,271	130,289,370
Financial Services	82,781,051	86,660,620	90,153,227
Total Expenditure	1,486,675,554	1,583,155,992	1,674,841,011

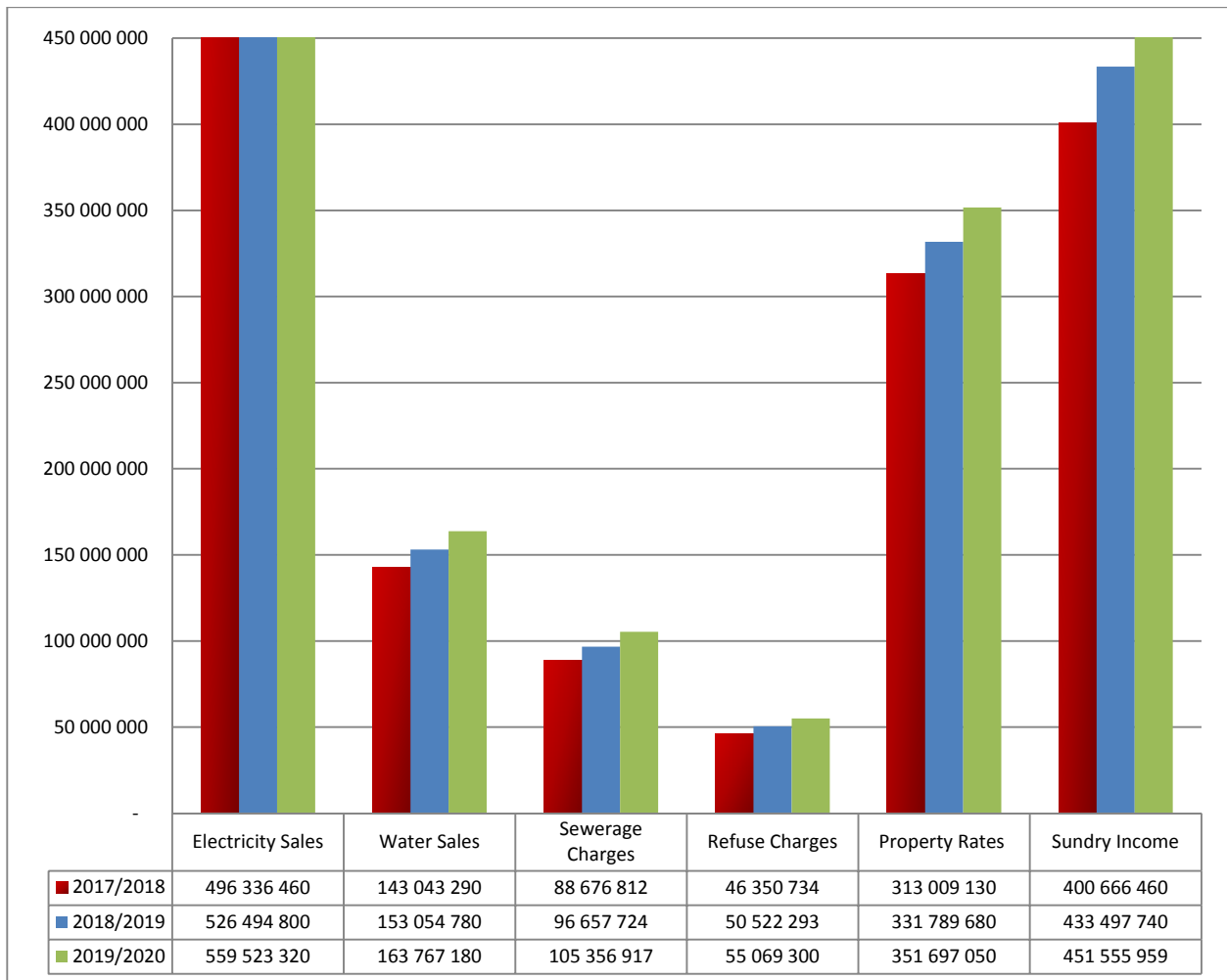
The operating expenditure budget per category is as follows:

	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>
	R	R	R
Employee related costs	485,607,467	525,145,430	567,792,139
Remuneration of councillors	17,292,583	18,157,212	19,065,073
Depreciation & asset impairment	234,263,495	242,508,372	251,162,033
Finance charges	28,621,545	40,821,545	42,821,545
Bulk purchases	346,142,560	366,911,114	388,925,781
Transfers and grants	6,250,000	6,562,500	6,890,625
Other expenditure	368,497,904	383,049,819	398,183,815
Total Expenditure	1,486,675,554	1,583,155,992	1,674,841,011



The operational budget will be funded as follows:

	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>
	R	R	R
Electricity Sales	496,336,460	526,494,800	559,523,320
Water Sales	143,043,290	153,054,780	163,767,180
Sewerage Charges	88,676,812	96,657,724	105,356,917
Refuse Charges	46,350,734	50,522,293	55,069,300
Property Rates	313,009,130	331,789,680	351,697,050
Sundry Income	400,666,460	433,497,740	451,555,959
Total Income	1,488,082,886	1,592,017,017	1,686,969,726



H: OVERVIEW OF THE BUDGET FUNDING

Financing of the Capital Budget

The proposed financing sources of the capital budget for the next three years are as follows:

	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>
	R	R	R
Capital Replacement Reserve	197,919,510	157,112,295	149,419,950
Grants National Government	47,594,000	52,302,000	59,353,000
Grants Provincial Government	12,543,000	30,100,000	18,100,000
External Loans	160,000,000	80,000,000	0
CDF/ Public Contributions	0	0	0
	418,056,510	319,514,295	226,872,950

Grant funding from National Government includes the following:

- Municipal Infrastructure Grant
- Integrated National Electrification Programme (Municipal) Grant
- Energy Efficiency and Demand Side Management Grant

Grant funding from Provincial Government includes the following:

- Sustainable Human Settlement Grant
- Integrated Transport Planning
- Library Services Grant
- Fire Capacity Building Grant
- Regional Socio-economic project/ violence prevention through urban upgrading (RSEP/VPUU) municipal projects
- Financial assistance to municipalities for maintenance and Construction of transport infrastructure

Financing of the Operational Budget

The operational budget is financed from the tariff increases as displayed above. In addition to these, the following grant allocations are expected and expenditure was adjusted accordingly:

- Equitable Share Allocation
- Community Development Worker Operational Support Grant
- Library Assistance Grant

- Financial Management Capacity building Grant
- Financial Management Grant
- Municipal Systems Improvement Grant
- Expanded Public Works Program Incentive Grant
- Sustainable Human Settlement Grant

I: EXPENDITURE ON ALLOCATION AND GRANT PROGRAMMES

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		53,895	69,334	88,417	99,065	99,065	99,065	117,001	126,094	139,695
Local Government Equitable Share		50,157	65,606	84,962	95,982	95,982	95,982	110,631	124,544	137,145
Municipal Systems Improvement		678	934	930	-	-	-	-	-	1,000
EPWP Ingegrated Grant for Municipalities		1,760	1,544	1,075	1,758	1,758	1,758	4,820	-	-
Local Government Financial Management Grant		1,300	1,250	1,450	1,325	1,325	1,325	1,550	1,550	1,550
Provincial Government:		37,262	8,368	29,834	12,756	36,269	36,269	11,341	12,065	18,849
Library Services: Conditional Grant		1,084	5,413	8,607	10,009	10,009	10,009	11,045	11,649	12,313
Community Development Workers Operational Support		36	84	54	56	56	56	56	56	56
Human Settlements Development Grant		35,841	2,871	20,423	-	22,733	22,733	-	-	6,000
LG Financial Management Support Grant		300	-	250	-	-	-	-	-	-
Spatial Development framework		-	-	500	400	900	900	-	-	-
Financial Management Capacity Building Grant		-	-	-	120	180	180	240	360	480
LG Graduate Internship		-	-	-	-	220	220	-	-	-
Maintenance and Construction of Transport Infrastructure		-	-	-	2,171	2,171	2,171	-	-	-
District Municipality:		-	-	-	300	-	300	-	-	-
Hosting of cultural events		-	-	-	300	-	300	-	-	-
Other grant providers:		4,035	4,596	-	600	-	-	-	-	-
Public contributions & Donations		4,035	4,596	-	600	-	-	-	-	-
Total Operating Transfers and Grants	5	95,191	82,298	118,251	112,721	135,334	135,634	128,342	138,159	158,544
Capital Transfers and Grants										
National Government:		59,469	47,439	92,785	80,106	80,106	80,106	47,594	52,302	59,353
Municipal Infrastructure Grant (MIG)		29,469	29,222	34,657	34,147	34,147	34,147	36,358	38,302	40,353
Regional Bulk Infrastructure		30,000	18,025	48,128	32,809	32,809	32,809	-	-	-
Integrated National Electrification Programme (Municipal)		-	-	4,000	5,000	5,000	5,000	4,000	4,000	7,000
Energy Efficiency and Demand Side Management		-	-	6,000	8,000	8,000	8,000	7,236	10,000	12,000
Local Government Financial Management Grant		-	192	-	150	150	150	-	-	-
Provincial Government:		18,396	9,780	24,165	36,430	20,421	20,421	12,543	30,100	18,100
Human Settlements Development Grant		14,952	8,916	20,127	34,150	11,417	11,417	7,767	28,000	16,000
RSEP/ VPUU		-	-	-	-	-	-	1,000	1,500	1,500
Maintenance and Construction of Transport Infrastructure		3,048	264	308	-	4,000	4,000	376	-	-
Library Services: Conditional Grant		-	-	3,080	2,220	4,944	4,944	2,000	-	-
Integrated Transport Planning		396	600	600	-	-	-	600	600	600
Fire Services Capacity Building Grant		-	-	-	-	-	-	800	-	-
Development of Sport and Recreational Facilities		-	-	50	60	60	60	-	-	-
District Municipality:		-	382	12,000	11,024	11,024	11,024	-	-	-
Hosting of cultural events		-	382	12,000	11,024	11,024	11,024	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Public contributions & Donations		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	77,865	57,602	128,950	127,560	111,551	111,551	60,137	82,402	77,453
TOTAL RECEIPTS OF TRANSFERS & GRANTS		173,056	139,900	247,201	240,281	246,885	247,185	188,479	220,561	235,997

J: ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash Transfers to other municipalities											
<i>Grant: Provision of basic services for Rural Dwellings</i>	1				500	500	500	500	-	-	-
Total Cash Transfers To Municipalities:		-	-	-	500	500	500	500	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
<i>Grant: Provision of basic services for Rural Dwellings</i>	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
<i>Grant: Provision of basic services for Rural Dwellings</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Grant: Provision of basic services for Rural Dwellings</i>											
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
<i>Festivals</i>		30	2 146	155	150	150	150	150	-	-	-
<i>Grant-In-Aid: Sundry</i>		2 000	2 841	2 400	2 500	2 172	2 172	2 172	1 600	1 680	1 764
<i>Grant-In-Aid: External Bodies Performing Tourism Function</i>		2 292	569	3 700	3 500	3 500	3 500	3 650	3 833	4 024	
<i>Grant-In-Aid: External Bodies Performing Animal Welfare Function</i>		496	-	900	932	932	932	932	1 000	1 050	1 103
<i>Grant-In-Aid: Rental</i>		-	-	20	21	21	21	21	-	-	-
<i>Grant-In-Aid Led Initiatives</i>		-	-	1 000	1 100	1 100	1 100	1 100	-	-	-
<i>Grants & Subsidies: External Bursaries</i>		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		4 818	5 555	8 175	8 203	7 875	7 875	7 875	6 250	6 563	6 891
TOTAL CASH TRANSFERS AND GRANTS	6	4 818	5 555	8 175	8 703	8 375	8 375	8 375	6 250	6 563	6 891
Non-Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
<i>Grant: Provision of basic services for Rural Dwellings</i>	2										
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
<i>Grant: Provision of basic services for Rural Dwellings</i>	3										
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations											
<i>Grant: Provision of basic services for Rural Dwellings</i>	4										
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
<i>Grant: Provision of basic services for Rural Dwellings</i>	5										
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	4 818	5 555	8 175	8 703	8 375	8 375	8 375	6 250	6 563	6 891

REPORT RECEIVED FROM COMMUNITY DEVELOPMENT: 2017/18 GRANT-IN-AID ALLOCATIONS

PURPOSE OF REPORT

To present Grant-in-Aid applications and recommended donations for the financial year 2017-2018 to Council for consideration and subsequent approval

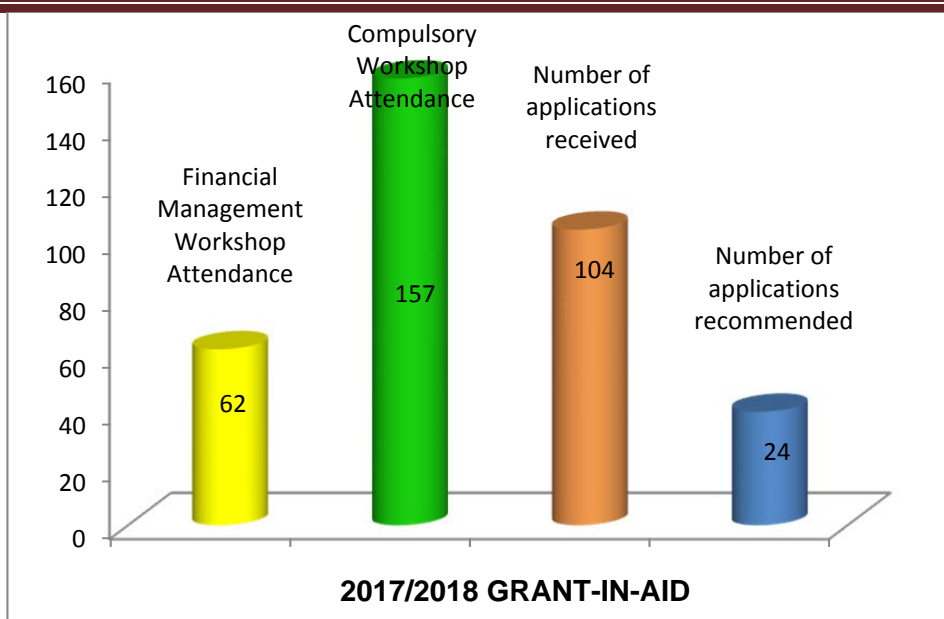
BACKGROUND

In terms of Council's Grant-in-Aid Policy (**APPENDIX 1**), proposals / applications for grant-in-aid were called for by means of advertisement in the press on 22 November 2016 (Boland Gazette) and on the municipal website.

The advertisement included an invitation to attend a compulsory workshop on 05 December 2016 to assist and give guidance on the policy and application procedure. One hundred and fifty seven (157) persons attended the workshop.

The above mentioned workshop followed a financial management workshop for emerging organizations on 22 November 2016 to build management capacity within organizations to promote compliance with policy requirements. This workshop was attended by 62 participants. By the closing date (9 January 2017), 104 applications were received.

The below graph shows the relation between workshop attendance, applications received and the grants recommended.



DISCUSSION

The Department Community Development and delegated officials of the Budget Office scrutinized and evaluated one hundred and four (104) applications representing the following categories:

CATEGORY	SUB CATEGORY	APPLICATIONS RECEIVED	APPLICATIONS RECOMMENDED
Social Development	General	4	3
	ECD	36	8
	Disability	6	2
	Elderly	5	0
	Youth	11	4
	Substance Abuse	3	1
	Gender	2	0
	Food Security	2	1
	Skills Development	4	0
Health	Physical and Psychological	4	0
Environment	General	2	1
Sport, Art and Culture	Sport Clubs	22	4
	Art and Culture	3	0
Total		104	24

Table 1: Applications and grant recommendations per category

The detailed list of applications received and evaluated can be found below the item.

The approved Grant-in-Aid policy of 2016-17 calls for organizations to indicate the wards within which services are rendered. This allows the municipality to measure and report on support given to communities per ward through the donation programme.

The following wards will benefit from the recommended donations:

SUB CATEGORY	APPLICATIONS RECOMMENDED	WARDS SERVED THROUGH THE ORGANIZATIONS	CONTRIBUTION AMOUNT
General Soc Dev	3	1, 2, 13, 14, 15, 18	R 120 000
ECD	8	6, 10, 12, 14, 15	R 271 000
Disability	2	1, 2, 5, 6, 12, 13, 14, 15, 16, 17, 20, 21	R 80 000
Elderly	0	-	R 0
Youth	4	2, 12, 13, 14, 15,16, 18, 22	R 160 000
Substance Abuse	1	4, 6, 7, 8, 9, 10, 16, 17	R 40 000
Gender	0	-	R 0
Food Security	1	all	R 40 000
Skills Development	0	-	R 0
Physical and Psychological Health	0	-	R 0
Environment	1	10, 19, 21	R 40 000
Sport Clubs	4	1,2,3,4,5,6,18	R 160 000
Art and Culture	0	-	R 0
Total	24		R 911 000

Table 2: Ward

based

recommendations and financial allocations

Council should note provisions in the Grant in Aid policy regarding compulsory supporting documents with specific reference to audited financial statements vs. signed statements (by chairperson and treasurer) for emerging organizations.

It became apparent that organizations classify themselves as “emerging” even though operating for a number of years without visible increased capacity in financial management. For this purpose the financial management workshop referred to above has been introduced as an annual capacity building workshop by the department for the past three years.

The department notes a significant decline in the quality of applications along with an increase in non-compliance to the policy resulting in few recommendations made. A couple of proposals were however provisionally approved to allow organizations who still have to the end of the current financial year to report on previous expenditure to do so.

The reason for not recommending organizations can be found in the notes column of detailed list of applications below. Most of the reasons for non-compliance can be categorized in two categories of reasons:

- 1) Incomplete forms and/or rudimentary mistakes (Application form, creditors control form, etc.) which can easily be remedied during the period of public comment for the draft budget.
- 2) Evidence of poor organizational management skill and/or capacity (This is especially evident in the conflicting information found in the application vs. rules stipulated per organizational constitution. Constitution indicating a certain number of board members with application indicating less, financial year not specified in constitution and/or financial statements not reflecting the financial year period, financial statements not meeting minimum accounting principle requirements) which will require in depth assessments of individual organizations and subsequent capacity building.

The Municipality would like to support as many as possible organizations delivering valuable services within our communities, but cannot disregard requirements of the MFMA (56 of 2003) Section 67 stipulating the responsibility of council to ensure donations are made to organizations who has the capacity to govern itself according to accepted financial practises and who can deliver the services for which the donation is required and benefiting the intended target audience.

To address the above

- Organizations can appeal the outcome of the recommended Grant-in-Aid donations during the month that the draft budget is open for public comment. Appeals should be in writing addressed to the Budget Office as per the normal public comment procedure for the draft budget.
- In order to remediate the significant decline in the quality of applications and the increase in policy non-compliance, the Department Community Development intent to embark on a series of organizational capacity building workshops calling on experts in the field to assist struggling organizations prior to the next call for proposals. This initiative is however dependant on the availability of budget.

COMMENTS BY THE CHIEF FINANCIAL OFFICER

The CFO confirmed that the amount of R 2 600 000.00 on vote 1/7802/3600 has been budgeted for Grant-in-Aid on the 2017-18 draft budget.

RECOMMENDED

- a) That council consider and approve the recommended and provisional donations to organizations as per detailed list below;
- b) That the detailed list of applications received and evaluated be advertised as part of the draft budget for public comment allowing public comment and non-recommended organizations to appeal in writing within the public comment period;
- c) That the final list of Grant-in-Aid donations be brought back to council for consideration of possible appeals as part of the final 2017-2018 budget in May 2017.

FURTHER COMMENTS: DIRECTOR PLANNING AND ECONOMIC DEVELOPMENT SERVICES

The draft budget was made available to the public for comment at all the local libraries. Comments were invited through a notice in the local newspaper on 11 April 2017. This afforded organizations who did not comply the opportunity to appeal and correct issues of non-compliance.

Forty one (41) organizations appealed against the outcome of Grant in Aid donations in the draft budget of which nineteen (19) were successful. A list of all appeals can be found on **APPENDIX 2** at the bottom of the list. The successful applicants were able to satisfy the requirements as per the Grant in Aid policy. The final column provides the reasons for unsuccessful appeals.

It is important to note that some of the organizations who were provisionally approved appealed against the outcome, but are listed among the compliance feedback section as they were not required to appeal. Three (3) organisations provisionally approved in the draft budget did not submit their final feedback reports as agreed and are thus not recommended for donations. A list of provisional approved organizations can also be found in **APPENDIX 2**.

The total budget recommended after appeals for Grant in Aid donations for the 2017-2018 budget amount to R 1 577 000,00. The allocation per category is as follow:

CATEGORY	SUB CATEGORY	APPLICATIONS RECEIVED	APPLICATIONS RECOMMENDED
Social	General	4	4

Development	ECD	36	15
	Disability	6	3
	Elderly	5	2
	Youth	11	5
	Substance Abuse	3	0
	Gender	2	0
	Food Security	2	1
	Skills Development	4	2
Health	Physical and Psychological	4	2
Environment	General	2	1
Sport, Art and Culture	Sport Clubs	22	5
	Art and Culture	3	1
Total		104	45

Allocations per ward now read as follow:

SUB CATEGORY	APPLICATIONS RECOMMENDED	WARDS SERVED THROUGH THE ORGANIZATIONS	CONTRIBUTION AMOUNT
General Soc Dev	4	1, 2, 13, 14, 15, 18	R 160 000
ECD	15	6, 10, 12, 13, 14, 15	R 537 000
Disability	3	1, 2, 3, 5, 6, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21	R 120 000
Elderly	2	1, 11	R 80 000
Youth	5	1, 2, 12, 13, 14, 15, 16, 18, 21, 22	R 200 000
Substance Abuse	0	-	R 0
Gender	0	-	R 0
Food Security	1	all	R 40 000
Skills Development	2	all	R 80 000
Physical and Psychological Health	2	all	R 80 000
Environment	1	10, 19, 21	R 40 000
Sport Clubs	5	1,2,3,4,5,6, 17, 18, 21	R 200 000
Art and Culture	1	Not indicated	R 40 000
Total	45		R 1 577 000

COMMENTS BY THE CHIEF FINANCIAL OFFICER

The CFO confirmed that the amount of R 2 600 000.00 on vote 1/7802/3600 has been budgeted for Grant-in-Aid on the 2017-18 draft budget.

RECOMMENDED

- a) That council consider and approve the recommended donations to organizations as per detailed list;
- b) That Grant in Aid Donations for 2017-2018 be paid from vote 1/7802/3600 to the amount of R 1 577 000,00.

GRANT-IN-AID 2017/2018: APPENDIX 1

Organisation Name	Type of service	Amount received previously	Funds requested	Funds proposed	Recommendation	Notes
SOCIAL DEVELOPMENT						
GENERAL						
ACVV Franschhoek	Social Work Services	40 000.00	60 000.00	40 000.00	Recommend	
Family in Focus Klapmuts	Comm Dev Programmes	0.00	90 000.00	40 000.00	Recommend	
FRANCO	Comm Dev Programmes	0.00	173 600.00	0.00	Not Recommend	Constitution not signed. Application undertaking not dated.
Kibwe Kids	Child Protection Services	40 000.00	477 299.00	40 000.00	Recommend	
ECD						
ATKV ABBA sorg	ECD	0.00		0.00	Not Recommend	Bank acc details on letterhead of bank (no creditors control form). No financial statements only projected expense budget 3/16-2/17.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Child Welfare SA: Stellenbosch	ECD	0.00	75 000.00	40 000.00	Recommend	Note application as parent body and 4 additional applications for affiliations. Policy stipulates one application per annum per organization. Recommend establishing separate legal entities for future.
Child Welfare SA: Jessie Keet Creche	ECD	0.00	85 000.00	0.00	Not Recommend	Not separate legal entity. Registration certificate of Child Welfare. Partial Care Registration: Jessie Keet. Constitution of Child Welfare. Financials in name of Jessie Keet. Bank acc name in both. Recommend establishing separate legal entity.
Child Welfare: Kylemore Creche	ECD	0.00	80 000.00	0.00	Not Recommend	Not separate legal entity. Registration certificate of Child Welfare. Partial Care Registration: Kylemore Creche. Constitution of Child Welfare. Financials in name of Kylemore Creche. Bank acc name in both. Recommend separate legal entity.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Child Welfare: Nora Tyers Creche	ECD	0.00	40 000.00	0.00	Not Recommend	Not separate legal entity. Registration certificate of Child Welfare. Partial Care Registration: Nora Tyers Creche. Constitution of Child Welfare. Financials in name of Nora Tyers Creche. Bank acc name in both. Recommend separate legal entity.
Child Welfare: Sizamile Creche	ECD	33 000.00	65 000.00	0.00	Not Recommend	Not separate legal entity. Registration certificate of Child Welfare. Partial Care Registration: Sizamele Creche. Constitution of Child Welfare. Financials in name of Sizamele Creche. Bank acc name in both. Recommend separate legal entity.
Happiness Kideo Educare	ECD	40 000.00	30 000.00	0.00	Not Recommend	No Feedback report. Financials discrepancies
Ikamva Educare	ECD	16 698.00	11 000.00	11 000.00	Recommend	
Indiphakamile Creche	ECD	0.00	40 000.00	0.00	Not Recommend	Creditors Control form not completed. Financial Statement questionable
Isibane Sempumelelo	ECD	40 000.00	150 000.00	0.00	Not Recommend	Acc name incorrect. Feedback report require proof of expenditre

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Kayamandi ECD Forum	ECD	0.00	40 000.00	0.00	Not Recommend	Not sufficient project information supplied to complete assessment. Constitution not dated.
Khanyisa Creche	ECD	0.00	40 000.00	0.00	Not Recommend	organisation has not attached their registration certificate
Likamoso Educare	ECD	0.00	40 000.00	40 000.00	Recommend	
Lithalethu Educare	ECD	40 000.00	50 000.00	0.00	Not Recommend	Acc name incorrect. No feedback report.
Little Shepherds	ECD	33 661.00	40 000.00	0.00	Not Recommend	No Creditors Control form, no feedback on previous expenditure. No funding proposal
Luthando Educare	ECD	0.00	30 000.00	30 000.00	Recommend	
Masifunde Creche	ECD	40 000.00	40 000.00	0.00	PROVISIONAL	Commit to provide feedback report and expenditure on previous funding by Apr 2017.
Masizakhe Creche	ECD	0.00	40 000.00	0.00	Not Recommend	Bank acc name incorrect.
Minkies Educare Centre	ECD	40 000.00	R 57 171 00	0.00	Not Recommend	Bank acc name incorrect. Request proof of expenditure.
Noxolo Educare	ECD	0.00	70 000.00	40 000.00	Recommend	
Okuhle Connie Educare	ECD	40 000.00	80 000.00	0.00	Not Recommend	Bank account name incorrect
Phakamani Educare	ECD	40 000.00	60 000.00	0.00	Not Recommend	Request proof of expenditure on previous funds received.
Prochorus Community Development	Playgroups	37 500.00	40 000.00	0.00	Not Recommend	Bank acc name incorrect on creditors control form. Constitution not submitted. Application

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

						form undertaking not dated.
Samkie's Creche	ECD	0.00	39 635.00	0.00	Not Recommend	Application form undertaking not dated. Incomplete application. Constitution and creditor control form outstanding. Insufficient proof of financial control.
Sibongumusa ECD Centre	ECD	0.00	54 000.00	30 000.00	Recommend	Additional request for wendy house declined as NPO not yet registered as a partial care facility.
Simni Educare Centre	ECD	40 000.00	27 500.00	0.00	Not Recommend	Organisation has to submit funding report by end April. Application undertaking not dated. Constitution not dated.
Siyavuya Creche	ECD	0.00	40 000.00	0.00	Not Recommend	Application undertaking not dated and incomplete. Financial statements are not fully completed and chairperson/treasurer have not signed.
Sonstraal Kleuterskool	ECD	0.00	40 000.00	0.00	Not Recommend	Application undertaking not signed or dated and incomplete. Constitution not signed or dated. Financials not credible.
Teletubbies Playschool	ECD	0.00	60 000.00	0.00	Not Recommend	No annual financial statement. Constitution not signed or dated.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Thanduxolo Daycare	ECD	40 000.00	40 000.00	0.00	Not Recommend	Appliation incomplete. Acc name incorrect and incomplete. Require proof of expenditure on previous funds received.
Themba lethu Creche	ECD	0.00	40 000.00	0.00	Not Recommend	Acc name incorrect. Financials questionable and only signed off by chair person.
Umtha Wemfundo Educare	ECD	40 000.00	40 000.00	0.00	Not Recommend	Acc name incorrect. Financial statement questionable.
Umthombo Wemfundo Educare	ECD		36 000.00	36 000.00	Recommend	
Unakho Day Care Centre for Disable	ECD	40 000.00		0.00	Not Recommend	Undertaking not dated. Application incomplete. Financials questionable. Creditors Control incomplete.
Yethu Educare	ECD	40 000.00	40 000.00	0.00	Not Recommend	Creditor Control incomplete - acc name. Financial report questionable. Require proof of expenditure on previous funding.
Zenzele Creche	ECD	35 500.00	40 000.00	0.00	Not Recommend	Application undertaking not dated. Acc name incorrect. Financials for 2014 - not recent enough.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

DISABILITY						
Bongolethu Disable Organisation	Crafting for Elderly	0.00		0.00	Not Recommend	Org constitution and description indicate persons with disability. Proposal is for elderly. Creditors Control form not completed. Financials destroyed in 2010 fire. This however does not warrant not having subsequent years of fin statements.
Bridging Abilities NPC	Disabled sport	0.00		0.00	Not Recommend	No annual fin statement (Management report March -Nov) - Not signed off
Care Career Conection NPC	Skills Dev	40 000.00		0.00	Not Recommend	No creditors control form or constitution / company rules
Helderberg Association for Person with Disabilities	Skills Dev	40 000.00	40 000.00	0.00	PROVISIONAL	Request final feedback report on previous funding with proof of expenditure by en April 2017.
Senecio Support for People with Disabilities	Theraputic interv for children with disability and skills dev for their carers	0.00	40 000.00	0.00	Not Recommend	No Creditors Control Form
Stellenbosch Work Centre for Adult Person with Disabilities	Employment	40 000.00	40 000.00	0.00	PROVISIONAL	Request final feedback report on previous funding with proof of expenditure by en April 2017.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

ELDERLY						
Fleur De Lis	Residential care	0.00	40 000.00	0.00	Not Recommend	Constitution that of ACVV Franschoek. Clarity required re separate legal entity.
Geluksoord Nutsmaatskappy	Residential care	40 000.00	40 020.27	0.00	Not Recommend	No Constitution or company rules attached. Projected already completed in Dec 2016. Require clarity on directorship of Mr Ceasar.
Kayamandi Service Centre	Sr Citizen Club	0.00		0.00	Not Recommend	No supporting docs or feedback on previous expenditure
Nomzamo Senior Citizen Centre	Recreation activities for elderly	0.00	40 000.00	0.00	Not Recommend	Bank acc name different to applicant
Utopia Tehuis Vir Ouer Persone	Residential care	40 000.00	80 000.00	0.00	Not Recommend	Bank account name incorrect
YOUTH						
Dare to Care(late submission 14:30pm)	Holiday Programme	0.00	40 000.00	0.00	Not Recommend	Acc name on creditors control form in that of individual. LATE SUBMISSION. Constitution indicate fin year end 31 March. Financials submitted March - Sept 2016.
Green Door Literacy & Creative Education Community Project, The	Comm Dev Programmes & Environmental	R 39 896 32	45 050.20	0.00	Not Recommend	Financials not signed by chairperson. Request proof of expenditure along with final feedback report.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Groendal Secondary School	Comm Dev Programmes	0.00	41 068.00	0.00	Not Recommend	No Creditors Control form
Kuyasa Horizon Empowerment	Comm Dev Programmes	0.00	39 322.00	0.00	Not Recommend	Acc name incorrect on Creditors Control form. Annual financial statement is a draft document and not signed.
Legacy Community Development	Comm Dev Programmess	40 000.00	1 403 720.00	40 000.00	Recommend	
Lord Acre Mission, The	Holiday programme and child care	0.00	40 000.00	0.00	Not Recommend	No financial statements or creditors control form.
Step Up Association	Comm Dev Programmes	40 000.00	40 000.00	0.00	PROVISIONAL	Request for feedback on previous funding received.
Uniting Christian Student Association of SA, The	Comm Dev Programmes	40 000.00	40 000.00	0.00	PROVISIONAL	Request feedback report by April 2017
Usiko Stellenbosch	Comm Dev Programmes	40 000.00	100 000.00	0.00	Not Recommend	Creditor Control form not signed. Require proof of expenditure for funding previous received report
Vision Afrika	Comm Dev Programmes	40 000.00	380 695.00	0.00	Not Recommend	Did not attend the compulsory workshop.No proof of expenses for funding received
Youth Empowerment Action of Franschhoek	Comm Dev Programmes	40 000.00	40 000.00	40 000.00	Recommend	

SUBSTANCE ABUSE						
ABBA Program van Badisa	Comm Dev Programmes	40 000.00	40 000.00	0.00	PROVISIONAL	Request proof of ALL expenditure on previous funding received.
Never Stop Dreaming Foundation	Substance Abuse	0.00	45 000.00	0.00	Not Recommend	INCORRECT CREDITORS FORM USED, Board members is same as operational organogram occupancies, two of which close relation to mun official. Constitution clearly state that board members are not the same as office bearers which will consist of 7 persons, No financial statement for the period that the org has been in operations.
Standing Rock (Pty) Ltd	Substance Abuse	0.00	53 000.00	0.00	Not Recommend	INCORRECT CREDITORS FORM USED, Operational activities outside WCO24 boundaries. Mun Official member on director's list as per CoR14.3 Registration certificate. Same board members as previous organization. Different addresses listed. No annual fin statement.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

GENDER						
Caleb Development & Training Association	Training	0.00	40 000.00	0.00	Not Recommend	Bank acc name incorrect. Latest fin statements for year ending Febr 2014
Kayamandi Women & Children Development Project	ECD and Nutrition	0.00	61 610.00	0.00	Not Recommend	No financial statements with letter confirming ommission. Financial management training required.
FOOD SECURITY						
Masimanyane	Soup Kitchen	0.00	35 000.00	0.00	Not Recommend	Bank acc in individual name. No financial statements.
Stellenbosch Voedingsaksie	Soup Kitchen	40 000.00		40 000.00	Recommend	Final Feedback received: 07/03/2017
SKILLS DEVELOPMENT						
Bergzicht Training	Accredited training	40 000.00	40 000.00	0.00	PROVISIONAL	Request proof of expenditure on previous funds received.
Buntu's Skills Development Centre	Skills Dev	0.00	40 000.00	0.00	Not Recommend	Creditors control form lack acc name. Financial statements incorrect. Indicated expenditure under income. Requires training. Application not dated.
Stellemploy	Accredited training	40 000.00	40 000.00	0.00	PROVISIONAL	Request proof of expenditure on previous funds received.
Stellenbosch Entreprenuer & Enterprise Development (SEED)	Skills Dev	0.00	280 000.00	0.00	Not Recommend	No Creditors Control form. Annual Financial statements ending 30 June 2015.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

SUBTOTAL SOCIAL DEVELOPMENT					R 467 000.00	
HEALTH						
Community Keepers	PsychoSocial support	36 000.00	40 000.00	0.00	Not Recommend	No financial statements or creditors control form. Received notice of previous expenditure, require proof.
Good Hope Psychological Service	Comm Dev Programmes	40 000.00	389 200.00	0.00	Not Recommend	Constitution not signed. Acc name not verified. Annual statements 30 Sept 2015 submitted. Request proof of expenditure
Setjhaba Youth Awareness	Comm Dev Programmes	33 000.00		0.00	Not Recommend	No proposal attached. Dates of financial year end do not correspond to the annual statement. Bank form not completed fully
Stellenbosch Hospice	Health	40 000.00	40 000.00	0.00	Not Recommend	Progress report received. Request detailed expenditure report on money previous received. No Creditors Control form.
SUBTOTAL HEALTH					R 0.00	
ENVIRONMENT						
National Chrysanthemum Society of S.A (WC)	Horticultural skills dev	0.00	39 080.00	0.00	Not Recommend	Proof of registration. Constitution requires min 10 members, listed only 6. Creditors Control form not included.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Ubuntu Hiking	Comm Dev Programmes	40 000.00		40 000.00	Recommend	Financial statements included. Org request futher training.
SUBTOTAL ENVIRONMENT				R 40 000.00		
SPORT ARTS AND CULTURE						
SPORT CLUBS						
Blue Stars United RFC Klapmuts	Sport	0.00	100 000.00	40 000.00	Recommend	
Celtic United F.C	Sport	0.00	R 40 00.00	0.00	Not Recommend	No annual financial statements.
Cloetesville Football Club	Sport	40 000.00		0.00	Not Recommend	No financial statements. Only annual monthly expense statements.
Excelsior R.F.C	Sport	0.00		0.00	Not Recommend	Constitution indicate 9 exec members, list only 5. No indication of their fin year period. No financial statements. Application undertaking not signed.
F.C Malaga	Sport	0.00	57 000.00	0.00	Not Recommend	Constitution does not indicate fin year. No financial statements or registration/affiliation proof. Creditors Control form incomplete. Application incomplete.
Groot Drakenstein Game Club	Sport	40 000.00	99 000.00	0.00	PROVISIONAL	Request proof of expenditure previous funding received. Donation amount reflects under appeals.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Idasvalley Junior Soccer	Youth sport Dev	0.00		0.00	Not Recommend	Application undertaking not dated. Constitution not signed by two parties, Fin statement covers 11 months.
Idasvalley Senior Soccer	Sport	0.00		0.00	Not Recommend	Constitutions not signed by two parties, Fin statements covers 11 months
Jamestown Soccer Club	Sport	0.00		0.00	Not Recommend	Annual fin statements questionable (already completed to Febr 2017). Office bearers listed differ from constitution.
Kylemore Junior Rugby Football Club	Sport	0.00	40 000.00	40 000.00	Recommend	
Lannquedoc All Stars R.F.C	Sport	0.00		0.00	Not Recommend	Annual financial statements not correct (not the full fin year Jan-Sept)
Nietvoobij United F.C	Sport	40 000.00	40 000.00	0.00	Not Recommend	Feedback report and slips do not speak to each other. Request J V Wyk to do audit. Feedback received: " Furthermore, the audit opinion of B Pietersen is irrelevant and I think they meant to say "Un-qualified" and not "Qualified" Requested funds for transport, match fees, affiliation to SAFA and LFA, Soccer equipment and atire, first

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

						aid equipment
Pniel Villagers Rugby Football Club	Sport	0.00	R 40 00.00	0.00	Not Recommend	Acc Name incorrectly completed on creditor control form.
Sport For Life NPC	Youth Dev through Sport	0.00	103 000.00	0.00	Not Recommend	Financial year period does not make sense. Statement not signed off by two persons.
Stellenbosch Community Athletics	Youth sport Dev	0.00		0.00	Not Recommend	No annual fin statement or creditor control form submitted. No attendance of compulsory briefing session. No proof of registration / affiliation
Stellenbosch & District Coronation Rugby Football Club	Sport	40 000.00	46 000.00	0.00	Not Recommend	Constitution list 12 Exec, application only list 6. Bank account name on Creditor Control Form different to that of applicant.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Stellenbosch Farmworkers Sport and Recreation Association	Youth sport Dev	0.00	40 000.00	0.00	Not Recommend	Constitution indicate 6 Exec members, list only 5. No financial statements - Fin year ends 31 Dec.
Stellenbosch Local Football Association	Umbrella body for local clubs	40 000.00	48 300.00	0.00	Not Recommend	Constitution indicate 11 Exec members, list only 6, Feedback report: No proof of expenditure, Current request again for laptops whils previous funding used for laptops?
United Football Club	Sport	0.00	49 000.00	40 000.00	Recommend	
Van Der Stel F.C	Youth Soccer	0.00	45 000.00	0.00	Not Recommend	Constitution: Indicate 8 Exec members, list only 4. Only signed off by one person. Submitted two different creditor control forms with different information on. Financial statements indicate no month applicable for end of fin year, not signed off by 2 persons. Uncertainty on fin year period of org.
Van Der Stel Gymnastics	Youth sport dev	0.00	433 775.00	0.00	Not Recommend	Acc name differ to applicant name. Constitution not signed and does not indicate fin year period.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Van Der Stel Netbal Club	Netball clinics for local schools	0.00	35 850.00	0.00	Not Recommend	Constitution not dated, indicate 6 exec members, list only 4. No financial statements - only trial balance sheet for Jan-Dec 2016. Fin year from Mrt to Febr. No Creditor Control Form and no Registration/Affiliation.
ARTS AND CULTURE GROUPS/ORGANIZATIONS						
e'Bosch Heritage Project	Comm Dev Programmes	40 000.00	1 400 000.00	0.00	Not Recommend	Creditor Control form not signed. Request proof of expenditure on previous funding.
Stellenbossse Heemkring, Die	Archiving of cultural information	0.00	40 000.00	0.00	Not Recommend	Recommend application under Bodies Performing Municipal Functions for Heritage projects.
Ukukhanya Project	Comm Dev Programmes	0.00	40 000.00	0.00	Not Recommend	No annual fin statements or Creditor Control form. No proof of registration
SUBTOTAL SPORT ARTS AND CULTURE						R 120 000.00

R 627 000.00

APPEALS RECEIVED BY 30 APRIL 2017

SOCIAL DEVELOPMENT

GENERAL

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

FRANCO	Comm Dev Programmes	0.00	173 600.00	40 000.00	Recommended	Constitution signed. Application dated.
ECD						
Happiness Kideo Educare	ECD	40 000.00	30 000.00	0.00	Not Recommend	Feedback report submitted. Financials discrepancies not addressed.
Indiphakamile Creche	ECD	0.00	40 000.00	0.00	Not Recommend	Creditors Control form completed. Financial Statement questionable
Isibane Sempumelelo	ECD	40 000.00	150 000.00	0.00	Not Recommend	Creditor Control form complete. Proof of expenditure not provided (quotation).
Kayamandi ECD Forum	ECD	0.00	30 000.00	30 000.00	Recommended	Submitted constitution. Changed requested amount and proposal.
Khanyisa Creche	ECD	0.00	40 000.00	40 000.00	Recommended	Registration Cert submitted
Lithalethu Educare	ECD	40 000.00	50 000.00	0.00	Not Recommend	Acc name still incorrect. Feedback report does not contain proof of expenditure.
Masizakhe Creche	ECD	0.00	40 000.00	40 000.00	Recommended	Acc details confirmed
Minkies Educare Centre	ECD	40 000.00	R 57 171 00	0.00	Not Recommend	Creditor Control form completed. Request proof of expenditure.
Okuhle Connie Educare	ECD	40 000.00	80 000.00	40 000.00	Recommended	Completed Creditor Control form submitted
Phakamani Educare	ECD	40 000.00	60 000.00	40 000.00	Recommended	Proof of expenditure received.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Prochorus Community Development	Playgroups	37 500.00	40 000.00	40 000.00	Recommend	Corrected CC form. Submitted Constitution, Dated application form.
Samnkie's Creche	ECD	0.00	29 930.00	0.00	Not Recommend	Application dated and changed requested amount. Creditor Control Form completed. Financial Statement provided, but questionale ",00"
Sibongumusa ECD Centre	ECD	0.00	54 000.00	40 000.00	Recommend	Additional request for wendy house declined as NPO not yet registered as a partial care facility. Applicant changed request for educational material.
Siyavuya Creche	ECD	0.00	25 000.00	0.00	Not Recommend	Application dated. Changed requested amount to R 25 000. Financials questionable and not dated.
Thanduxolo Daycare	ECD	40 000.00	40 000.00	0.00	Not Recommend	Application completed, Proof of expenditure provided, Creditor Control Form submitted unsigned.
Umtha Wemfundo Educare	ECD	40 000.00	40 000.00	0.00	Not Recommend	Acc name corrected. Financial statement questionable.
Yethu Educare	ECD	40 000.00	40 000.00	0.00	Not Recommend	Creditor Control completed. Financial report questionable.

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Zenzele Creche	ECD	35 500.00	40 000.00	40 000.00	Recommended	Application dated. Financials submitted. Creditor Control form completed.
DISABILITY						
Bongolethu Disable Organisation	Disability	0.00		0.00	Not Recommend	Proposal submitted for disabled persons and Creditors Control form correctly completed. Submitted 2016 fin statements. Content not plausible: every amount end on zero and their fin year should cover 2015-2016 (March)
Care Career Conection NPC	Skills Dev	40 000.00	40 000.00	40 000.00	Recommended	Submitted creditors control form and constitution.
Senecio Support for People with Disabilities	Theraputic interv for children with disability and skills dev for their carers	0.00	40 000.00	40 000.00	Recommended	Submitted creditors control form

ELDERLY						
Fleur De Lis	Residential care	0.00	40 000.00	40 000.00	Recommended	Two different boards
Geluksoord Nutsmaatskappy	Residential care	40 000.00	40 020.27	40 000.00	Recommended	Constitution submitted. Mr Ceaser receives not fin gain and act as volunteer. Changed

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

						application to general application.
YOUTH						
Green Door Literacy & Creative Education Community Project, The	Comm Dev Programmes & Environmental	R 39 896 32	45 050.20	40 000.00	Recommended	Financials signed by chairperson. Proof of expenditure received.
SKILLS DEVELOPMENT						
Groendal Secondary School	Comm Dev Programmes	0.00	41 068.00	40 000.00	Not Recommend	Creditor Control form submitted
Buntu's Skills Development Centre	Skills Dev	0.00	40 000.00	0.00	Not Recommend	Reasons for not recommending remain same. No written appeal received. Wanted to sign something but did not provide corrected documents.
				590 000.00		
HEALTH						
Community Keepers	PsychoSocial support	36 000.00	40 000.00	40 000.00	Recommended	Proof of expenditure provided. Bank details confirmed and audited fin statements received.
Stellenbosch Hospice	Health	40 000.00	40 000.00	40 000.00	Recommended	Feedback provided with completed Creditors Control Form
				80 000.00		
SPORT ARTS AND CULTURE						
SPORT CLUBS						

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Cloetesville Football Club	Sport	40 000.00		40 000.00	Recommended	Financial statement received
Stellenbosch & District Coronation Rugby Football Club	Sport	40 000.00	46 000.00	0.00	Not Recommend	Creditor Control form not signed. Completed list of board members
Stellenbosch Farmworkers Sport and Recreation Association	Youth sport Dev	0.00	40 000.00	0.00	Not Recommend	Minutes provided indicating one vacancy. Fin year Jan-Dec. Provided statements for April-March. Income not specified and document compiled and approved by same person.
Nietvoobij United F.C	Sport	40 000.00	40 000.00	0.00	Not Recommend	Feedback report received. Request J V Wyk to do audit. Feeback received: " Furthermore, the audit opinion of B Pietersen is irrelevant and I think they meant to say "Un-qualified" and not "Qualified"
ARTS AND CULTURE GROUPS/ORGANIZATIONS						

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Stellenbosse Heemkring, Die	Archiving of cultural information	0.00	40 000.00	40 000.00	Recommended	After investigation it is clear that the organization do not fall under bodies performing municipal functions. Constitution guides structure of organization including registration.
Ukukhanya Project	Comm Dev Programmes	0.00	40 000.00	0.00	Not Recommend	Creditor Control form completed. Registration on DSD website confirmed read with affidavit. Affidavit re financial statements not sufficient. (Confirmed with Budget Office)

80 000.00

COMPLIANCE ON FEEDBACK REPORTS

SOCIAL DEVELOPMENT

Masifunde Creche	ECD	40 000.00	40 000.00	0.00	Not Recommend	Feedback provided only on a portion of the funds received.
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DISABILITY

Helderberg Association for Person with Disabilities	Skills Dev	40 000.00	40 000.00	0.00	Not Recommend	Final report not submitted
Stellenbosch Work Centre for Adult Person with Disabilities	Employment	40 000.00	40 000.00	40 000.00	Recommended	Submitted

YOUTH

Step Up Association	Comm Dev Programmes	40 000.00	40 000.00	0.00	Not Recommend	Not received
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MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

Uniting Christian Student Association of SA, The	Comm Dev Programmes	40 000.00	40 000.00	40 000.00	Recommended	Report received
SUBSTANCE ABUSE						
ABBA Program van Badisa	Comm Dev Programmes	40 000.00	40 000.00	0.00	Not Recommend	Final report not submitted
SKILLS DEVELOPMENT						
Bergzicht Training	Accredited training	40 000.00	40 000.00	40 000.00	Recommended	Received
Stellemploy	Accredited training	40 000.00	40 000.00	40 000.00	Recommended	Proof of expenditure provided.
SPORT						
Groot Drakenstein Game Club	Sport	40 000.00	99 000.00	40 000.00	Recommended	Proof of expenditure received.
				200 000.00		

TOTAL GRANT IN AID DONATIONS RECOMMENDED 2017-2018

R 1 577000.00

K: COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

Summary of Employee and Councillor remuneration R thousand	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		9 042	9 628	10 668	11 308	11 308	11 308	10 022	10 523	11 050
Pension and UIF Contributions		565	257	911	965	965	965	1 817	1 908	2 003
Medical Aid Contributions		180	244	122	129	129	129	173	181	190
Motor Vehicle Allowance		3 250	3 408	3 601	3 817	3 817	3 817	4 025	4 226	4 438
Cellphone Allowance		896	895	762	808	808	808	998	1 048	1 101
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	256	269	282
Sub Total - Councillors		13 933	14 431	16 063	17 027	17 027	17 027	17 291	18 156	19 064
% increase	4		3.6%	11.3%	6.0%	-	-	1.6%	5.0%	5.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		5 904	6 412	7 803	7 899	7 899	7 899	9 155	9 933	10 778
Pension and UIF Contributions		891	746	331	638	638	638	1 038	1 126	1 222
Medical Aid Contributions		142	-	151	50	50	50	58	63	69
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	465	299	299	299	400	434	471
Motor Vehicle Allowance	3	419	771	391	784	784	784	1 116	1 211	1 314
Cellphone Allowance	3	55	55	62	46	46	46	143	156	169
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	73	34	34	34	96	104	113
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		7 411	7 983	9 278	9 749	9 749	9 749	12 007	13 028	14 135
% increase	4		7.7%	16.2%	5.1%	-	-	23.2%	8.5%	8.5%
Other Municipal Staff										
Basic Salaries and Wages		161 452	181 827	226 423	241 278	244 748	244 748	306 815	336 055	368 079
Pension and UIF Contributions		29 312	32 273	37 744	45 391	45 391	45 391	44 698	48 955	53 617
Medical Aid Contributions		13 739	15 303	18 129	22 289	22 289	22 289	27 062	29 634	32 449
Overtime		12 319	15 993	12 674	13 055	18 749	18 749	25 685	28 125	30 796
Performance Bonus		-	-	-	-	-	-	-	4	9
Motor Vehicle Allowance	3	9 181	9 453	9 919	15 198	15 198	15 198	11 917	13 060	14 313
Cellphone Allowance	3	551	594	585	838	838	838	658	722	793
Housing Allowances	3	1 265	1 384	1 870	2 774	2 774	2 774	2 089	2 287	2 505
Other benefits and allowances	3	47 702	49 008	34 219	46 743	46 743	46 743	29 621	32 363	35 438
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	25 055	20 914	15 659
Sub Total - Other Municipal Staff		275 521	305 836	341 564	387 565	396 729	396 729	473 600	512 118	553 657
% increase	4		11.0%	11.7%	13.5%	2.4%	-	19.4%	8.1%	8.1%
Total Parent Municipality		296 866	328 250	366 905	414 341	423 505	423 505	502 899	543 301	586 856
			10.6%	11.8%	12.9%	2.2%	-	18.7%	8.0%	8.0%

K: COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

(continued)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		433 144	77 209	202 058			712 410
Chief Whip			374 071	87 009	185 131			646 211
Executive Mayor			521 571	92 972	244 272			858 814
Deputy Executive Mayor			433 144	77 209	202 058			712 410
Executive Committee			3 060 996	626 950	1 481 741			5 169 686
Total for all other councillors			5 199 367	1 028 213	2 964 285			9 191 865
Total Councillors	8	-	10 022 292	1 989 562	5 279 544			17 291 398
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1 234 860	273 263	156 661	100 000		1 764 784
Chief Finance Officer			1 499 576	-	134 047	-		1 633 622
Director: Community and Protection			1 002 740	195 534	166 844	100 000		1 465 118
Director: Corporate and Strategic			1 002 740	195 534	166 844	-		1 365 118
Director: Engineering Services			1 002 740	195 534	166 844	-		1 365 118
Director: Human Settlements and Property Management			991 216	219 280	154 622	100 000		1 465 118
<i>List of each official with packages >= senior manager</i>								
Director: Planning and Development			1 184 935	-	180 183	100 000		1 465 118
Manager: Water Services			1 236 440	-	246 551	-		1 482 991
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total Senior Managers of the Municipality	8,10	-	9 155 246	1 079 146	1 372 596	400 000		12 006 988
A Heading for Each Entity	6,7							
List each member of board by designation								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total for municipal entities	8,10	-	-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	19 177 538	3 068 708	6 652 140	400 000		29 298 386

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2017 – 2020

L: MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

MONTHLY CASH FLOWS	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19
Cash Receipts By Source													1		
Property rates	20 765	20 975	36 847	23 004	24 645	25 021	25 847	24 746	24 747	25 748	25 847	22 297	300 489	318 518	337 629
Service charges - electricity revenue	43 646	42 746	43 748	40 636	40 004	38 646	35 637	35 525	36 625	36 626	38 626	44 005	476 469	505 421	537 128
Service charges - water revenue	9 636	9 736	10 827	10 726	10 736	13 837	13 736	13 364	12 735	11 736	10 535	9 705	137 308	148 449	158 840
Service charges - sanitation revenue	7 636	6 846	6 928	7 002	7 102	6 863	6 928	6 827	7 011	7 001	7 272	6 345	83 759	92 248	100 550
Service charges - refuse revenue	3 475	3 746	3 725	3 304	3 002	3 852	3 563	3 525	3 336	3 524	3 483	3 436	41 971	46 226	50 388
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	1 270	1 162	1 183	1 175	1 188	1 290	1 284	1 164	1 197	1 173	1 099	1 211	14 395	15 259	16 174
Interest earned - external investments	2 501	2 500	2 654	2 683	2 635	3 726	2 635	1 953	2 003	2 974	2 635	9 100	37 999	32 553	28 178
Interest earned - outstanding debtors	656	662	600	605	600	637	591	599	585	555	538	728	7 357	7 860	8 485
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2 778	2 636	2 445	2 635	2 627	3 002	2 537	2 003	3 000	2 288	2 527	5 497	33 973	34 910	36 222
Licences and permits	701	745	746	653	691	853	891	781	764	842	778	970	9 413	10 072	10 777
Agency services	205	208	211	213	198	200	199	205	193	208	226	252	2 514	2 670	2 836
Transfer receipts - operational	45 000	6 000	11 000	-	5 000	21 363	12 500	6 000	21 479	-	-	-	128 342	138 159	158 544
Other revenue	2 574	2 063	2 274	2 573	2 864	3 073	3 165	2 583	2 176	2 865	2 754	8 636	37 598	38 536	40 627
Cash Receipts by Source	140 840	100 026	123 187	95 208	101 292	122 361	109 510	99 274	115 850	95 540	96 319	112 182	1 311 587	1 390 882	1 486 379
Other Cash Flows by Source															
Transfer receipts - capital	10 000	-	12 000	-	7 000	5 000	7 000	8 000	11 137	-	-	-	60 137	82 402	77 453
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	3 500	-	3 500	3 200	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	160 000	-	-	-	-	-	-	160 000	80 000	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	150 840	100 026	135 187	95 208	108 292	287 361	116 510	107 274	126 987	95 540	99 819	112 182	1 535 224	1 556 484	1 563 832
Cash Payments by Type															
Employee related costs	34 599	34 599	38 599	34 599	64 199	34 599	34 599	35 599	34 599	34 599	34 599	34 599	449 793	492 523	539 313
Remuneration of councillors	1 372	1 372	1 372	1 372	1 372	1 372	1 372	1 945	1 441	1 441	1 441	1 417	17 293	18 157	19 065
Finance charges	-	-	-	-	-	9 413	-	-	-	-	-	19 209	28 622	40 822	42 822
Bulk purchases - Electricity	-	36 974	34 274	27 975	25 798	24 590	24 751	25 897	25 789	26 897	27 123	43 622	323 690	343 111	363 698
Bulk purchases - Water & Sewer	-	-	-	-	7 484	-	-	-	7 484	-	-	7 484	22 453	23 800	25 228
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	13 597	12 459	13 570	14 259	14 790	14 570	16 795	14 698	14 237	14 124	17 897	30 611	191 605	199 269	207 240
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	6 250	-	-	-	-	-	-	-	-	-	-	6 250	6 563	6 891
Other expenditure	12 579	11 254	10 256	10 590	11 548	10 988	12 786	10 259	11 259	10 898	10 741	17 413	140 569	146 004	151 656
Cash Payments by Type	62 148	102 908	98 072	88 795	125 192	95 532	90 303	88 399	94 810	87 958	91 802	154 354	1 180 273	1 270 248	1 355 911
Other Cash Flows/Payments by Type															
Capital assets	81	4 815	45 369	18 314	19 551	36 951	12 941	18 403	41 231	36 891	45 326	138 183	418 057	319 514	226 873
Repayment of borrowing	-	-	-	-	-	6 287	-	-	-	-	-	8 496	14 784	16 984	19 895
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	62 229	107 723	143 441	107 109	144 743	138 770	103 244	106 802	136 041	124 849	137 128	301 033	1 613 113	1 606 746	1 602 679
NET INCREASE/(DECREASE) IN CASH HELD	88 611	(7 698)	(8 254)	(11 901)	(36 451)	148 591	13 266	472	(9 054)	(29 310)	(37 309)	(188 851)	(77 889)	(50 262)	(38 848)
Cash/cash equivalents at the month/year begin:	497 430	586 041	578 343	570 089	558 187	521 736	670 327	683 593	684 065	675 011	645 702	608 393	497 430	419 542	369 279
Cash/cash equivalents at the month/year end:	586 041	578 343	570 089	558 187	521 736	670 327	683 593	684 065	675 011	645 702	608 393	419 542	419 542	369 279	330 432

M: CONTRACTS HAVING FUTURE AND BUDGETARY IMPLICATIONS

Description	Ref	Preceding Years	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework			Total Contract Value
		Total	Original Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Estimate
R thousand	1,3						
Parent Municipality:							
Revenue Obligation By Contract	2						
<i>Contract 1</i>							-
<i>Contract 3 etc</i>							-
Total Operating Revenue Implication		-	-	-	-	-	-
Expenditure Obligation By Contract	2						
<i>Lawula Systems</i>		Rates Approved					-
<i>Robotech</i>		Rates Approved					
<i>Syntell</i>		Rates Approved					
<i>TMT Services</i>		Rates Approved					
<i>Strike Technologies</i>			456	6,490	6,815		
<i>Geodebt Solutions CC</i>			383	2,809	2,978		
<i>Country Building Suppliers</i>			16	1,050	1,050		
<i>Polorama Wholesalers</i>			368	1,050	1,103		
Total Operating Expenditure Implication		-	1,224	11,399	11,945	-	24,567
Capital Expenditure Obligation By Contract	2						
<i>Lawula Systems</i>		Rates Approved					-
<i>Robotech</i>		Rates Approved					
<i>Syntell</i>		Rates Approved					
<i>TMT Services</i>		Rates Approved					
<i>Strike Technologies</i>			455	750	750		
<i>Eya Bantu Professional Services George</i>		Rates Approved					
<i>Schweitzer Engineering Lab</i>		Rates Approved					
<i>Eya Bantu Professional Services George</i>			956	1,500	1,500		
Total Capital Expenditure Implication		-	1,411	2,250	2,250	-	5,911
Total Parent Expenditure Implication		-	2,635	13,649	14,195	-	30,479

N: DETAIL CAPITAL BUDGET 2017-2020

**CAPITAL BUDGET 2017 - 2020
MUNICIPAL MANAGER**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Furniture, Tools and Equipment	Office of the Municipal Manager	Good Governance and Compliance	35 000	35 000	35 000	105 000
			35 000	35 000	35 000	105 000

**CAPITAL BUDGET 2017 - 2020
PLANNING AND DEVELOPMENT**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Night Shelter Facilities	Community Development	Dignified Living	-	-	120 000	120 000
Furniture Tools and Equipment	Community Development	Good Governance and Compliance	63 000	15 000	30 000	108 000
ECD Facilities	Community Development	Dignified Living	-	-	100 000	100 000
Local Economic Development Hubs	Local Economic Development	Valley of Possibility	1 000 000	1 000 000	-	2 000 000
Upgrading of the Kayamandi Economic Tourism Corridor	Local Economic Development	Valley of Possibility	1 500 000	-	-	1 500 000
Establishment of Informal Trading Sites: Klapmuts	Local Economic Development	Valley of Possibility	100 000	800 000	-	900 000
Establishment of informal trading markets Cloetesville	Local Economic Development	Valley of Possibility	700 000	-	-	700 000
Establishment of Informal Trading Sites: Groendal	Local Economic Development	Valley of Possibility	70 000	500 000	-	570 000
Establishment of Informal Trading Sites: George Blake Street	Local Economic Development	Valley of Possibility	500 000	-	-	500 000
Vehicles	Local Economic Development	Good Governance and Compliance	250 000	-	-	250 000
Furniture tools and equipment	Local Economic Development	Good Governance and Compliance	73 000	-	-	73 000
eBikes for EDP	Planning and Development	Valley of Possibility	112 000	-	-	112 000
Furniture, Tools and Equipment	Planning and Development	Good Governance and Compliance	20 000	20 000	-	40 000
Purchase of Land- Cemeteries	Spatial Planning, Heritage & Environment	Dignified Living	900 000	-	-	900 000
Sound Level Meter and Calibrator	Spatial Planning, Heritage & Environment	Valley of Possibility	105 000	-	-	105 000
			5 393 000	2 335 000	250 000	7 978 000

CAPITAL BUDGET 2017 - 2020
HUMAN SETTLEMENTS AND PROPERTY MANAGEMENT

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Flats: Terrain Improvements Kayamandi	Property Management	Dignified Living	-	-	600 000	600 000
Furniture, Tools and Equipment: Housing Administration	Housing Admin	Good Governance and Compliance	30 000	20 000	-	50 000
Computer - Hardware/Equipment: Human Settlements & Property	Human Settlements	Good Governance and Compliance	25 000	30 000	-	55 000
Furniture, Tools and Equipment: Human Settlements and Property	Human Settlements	Good Governance and Compliance	20 000	20 000	-	40 000
Basic Improvements: Langrug	Informal Settlements	Dignified Living	1 900 000	3 500 000	800 000	6 200 000
Mountainview - Installation of water and sewer services - Jamestown	Informal Settlements	Dignified Living	2 000 000	500 000	100 000	2 600 000
Enkanini subdivision, consolidation and rezoning	Informal Settlements	Dignified Living	2 000 000	-	-	2 000 000
Enkanini ABS	Informal Settlements	Dignified Living	250 000	250 000	250 000	750 000
Langrug ABS	Informal Settlements	Dignified Living	250 000	250 000	250 000	750 000
Furniture, Tools and Equipment	Informal Settlements	Good Governance and Compliance	60 000	20 000	20 000	100 000
Kylemore	New Housing	Dignified Living	-	508 800	439 600	948 400
Klapmuts ABS	Informal Settlements	Dignified Living	100 000	300 000	100 000	500 000
Town Centre Stellenbosch (Social Housing)	New Housing	Dignified Living	-	500 000	-	500 000
Jamestown: Housing	New Housing	Dignified Living	-	530 400	530 400	1 060 800
Kayamandi: Watergang and Zone O	New Housing	Dignified Living	4 767 000	9 450 000	4 530 000	18 747 000
Klapmuts: Erf 2181 (298 serviced sites)	New Housing	Dignified Living	1 000 000	7 500 000	2 500 000	11 000 000
Idas Valley (440) IRDP / FLISP	New Housing	Dignified Living	2 000 000	9 010 800	5 000 000	16 010 800
Idas Valley (11330)	New Housing	Dignified Living	16 000 000	-	-	16 000 000
Longlands Vlotenburg: Housing Internal Services	New Housing	Dignified Living	-	2 000 000	2 000 000	4 000 000
La Motte Old Forest Station (329 Bng & 122 Bng Units) IRDP	New Housing	Dignified Living	200 000	-	2 000 000	2 200 000
Smartie Town, Cloetesville	New Housing	Dignified Living	-	4 900 000	-	4 900 000
Cloetesville IRDP	New Housing	Dignified Living	-	300 000	700 000	1 000 000
Northern Extension: Feasibility	New Housing	Dignified Living	-	1 000 000	1 000 000	2 000 000
Housing Projects: General (NEW)	New Housing	Dignified Living	200 000	200 000	500 000	900 000
Furniture, Tools and Equipment	New Housing	Good Governance and Compliance	20 000	20 000	20 000	60 000
New Community Hall Klapmuts	Property Management	Good Governance and Compliance	9 000 000	-	-	9 000 000
La Motte Clubhouse	Property Management	Dignified Living	100 000	-	-	100 000
Structural Improvement: General	Property Management	Dignified Living	1 500 000	1 000 000	-	2 500 000
Groendal Library	Property Management	Dignified Living	2 000 000	-	-	2 000 000
Kleine Libertas	Property Management	Valley of Possibility	200 000	2 000 000	-	2 200 000
Structural Upgrade: Heritage Building	Property Management	Valley of Possibility	250 000	250 000	250 000	750 000
Structural Improvement: Beltana	Property Management	Dignified Living	500 000	500 000	500 000	1 500 000
Upgrading of Lapland: Pipe Works	Property Management	Dignified Living	-	150 000	500 000	650 000
Universal Access: Plein Street Library	Property Management	Valley of Possibility	100 000	-	-	100 000

CAPITAL BUDGET 2017 - 2020
HUMAN SETTLEMENTS AND PROPERTY MANAGEMENT

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Revamp: Office Space Main Building	Property Management	Good Governance and Compliance	500 000	-	-	500 000
Van Der Stel Roof Replacement	Property Management	Valley of Possibility	600 000	-	-	600 000
Upgrading Fencing	Property Management	Dignified Living	200 000	200 000	200 000	600 000
Flats: Interior Upgrading	Property Management	Dignified Living	2 000 000	2 000 000	2 000 000	6 000 000
Flats: Cloetesville Fencing	Property Management	Dignified Living	550 000	-	-	550 000
Structural Upgrading: Community Hall La Motte	Property Management	Valley of Possibility	-	50 000	500 000	550 000
Vehicle Fleet	Property Management	Dignified Living	-	240 000	-	240 000
Fire Department-Complex	Property Management	Dignified Living	250 000	-	-	250 000
Furniture Tools and Equipment: Property Management	Property Management	Good Governance and Compliance	200 000	200 000	200 000	600 000
Van der Stel: Upgrading of water reticulation system	Property Management	Valley of Possibility	-	-	50 000	50 000
Upgrading of Franschhoek Municipal Offices	Property Management	Good Governance and Compliance	100 000	-	-	100 000
Purchasing of land	Property Management	Dignified Living	4 000 000	-	-	4 000 000
Beltana: Replacement of Roof - Community Services	Property Management	Dignified Living	-	-	50 000	50 000
			52 872 000	47 400 000	25 590 000	125 862 000

**CAPITAL BUDGET 2017 - 2020
COMMUNITY AND PROTECTION SERVICES**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Extension of Cemetery Infrastructure	Cemeteries	Dignified Living	500 000.00	-	-	500 000
Cemeteries: Purchase of Specialised Equipment	Cemeteries	Dignified Living	20 000	20 000	-	40 000
Events & Fleet: Furniture Tools and Equipment	Events & Fleet	Good Governance and Compliance	50 000	20 000	-	70 000
Upgrading of Stellenbosch Fire Station	Fire and Rescue Services	A Safe Valley	1 000 000	500 000	-	1 500 000
Upgrading and or Replacement of Fire Alarm System	Fire and Rescue Services	A Safe Valley	1 000 000	-	-	1 000 000
Rescue equipment	Fire and Rescue Services	A Safe Valley	100 000	100 000	300 000	500 000
Safeguarding of premises	Fire and Rescue Services	A Safe Valley	100 000	100 000	100 000	300 000
Replacement of Extention Ladders	Fire and Rescue Services	A Safe Valley	250 000	-	-	250 000
Fire Services JoC	Fire and Rescue Services	A Safe Valley	800 000	-	-	800 000
Rescue Equipment	Fire and Rescue Services	A Safe Valley	100 000	100 000	100 000	300 000
Safeguarding of Premises	Fire and Rescue Services	A Safe Valley	100 000	100 000	-	200 000
Ward 12: Fire Equipment	Fire and Rescue Services	A Safe Valley	30 000	-	-	30 000
Ward 13: Fire Equipment	Fire and Rescue Services	A Safe Valley	10 000	-	-	10 000
Law Enforcement Tools and Equipment	Law Enforcement and Security	A Safe Valley	500 000	500 000	350 000	1 350 000
Install and Upgrade CCTV Cameras In WC024	Law Enforcement and Security	A Safe Valley	1 000 000	500 000	500 000	2 000 000
Law Enforcement: Vehicle Fleet	Law Enforcement and Security	A Safe Valley	500 000	500 000	-	1 000 000
Install Computerized Access Security Systems and CCTV Cameras At Municipal Buildings	Law Enforcement and Security	A Safe Valley	300 000	300 000	300 000	900 000
Security Upgrades	Law Enforcement and Security	A Safe Valley	200 000	200 000	200 000	600 000
Furniture Tools and Equipment	Law Enforcement and Security	Good Governance and Compliance	75 000	75 000	-	150 000
Ward 8: Safety and Security Improvement Programme	Law Enforcement	A Safe Valley	100 000	-	-	100 000
Ward 12: Safety and Security Improvement Programme	Law Enforcement	A Safe Valley	30 000	-	-	30 000
Ward 15: Safety and Security Improvement Programme	Law Enforcement	A Safe Valley	50 000	-	-	50 000
Ward 16: Safety and Security Improvement Programme	Law Enforcement	A Safe Valley	20 000	-	-	20 000
Ward 22: Safety and Security Improvement Programme	Law Enforcement	A Safe Valley	120 000	-	-	120 000
Upgrading: Pniel Library	Libraries	Dignified Living	400 000	-	-	400 000
Library Books	Libraries	Dignified Living	140 000	145 000	-	285 000
Franschhoek: Furniture Tools and Equipment	Libraries	Good Governance and Compliance	80 000	60 000	-	140 000
Upgrading: Kayamandi Library	Libraries	Dignified Living	60 000	60 000	-	120 000
Upgrading: Cloeteville Library	Libraries	Dignified Living	60 000	60 000	-	120 000
Upgrading: Idas Valley Library	Libraries	Dignified Living	100 000	-	-	100 000
Cloeteville: Furniture, Tools and Equipment	Libraries	Good Governance and Compliance	20 000	15 000	-	35 000

**CAPITAL BUDGET 2017 - 2020
COMMUNITY AND PROTECTION SERVICES**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Pniel: Furniture, Tools and Equipment	Libraries	Good Governance and Compliance	5 000	-	-	5 000
Papegaaiberg Nature Reserve	Nature Conservation	Valley of Possibility	450 000	450 000	450 000	1 350 000
Idas Valley Dam: Adventure Tourism	Nature Conservation	Valley of Possibility	450 000	450 000	450 000	1 350 000
Berg River Dam: Adventure Tourism	Nature Conservation	Valley of Possibility	450 000	450 000	450 000	1 350 000
Purchase of Specialised Equipment	Parks, Rivers & Area Cleaning	A Green and Sustainable Valley	50 000	50 000	-	100 000
Furniture, Tools and Equipment	Parks, Rivers & Area Cleaning	A Green and Sustainable Valley	50 000	50 000	-	100 000
Ward 3: Upgrading of Parks and Open Areas	Parks, Rivers & Area Cleaning	Dignified Living	40 000	-	-	40 000
Ward 5: Upgrading of Parks and Open Areas	Parks, Rivers & Area Cleaning	Dignified Living	120 000	-	-	120 000
Ward 7: Upgrading of Parks and Open Areas	Parks, Rivers & Area Cleaning	Dignified Living	60 000	-	-	60 000
Ward 11: Upgrading of Parks and Open Areas	Parks, Rivers & Area Cleaning	Dignified Living	80 000	-	-	80 000
Ward 13: Upgrading of Parks and Open Areas	Parks, Rivers & Area Cleaning	Dignified Living	60 000	-	-	60 000
Ward 16: Upgrading of Parks and Open Areas	Parks, Rivers & Area Cleaning	Dignified Living	100 000	-	-	100 000
Ward 17: Upgrading of Parks and Open Areas	Parks, Rivers & Area Cleaning	Dignified Living	75 000	-	-	75 000
Ward 20: Upgrading of Parks and Open Areas	Parks, Rivers & Area Cleaning	Dignified Living	60 000	-	-	60 000
Upgrade of Sport Facilities	Sports Grounds and Picnic Sites	Dignified Living	5 453 700.00	5 745 300	6 052 950	17 251 950
Skate Board Park: CBD	Sports Grounds and Picnic Sites	Valley of Possibility	750 000	-	-	750 000
Building Ablution Facilities: Lanquedoc Sports grounds	Sports Grounds and Picnic Sites	Dignified Living	350 000	-	-	350 000
Sight Screens/Pitch Covers Sports Grounds	Sports Grounds and Picnic Sites	Dignified Living	150 000	150 000	-	300 000
Borehole: Rural Sportsgrounds	Sports Grounds and Picnic Sites	Dignified Living	300 000	300 000	-	600 000
Re-Surface of Netball/Tennis Courts	Sports Grounds and Picnic Sites	Dignified Living	200 000	200 000	-	400 000
Sport: Community Services Special Equipment	Sports Grounds and Picnic Sites	Dignified Living	150 000	200 000	-	350 000
Recreational Equipment Sport	Sports Grounds and Picnic Sites	Dignified Living	30 000	30 000	30 000	90 000
Upgrade of Irrigation System	Sports Grounds and Picnic Sites	Dignified Living	100 000	100 000	100 000	300 000
Ward 2: Upgrading of Sports Facilities	Sports Grounds and Picnic Sites	Dignified Living	80 000	-	-	80 000
Ward 3: Upgrading of Sports Facilities	Sports Grounds and Picnic Sites	Dignified Living	40 000	-	-	40 000
Ward 4: Upgrading of Sports Facilities	Sports Grounds and Picnic Sites	Dignified Living	120 000	-	-	120 000
Ward 18: Upgrading of Sports Facilities	Sports Grounds and Picnic Sites	Dignified Living	90 000	-	-	90 000
Ward 20: Upgrading of Sports Facilities	Sports Grounds and Picnic Sites	Dignified Living	60 000	-	-	60 000
Ward 21: Upgrading of Sports Facilities	Sports Grounds and Picnic Sites	Dignified Living	60 000	-	-	60 000
Replacement of Patrol Vehicles	Traffic Services	A Safe Valley	500 000	600 000	-	1 100 000
Upgrading Drivers License Testing Centre	Traffic Services	A Safe Valley	300 000	-	-	300 000
Furniture, Tools & Equipment	Traffic Services	A Safe Valley	120 000	120 000	120 000	360 000
Mobile Radios	Traffic Services	A Safe Valley	-	100 000	-	100 000
Alcohol Screeners	Traffic Services	A Safe Valley	30 000	30 000	30 000	90 000
Upgrading Traffic Parking Area	Traffic Services	A Safe Valley	400 000	-	-	400 000

**CAPITAL BUDGET 2017 - 2020
COMMUNITY AND PROTECTION SERVICES**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Upgrading Traffic Building	Traffic Services	A Safe Valley	350 000	-	-	350 000
New Learner's Class	Traffic Services	A Safe Valley	500 000	-	-	500 000
Urban Greening: Beautification: Main Routes and Tourist Routes	Urban Greening	A Green and Sustainable Valley	150 000	150 000	150 000	450 000
Nature Conservation and Environmental: FTE	Urban Greening	A Green and Sustainable Valley	50 000	50 000	-	100 000
Furniture, Tools and Equipment	Urban Greening	A Green and Sustainable Valley	80 000	50 000	-	130 000
Purchase of Specialised Vehicles	Parks, Rivers & Area Cleaning	A Green and Sustainable Valley	700 000	450 000	-	1 150 000
Upgrading of Parks (CP3 create project)	Parks, Rivers & Area Cleaning	A Green and Sustainable Valley	700 000	700 000	700 000	2 100 000
Ward 9: Upgrading of halls	Halls	Dignified Living	200 000	-	-	200 000
			21 878 700	13 780 300	10 382 950	46 041 950

**CAPITAL BUDGET 2017 - 2020
STRATEGIC AND CORPORATE SERVICES**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Ward Capital Projects	Strategic and Corporate Services: General	Good Governance and Compliance	-	4 400 000	4 400 000	8 800 000
Upgrade and Expansion of IT Infrastructure Platforms	Information and Communication Technology	Good Governance and Compliance	2 800 000	1 300 000	1 300 000	5 400 000
Purchase and Replacement of Computer/software and Peripheral devices	Information and Communication Technology	Good Governance and Compliance	800 000	600 000	600 000	2 000 000
Public WI-FI Network	Information and Communication Technology	Good Governance and Compliance	700 000	700 000	-	1 400 000
Establishment of Holding Cells	Municipal Court	Good Governance and Compliance	300 000	-	-	300 000
Fireproofing of record room	Municipal Court	Good Governance and Compliance	50 000	-	-	50 000
Furniture Tools and Equipment	Strategic and Corporate Services: General	Good Governance and Compliance	100 000	100 000	100 000	300 000
Ward 2: Billboards	Strategic and Corporate Services: General	Good Governance and Compliance	40 000	-	-	40 000
Ward 3: Mobile container	Strategic and Corporate Services: General	A Safe Valley	40 000	-	-	40 000
Ward 6: Furniture, Tools and Equipment	Strategic and Corporate Services: General	Good Governance and Compliance	20 000	-	-	20 000
Ward 10: Office Equipment	Strategic and Corporate Services: General	Good Governance and Compliance	120 000	-	-	120 000
Ward 14: Resource Centre	Strategic and Corporate Services: General	A Green and Sustainable Valley	110 000	-	-	110 000
Ward 15: Computer Equipment	Strategic and Corporate Services: General	Good Governance and Compliance	30 000	-	-	30 000
			5 110 000	7 100 000	6 400 000	18 610 000

**CAPITAL BUDGET 2017 - 2020
ENGINEERING SERVICES**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Energy Efficiency and Demand Side Management	Electricity	A Green and Sustainable Valley	7 236 000	10 000 000	12 000 000	29 236 000
Golf - Technopark 11kv cable	Electricity	Dignified Living	-	-	18 000 000	18 000 000
Integrated National Electrification Programme	Electricity	Dignified Living	1 500 000	4 000 000	7 000 000	12 500 000
Electrification Programme: Enkanini	Electricity	Dignified Living	2 500 000	-	-	2 500 000
Network Cable Replace 11 Kv	Electricity	Dignified Living	3 000 000	1 500 000	1 500 000	6 000 000
General Systems Improvements - Stellenbosch	Electricity	Dignified Living	3 200 000	3 500 000	4 000 000	10 700 000
Electricity Network: Pniel	Electricity	Dignified Living	10 300 000	-	-	10 300 000
Franshoek - Hugentoe feeder cables	Electricity	Dignified Living	-	-	8 000 000	8 000 000
Franshoek: New Groendal 2 Sub: Substation building and switchgear	Electricity	Dignified Living	2 000 000	3 000 000	-	5 000 000
Specialized Vehicles	Electricity	Dignified Living	1 500 000	1 500 000	-	3 000 000
System Control Centre & Upgrade Telemetry	Electricity	Good Governance and Compliance	1 500 000	1 500 000	1 000 000	4 000 000
Paradyskloof & Surrounding Area- Switchgear (11Kv)	Electricity	Dignified Living	-	-	4 000 000	4 000 000
Infrastructure Improvement - Franschoek	Electricity	Dignified Living	1 500 000	2 000 000	-	3 500 000
General System Improvements - Franschoek	Electricity	Dignified Living	1 200 000	1 200 000	1 000 000	3 400 000
Replace Switchgear 66 Kv	Electricity	Dignified Living	1 500 000	1 500 000	-	3 000 000
Vehicle Fleet	Electricity	Dignified Living	600 000	600 000	600 000	1 800 000
Upgrade Groendal feeders	Electricity	Dignified Living	2 732 163	-	-	2 732 163
Franschoek - Cable Network	Electricity	Dignified Living	600 000	700 000	800 000	2 100 000
DSM Geysers Control	Electricity	A Green and Sustainable Valley	750 000	750 000	500 000	2 000 000
Replace Control Panels 66 Kv	Electricity	Dignified Living	1 000 000	1 000 000	-	2 000 000
Replace Switchgear - Franschoek	Electricity	Dignified Living	1 000 000	1 000 000	-	2 000 000
Construction and Maintenance Of Municipal Facilities - Franschoek	Electricity	Dignified Living	700 000	500 000	500 000	1 700 000
Replace Ineffective Meters & Energy Balance of mini-substations	Electricity	Dignified Living	400 000	400 000	500 000	1 300 000
Buildings & Facilities Electrical Supply - Stellenbosch	Electricity	Dignified Living	300 000	500 000	500 000	1 300 000
Meter Panels	Electricity	Dignified Living	350 000	350 000	500 000	1 200 000
Automatic Meter Reader	Electricity	Valley of Possibility	350 000	350 000	350 000	1 050 000
Streetlighting: Wemmershoek Intersection	Electricity	Dignified Living	1 000 000	-	-	1 000 000
Beltana Depot	Electricity	Dignified Living	-	1 000 000	-	1 000 000
Isolators	Electricity	Dignified Living	400 000	400 000	-	800 000

**CAPITAL BUDGET 2017 - 2020
ENGINEERING SERVICES**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Energy Balancing Between Metering and Mini-Substations	Electricity	Dignified Living	250 000	250 000	250 000	750 000
Upgrade Engineering Fac feeders	Electricity	Dignified Living	600 000	-	-	600 000
Small Capital: Fte Electrical Engineering Services	Electricity	Dignified Living	180 000	200 000	200 000	580 000
Replace Busbars 66 Kv	Electricity	Dignified Living	500 000	-	-	500 000
Streetlighting: Kylemore Entrance	Electricity	Dignified Living	500 000	-	-	500 000
Ad-Hoc Provision of Streetlighting	Electricity	Dignified Living	100 000	150 000	200 000	450 000
Jan Marais Upgrade Transformers	Electricity	Dignified Living	-	18 000 000	-	18 000 000
Data Network	Electricity	Valley of Possibility	1 000 000	-	-	1 000 000
Ward 8: Upgrading of streetlights	Electricity	Dignified Living	100 000	-	-	100 000
Ward 15: Upgrading of streetlights	Electricity	Dignified Living	40 000	-	-	40 000
Ward 21: Upgrading of streetlights	Electricity	Dignified Living	60 000	-	-	60 000
Update of Engineering Infrastructure GIS Data	Engineering Services: General	Valley of Possibility	200 000	200 000	200 000	600 000
Scanning and georeferencing of As-Built plans	Engineering Services: General	Valley of Possibility	150 000	-	200 000	350 000
Furniture, Tools & Equipment	Engineering Services: General	Valley of Possibility	110 000	110 000	110 000	330 000
Longlands Vlotenburg: Infrastructure - Roads and Bridge	Roads and Stormwater	Valley of Possibility	600 000	10 000 000	-	10 600 000
Reconstruction Of Roads - WC024	Roads and Stormwater	Valley of Possibility	2 000 000	2 000 000	4 000 000	8 000 000
Reseal Roads- Franschoek CBD	Roads and Stormwater	Valley of Possibility	2 000 000	-	2 000 000	4 000 000
Upgrade Gravel Roads - Klapmuts : Section 1	Roads and Stormwater	Valley of Possibility	4 000 000	-	-	4 000 000
Upgrading Banghoek Street	Roads and Stormwater	Valley of Possibility	-	100 000	1 000 000	1 100 000
Upgrade Gravel Roads - Wemmershoek	Roads and Stormwater	Valley of Possibility	-	2 500 000	-	2 500 000
Reseal Roads - Kayamandi & Surrounding	Roads and Stormwater	Valley of Possibility	2 500 000	-	-	2 500 000
Upgrade Gravel Roads - Johannesburg, Pniel, Kylemore	Roads and Stormwater	Valley of Possibility	2 500 000	-	-	2 500 000
Reseal Roads - Groendal & Surrounding	Roads and Stormwater	Valley of Possibility	2 500 000	-	-	2 500 000
Reseal Roads - Cloeteville & Surrounding	Roads and Stormwater	Valley of Possibility	-	-	2 250 000	2 250 000
Reseal Roads - Onderpapegaaï & Surrounding	Roads and Stormwater	Valley of Possibility	-	-	2 250 000	2 250 000
Upgrade Stormwater	Roads and Stormwater	Valley of Possibility	700 000	500 000	1 000 000	2 200 000
Reseal Roads - Brandwacht & Surrounding	Roads and Stormwater	Valley of Possibility	2 000 000	-	-	2 000 000
Reseal Roads - Idasvalley & Surrounding	Roads and Stormwater	Valley of Possibility	-	-	2 000 000	2 000 000
Reseal Roads - Die Boord & Surrounding	Roads and Stormwater	Valley of Possibility	2 000 000	-	-	2 000 000
Reseal Roads - Paradyskloof & Surrounding	Roads and Stormwater	Valley of Possibility	-	-	2 000 000	2 000 000
Sidewalk Implementation	Roads and Stormwater	Valley of Possibility	600 000	600 000	600 000	1 800 000
Reseal Roads - Klapmuts, Raithby, Meerlust, Wemmershoek, Lamotte, Maasdorp	Roads and Stormwater	Valley of Possibility	-	1 750 000	-	1 750 000
Reseal Roads - Johannesburg, Pniel, Lanquedoc	Roads and Stormwater	Valley of Possibility	-	1 750 000	-	1 750 000

**CAPITAL BUDGET 2017 - 2020
ENGINEERING SERVICES**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Upgrade Gravel Roads- Jamestown	Roads and Stormwater	Valley of Possibility	300 000	500 000	200 000	1 000 000
Furniture, Tools and Equipment : Tr&Stw	Roads and Stormwater	Valley of Possibility	300 000	300 000	300 000	900 000
Update Pavement Management System	Roads and Stormwater	Valley of Possibility	-	-	700 000	700 000
River Rehabilitation	Roads and Stormwater	Valley of Possibility	500 000	-	-	500 000
Upgrade Roads - Techno Park Access Road	Roads and Stormwater	Valley of Possibility	400 000	-	-	400 000
Lanquedoc Access road and Bridge	Roads And Stormwater	Valley of Possibility	600 000	600 000	2 000 000	3 200 000
Upgrade Gravel Roads Lamotte and Franschoek	Roads And Stormwater	Valley of Possibility	-	2 500 000	2 000 000	4 500 000
153 Extension Of WWTW: Stellenbosch	Sanitation	Valley of Possibility	81 276 712	10 000 000	-	91 276 712
112 New Plankenburg Main Outfall Sewer	Sanitation	Valley of Possibility	23 856 005	26 643 995	-	50 500 000
150 Upgrade of WWTW: Pniel & Decommissioning Of Franschoek	Sanitation	Valley of Possibility	1 000 000	20 000 000	15 000 000	36 000 000
110 Bulk Sewer Outfall: Jamestown	Sanitation	Valley of Possibility	13 500 000	10 000 000	7 000 000	30 500 000
115 Idas Valley Merriman Outfall Sewer	Sanitation	Valley of Possibility	8 000 000	12 000 000	-	20 000 000
151 Upgrade of WWTW: Klapmuts	Sanitation	Valley of Possibility	-	-	11 500 000	11 500 000
114 Sewerpipe Replacement	Sanitation	Valley of Possibility	1 500 000	1 500 000	1 500 000	4 500 000
100 New Development Bulk Sewer Supply WC024	Sanitation	Valley of Possibility	2 000 000	1 000 000	1 000 000	4 000 000
120 Specialized vehicle: Jet Machine	Sanitation	Valley of Possibility	3 200 000	-	-	3 200 000
152 Upgrade of WWTW Wemmershoek	Sanitation	Valley of Possibility	3 000 000	-	-	3 000 000
113 Sewer Pumpstation & Telemetry Upgrade	Sanitation	Valley of Possibility	500 000	500 000	500 000	1 500 000
154 Refurbish Plant & Equipment - Raithby WWTW	Sanitation	Valley of Possibility	1 000 000	-	-	1 000 000
111 Sewerpipe Replacement: Dorp Straat	Sanitation	Valley of Possibility	-	-	1 000 000	1 000 000
131 Update Sewer Masterplan and IMQS	Sanitation	Valley of Possibility	250 000	250 000	250 000	750 000
160 Furniture, Tools and Equipment	Sanitation	Valley of Possibility	200 000	200 000	200 000	600 000
162 Upgrade Auto-Samplers	Sanitation	Valley of Possibility	250 000	250 000	-	500 000
Vehicles	Solid Waste Management	Valley of Possibility	2 700 000	2 700 000	-	5 400 000
Major Drop-Offs : Construction - Franschoek	Solid Waste Management	Valley of Possibility	3 000 000	7 000 000	-	10 000 000
Stellenbosch WC024 (MRF/Drop Off) - Construct	Solid Waste Management	Valley of Possibility	3 000 000	6 000 000	6 000 000	15 000 000
Transfer Station: Stellenbosch Planning and Design & Construction	Solid Waste Management	Valley of Possibility	500 000	500 000	4 000 000	5 000 000
Upgrade Refuse disposal site (Existing Cell)- Rehab	Solid Waste Management	Valley of Possibility	1 500 000	1 000 000	1 000 000	3 500 000
Waste Minimization Projects	Solid Waste Management	Valley of Possibility	500 000	1 000 000	500 000	2 000 000
Landfill Gas To Energy	Solid Waste Management	Valley of Possibility	-	-	500 000	500 000
Waste to Food	Solid Waste Management	Valley of Possibility	400 000	-	-	400 000
Skips (5,5kl)	Solid Waste Management	Valley of Possibility	200 000	150 000	-	350 000
Waste Management Software	Solid Waste Management	Valley of Possibility	-	-	200 000	200 000
Furniture, Tools and Equipment : Solid Waste	Solid Waste Management	Valley of Possibility	35 000	35 000	35 000	105 000
Mini Waste drop-off facilities at inf. Settlements	Solid Waste Management	Valley of Possibility	-	-	100 000	100 000

**CAPITAL BUDGET 2017 - 2020
ENGINEERING SERVICES**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Waste Biofuels	Solid Waste Management	Valley of Possibility	-	-	50 000	50 000
Main Road Intersection Improvements: Franschoek	Traffic Engineering	Valley of Possibility	930 000	1 700 000	1 700 000	4 330 000
Main Road Intersection Improvements: R44 / Merriman Street	Traffic Engineering	Valley of Possibility	2 120 000	250 000	-	2 370 000
Traffic Calming Master Plan: Design - WC024	Traffic Engineering	Valley of Possibility	250 000	250 000	250 000	750 000
Traffic Management Improvement Programme	Traffic Engineering	Valley of Possibility	500 000	500 000	500 000	1 500 000
Traffic Signal Control: Upgrading of Traffic Signals	Traffic Engineering	Valley of Possibility	475 000	450 000	500 000	1 425 000
Pedestrian Crossing Implementation	Traffic Engineering	Valley of Possibility	150 000	100 000	1 000 000	1 250 000
Main Road Intersection Improvements: Franschoek - Design	Traffic Engineering	Valley of Possibility	700 000	200 000	300 000	1 200 000
Traffic Calming Projects: Implementation	Traffic Engineering	Valley of Possibility	150 000	500 000	500 000	1 150 000
Directional Information Signage	Traffic Engineering	Valley of Possibility	750 000	75 000	20 000	845 000
Specialized Vehicle	Traffic Engineering	Valley of Possibility	650 000	-	-	650 000
Signalisation implementation	Traffic Engineering	Valley of Possibility	225 000	200 000	200 000	625 000
Road Transport Safety Master Plan - WC024	Traffic Engineering	Valley of Possibility	200 000	150 000	250 000	600 000
Universal Access Implementation	Traffic Engineering	Valley of Possibility	500 000	50 000	50 000	600 000
Main Road Intersection Improvements Helshooghte/Lelie St	Traffic Engineering	Valley of Possibility	1 500 000	-	-	1 500 000
Helshoogte Road/ Cluver Road/ Rustenburg Road intersection & Rustenburg Road/ Sonnebloem Road intersection	Traffic Engineering	Valley of Possibility	2 500 000	-	-	2 500 000
Main Road Intersection Improvements:Pniel / Kylemore	Traffic Engineering	Valley of Possibility	-	400 000	-	400 000
Specialised Equipment: Roadmarking Machine + Trailer	Traffic Engineering	Valley of Possibility	300 000	-	-	300 000
Furniture, Tools and Equipment : Traffic Engineering	Traffic Engineering	Valley of Possibility	100 000	100 000	100 000	300 000
Asset Management - Implement Traffic Calming Management System	Traffic Engineering	Valley of Possibility	200 000	-	-	200 000
Asset Management - Update Roads Signs Management System	Traffic Engineering	Valley of Possibility	100 000	100 000	-	200 000
Ward 1: Infrastructure Improvement Programme	Traffic engineering	Valley of Possibility	120 000	-	-	120 000
Ward 6: Infrastructure Improvement Programme	Traffic engineering	Valley of Possibility	100 000	-	-	100 000
Ward 7: Infrastructure Improvement Programme	Traffic engineering	Valley of Possibility	60 000	-	-	60 000

**CAPITAL BUDGET 2017 - 2020
ENGINEERING SERVICES**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Ward 11: Infrastructure Improvement Programme	Traffic engineering	Valley of Possibility	100 000	-	-	100 000
Ward 12: Infrastructure Improvement Programme	Traffic engineering	Valley of Possibility	60 000	-	-	60 000
Ward 13: Infrastructure Improvement Programme	Traffic engineering	Valley of Possibility	40 000	-	-	40 000
Ward 17: Infrastructure Improvement Programme	Traffic engineering	Valley of Possibility	25 000	-	-	25 000
Ward 18: Infrastructure Improvement Programme	Traffic engineering	Valley of Possibility	10 000	-	-	10 000
Ward 19: Infrastructure Improvement Programme	Traffic engineering	Valley of Possibility	120 000	-	-	120 000
Klapmuts Public Transport Interchange	Transport Planning	Valley of Possibility	5 286 930	-	-	5 286 930
Khayamandi Pedestrian Crossing (R304, River and Railway Line)	Transport Planning	Valley of Possibility	1 000 000	4 000 000	-	5 000 000
Pedestrian and Cycle Paths	Transport Planning	Valley of Possibility	2 000 000	1 000 000	1 000 000	4 000 000
Taxi Rank - Franschhoek	Transport Planning	Valley of Possibility	1 000 000	2 500 000	-	3 500 000
Add Bays To Bergzicht Taxi Rank and Holding Area	Transport Planning	Valley of Possibility	3 000 000	-	-	3 000 000
Taxi Rank - Kayamandi	Transport Planning	Valley of Possibility	500 000	500 000	500 000	1 500 000
Update Roads Master Plan for WC024	Transport Planning	Valley of Possibility	700 000	-	-	700 000
Comprehensive Intergrated Transport Master Plan	Transport Planning	Valley of Possibility	600 000	600 000	600 000	1 800 000
Tour Bus Parking Study	Transport Planning	Valley of Possibility	700 000	150 000	150 000	1 000 000
Bus and Taxi Shelters	Transport Planning	Valley of Possibility	200 000	250 000	250 000	700 000
Bicycle Lockup Facilities	Transport Planning	Valley of Possibility	200 000	200 000	100 000	500 000
Annual OLS Revision	Transport Planning	Valley of Possibility	150 000.00	150 000	200 000	500 000
106 Bulk Water Supply Pipe Reservoir: Dwars Rivier (Johannesdal / Kylemore / Pniel)	Water	Valley of Possibility	19 000 000	19 000 000	-	38 000 000
103 Bulk Water Supply Pipeline & Reservoir - Jamestown	Water	Valley of Possibility	1 500 000	1 000 000	19 000 000	21 500 000
120 Waterpipe Replacement	Water	Valley of Possibility	6 000 000	6 000 000	6 000 000	18 000 000
109 Water Treatment Works: Paradyskloof	Water	Valley of Possibility	20 000 000	6 000 000	-	26 000 000
112 New 5 MI Reservoir: Cloetesville	Water	Valley of Possibility	500 000	1 000 000	-	1 500 000
117 Water Conservation & Demand Management	Water	Valley of Possibility	2 000 000	2 000 000	2 000 000	6 000 000
104 Bulk water supply pipe and Reservoir: Kayamandi	Water	Valley of Possibility	-	1 000 000	-	1 000 000
Relocation/Upgrading main water supply line	Water	Valley of Possibility	15 100 000	-	-	15 100 000
119 New Developments Bulk Water Supply WC024	Water	Valley of Possibility	2 000 000	2 000 000	2 000 000	6 000 000
105 Bulk water supply Klapmuts	Water	Dignified Living	1 000 000	8 000 000	-	9 000 000
107 Bulk Water Supply Pipe: Idas Valley/Papegaaiberg	Water	Dignified Living	-	1 000 000	5 000 000	6 000 000

**CAPITAL BUDGET 2017 - 2020
ENGINEERING SERVICES**

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
118 Reservoirs and Dam Safety	Water	Dignified Living	1 500 000	1 500 000	1 500 000	4 500 000
123 Upgrade and Replace Water Meters	Water	Dignified Living	1 500 000	1 500 000	1 500 000	4 500 000
108 Water Treatment Works: Idasvalley	Water	Dignified Living	1 000 000	1 000 000	1 000 000	3 000 000
124 Vehicles	Water	Dignified Living	1 000 000	1 000 000	1 000 000	3 000 000
115 Storage Dam and Reservoir Upgrade	Water	Dignified Living	1 000 000	1 000 000	1 000 000	3 000 000
116 Chlorination Installation: Upgrade	Water	Dignified Living	500 000	500 000	500 000	1 500 000
121 Water Telemetry Upgrade	Water	Dignified Living	500 000	500 000	500 000	1 500 000
New Reservoir: Polkadraai	Water	Dignified Living	1 000 000	-	-	1 000 000
Provision of Services Jonkershoek: Planning	Water	Dignified Living	1 000 000	-	-	1 000 000
125 Update Water Masterplan and IMQS	Water	Dignified Living	250 000	250 000	250 000	750 000
113 New 1 ML Raithby Reservoir Planning & Design	Water	Dignified Living	400 000	-	-	400 000
122 Furniture, Tools and Equipment : Reticulation	Water	Dignified Living	100 000	100 000	100 000	300 000
			330 897 810	248 713 995	184 065 000	763 676 805

CAPITAL BUDGET 2017 - 2020
FINANCIAL SERVICES

Project Name	Department	Strategic Objectives	Budget 2017 / 2018	Budget 2018 / 2019	Budget 2019 / 2020	MTREF Total
Furniture, Tools & Equipment	Financial Services: General	Good Governance and Compliance	150 000.00	150 000	150 000	450 000
Upgrading of Municipal Stores	Financial Services: General	Good Governance and Compliance	1 500 000	-	-	1 500 000
Vehicle Fleet	Financial Services: General	Good Governance and Compliance	220 000	-	-	220 000
			1 870 000	150 000	150 000	2 170 000

O: LEGISLATION COMPLIANCE

Compliance with the MFMA implementation requirements has been substantially adhered to through the following activities:

- Budget and Treasury Office - A Budget Office and Treasury Office has been established in accordance with the MFMA.
- Budgeting - The annual budget is prepared in accordance with the requirements prescribed by National Treasury and the MFMA.
- Financial reporting - 100% compliance with regards to monthly, quarterly and annual reporting to the Executive Mayor, Mayoral Committee, Council, Provincial and National Treasury.
- Annual Report - The annual report is prepared in accordance with the MFMA and National Treasury requirements.

P: OTHER SUPPORTING DOCUMENTS

1. Additional information/schedules in accordance with the budget and reporting regulations:

- SA1 - Supporting detail to Budgeted Financial Performance
- SA2 - Matrix Financial Performance Budget (revenue source/expenditure type)
- SA3 - Supporting detail to Budgeted Financial Position
- SA4 - Reconciliation of IDP strategic objectives and budget (revenue)
- SA5 - Reconciliation of IDP strategic objectives and budget (operational expenditure)
- SA6 - Reconciliation of IDP strategic objectives and budget (capital expenditure)
- SA7 - Measurable Performance Objectives
- SA8 - Performance indicators and benchmarks
- SA9 - Social, economic and demographic statistics and assumptions
- SA10 - Funding measurement
- SA11 - Property Rates Summary
- SA12a- Property rates by category (2015/2016)
- SA12b- Property rates by category (2016/2017)
- SA13 Service Tariffs by category
- SA14 - Household bills
- SA15 - Investment particulars by type
- SA16 - Investment particulars by maturity
- SA17 - Borrowing
- SA18 - Transfers and grant receipts
- SA19 - Expenditure on transfers and grant programme
- SA20 - Reconciliation of transfers grant receipts and unspent funds
- SA21 - Transfers and grants made by the municipality
- SA22 - Summary councillor and staff benefits
- SA23 - Salaries, allowances & benefits (political office bearers/councillors/senior managers)
- SA24 - Summary of personnel numbers
- SA25 - Consolidated budgeted monthly revenue and expenditure
- SA26 - Budgeted monthly revenue and expenditure (municipal vote)
- SA27 - Budgeted monthly revenue and expenditure (standard)
- SA28 - Budgeted monthly capital expenditure (municipal vote)

- SA29 - Budgeted monthly capital expenditure (standard)
- SA30 - Budgeted monthly cash flow
- SA31 - Not applicable
- SA32 - List of external mechanism
- SA33 - Contracts having future budgetary implications
- SA34a- Capital expenditure on new asset class
- SA34b- Capital expenditure on the renewal of existing assets by asset class
- SA34c- Repairs and maintenance expenditure by asset class
- SA34d Depreciation by asset class
- SA35 - Future financial implications of the capital budget
- SA36 - Detailed Capital Budget
- SA37 - Projects delayed from previous financial years

WC024 Stellenbosch - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
REVENUE ITEMS:											
Property rates											
Total Property Rates	6	265 754	284 716	305 054	327 036	328 314	328 314	328 314	352 431	373 577	395 991
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>		29 821	32 347	34 675	40 039	40 039	40 039	40 039	39 422	41 787	44 294
Net Property Rates		235 933	252 369	270 379	286 997	288 275	288 275	288 275	313 009	331 790	351 697
Service charges - electricity revenue											
Total Service charges - electricity revenue	6	423 563	415 477	466 637	493 724	483 271	483 271	483 271	497 453	527 678	560 778
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>					7 179	7 179	7 179	7 179	1 117	1 184	1 255
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>		15	15	15	15	15	15	15	15	15	15
Net Service charges - electricity revenue		423 563	415 477	466 637	486 545	476 092	476 092	476 092	496 336	526 495	559 523
Service charges - water revenue											
Total Service charges - water revenue	6	103 002	122 013	141 998	129 034	131 759	131 759	131 759	148 132	158 500	169 594
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>					3 553	3 553	3 553	3 553	5 089	5 445	5 826
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>		15	15	15	15	15	15	15	15	15	15
Net Service charges - water revenue		103 002	122 013	141 998	125 481	128 206	128 206	128 206	143 043	153 055	163 767
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		56 809	65 556	77 121	80 138	86 063	86 063	86 063	96 331	105 001	114 451
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>					6 654	6 654	6 654	6 654	7 654	8 343	9 094
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>		15	15	15	15	15	15	15	15	15	15
Net Service charges - sanitation revenue		56 809	65 556	77 121	73 484	79 409	79 409	79 409	88 677	96 658	105 357
Service charges - refuse revenue											
Total refuse removal revenue	6	35 250	40 025	44 719	48 556	48 556	48 556	48 556	54 280	59 165	64 490
Total landfill revenue				-							
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>		-	-	-	6 543	6 543	6 543	6 543	7 929	8 642	9 420
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>		15	15	15	15	15	15	15	15	15	15
Net Service charges - refuse revenue		35 250	40 025	44 719	42 013	42 013	42 013	42 013	46 351	50 522	55 069
Other Revenue by source											
Building Fees		3 634	3 725	3 350	4 106	4 106	4 106	4 106	6 168	6 546	6 955
Wood Sales		1 325	558	400	615	615	615	615	4	4	4
Testing Of Drivers		895	981	900	1 081	1 081	1 081	1 081	1 137	1 207	1 282
Application Fees		719	687	551	828	828	828	828	1 082	1 148	1 220
Inspection Of Vehicles		83	125	125	138	138	138	138	176	187	198
Digging Of Graves		380	462	418	510	510	510	510	525	558	592
Parking Fees: Bloemhof		587	618	600	681	681	681	681	741	787	836
Other Revenue		72 622	19 216	29 386	28 670	28 670	28 670	28 670	27 765	28 100	29 540
Total 'Other' Revenue	3 1	80 246	26 371	35 730	36 628	36 628	36 628	36 628	37 598	38 536	40 627
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	167 356	188 239	234 227	249 177	252 647	252 647	252 647	315 971	345 988	378 857
Pension and UIF Contributions		30 203	33 018	38 075	46 029	46 029	46 029	46 029	45 736	50 081	54 838
Medical Aid Contributions		13 881	15 303	18 280	22 338	22 338	22 338	22 338	27 121	29 697	32 518
Overtime		12 319	15 993	12 674	13 055	18 749	18 749	18 749	25 685	28 125	30 796
Performance Bonus		-	-	465	299	299	299	299	400	438	480
Motor Vehicle Allowance		9 600	10 224	10 310	15 982	15 982	15 982	15 982	13 033	14 271	15 627
Cellphone Allowance		607	648	647	883	883	883	883	802	878	961
Housing Allowances		1 265	1 384	1 870	2 774	2 774	2 774	2 774	2 089	2 287	2 505
Other benefits and allowances		47 702	49 008	34 293	46 778	46 778	46 778	46 778	29 717	32 467	35 551
Payments in lieu of leave		-	-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	4	-	-	-	-	-	-	-	25 055	20 914	15 659
sub-total	5	282 933	313 819	350 842	397 314	406 478	406 478	406 478	485 607	525 145	567 792
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	282 933	313 819	350 842	397 314	406 478	406 478	406 478	485 607	525 145	567 792
Contributions recognised - capital											
Total Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		137 899	158 374	149 053	165 200	165 200	165 200	165 200	168 339	171 970	175 685

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE											
Total Depreciation & asset impairment	10	137 899	158 374	149 053	165 200	165 200	165 200	165 200	168 339	171 970	175 685
Bulk purchases											
Electricity Bulk Purchases		250 903	268 064	306 365	330 874	323 905	323 905	323 905	323 690	343 111	363 698
Water Bulk Purchases		18 195	19 280	17 369	20 411	20 411	20 411	20 411	22 453	23 800	25 228
Total bulk purchases	1	269 097	287 344	323 734	351 285	344 317	344 317	344 317	346 143	366 911	388 926
Transfers and grants											
Cash transfers and grants		4 818	5 555	8 175	8 703	8 375	8 375	8 375	6 250	6 563	6 891
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	4 818	5 555	8 175	8 703	8 375	8 375	8 375	6 250	6 563	6 891
Contracted services											
Rental: Vehicles		976	1 402	1 835	1 715	1 715	1 715	1 715	-	-	-
Hire Of Equipment		4 410	3 642	3 799	5 202	5 377	5 377	5 377	-	-	-
Rent: Offices		4 336	5 057	9 478	10 293	10 293	10 293	10 293	-	-	-
Other Contracted Services		21 634	28 796	-	-	-	-	-	-	-	-
Consultants and professional services									26 018	27 059	28 141
Contractors									96 630	100 496	104 515
Outsourced Services									68 956	71 714	74 583
sub-total	1	31 357	38 898	15 112	17 209	17 384	17 384	17 384	191 605	199 269	207 240
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		31 357	38 898	15 112	17 209	17 384	17 384	17 384	191 605	199 269	207 240
Other Expenditure By Type											
Collection costs		920	1 496	2 500	2 650	2 650	2 650	2 650	2 936	3 054	3 176
Contributions to 'other' provisions		18 764	149 351	69 527	64 883	50 174	50 174	50 174	36 324	37 777	39 288
Consultant fees		4 775	9 351	19 942	19 736	25 035	25 035	25 035	-	-	-
Audit fees		4 753	4 331	5 251	5 588	5 588	5 588	5 588	4 511	4 691	4 879
General expenses		176 244	95 703	208 801	275 185	324 900	324 900	324 900	133 122	138 259	143 601
Total 'Other' Expenditure	3	205 456	260 232	306 021	368 043	408 347	408 347	408 347	176 893	183 781	190 944
by Expenditure Item											
Employee related costs	8										
Other materials											
Contracted Services											
Other Expenditure		55 007	58 453	54 658	83 499	91 423	91 423	91 423	95 459	99 278	103 248
Total Repairs and Maintenance Expenditure	9	55 007	58 453	54 658	83 499	91 423	91 423	91 423	95 459	99 278	103 248
check		55 007	58 453	54 658	83 499	91 423	91 423	91 423	95 459	99 278	103 248

References

1. Must reconcile with 'Budgeted Financial Performance (Revenue and Expenditure)
2. Must reconcile to supporting documentation on staff salaries
3. Insert other categories where revenue or expenditure is of a material nature (list separate items until 'General expenses' is not > 10% of Total Expenditure)
4. Expenditure to meet any 'unfunded obligations'
5. This sub-total must agree with the total on SA22, but excluding councillor and board member items
6. Include a note for each revenue item that is affected by 'revenue foregone'
7. Special consideration may have to be given to including 'goodwill arising' or 'joint venture' budgets where circumstances require this (include separately under relevant notes)

WC024 Stellenbosch - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept)

Description	Ref	Vote 1 - Office of the Municipal Manager	Vote 2 - Planning and Development	Vote 3 - Human Settlements and Property Management	Vote 4 - Engineering Services	Vote 5 - Community and Protection Services	Vote 6 - Strategic and Corporate Services	Vote 7 - Financial Services	0	0	0	0	0	0	0	0	Total
R thousand																	
Revenue By Source																	
Property rates	1							313 009									313 009
Service charges - electricity revenue					496 336												496 336
Service charges - water revenue					143 043												143 043
Service charges - sanitation revenue					88 677												88 677
Service charges - refuse revenue					46 351												46 351
Service charges - other																	-
Rental of facilities and equipment			194	16 239	-	1 561	0	-									17 994
Interest earned - external investments					-	-		37 999									37 999
Interest earned - outstanding debtors					7 479			185									7 664
Dividends received																	-
Fines, penalties and forfeits					209	96 856	-										97 064
Licences and permits				159	3 392	6 362											9 913
Agency services						2 514											2 514
Other revenue			7 335	99	16 131	8 800	87	5 147									37 598
Transfers and subsidies			4 820	1 333	72 746	14 731	56	34 656									128 342
Gains on disposal of PPE					395	282		764									1 441
Total Revenue (excluding capital transfers and contributions)			12 348	17 829	874 759	131 107	143	391 759									1 427 946
Expenditure By Type																	
Employee related costs		12 544	38 198	29 251	130 968	153 702	57 326	63 618									485 607
Remuneration of councillors							17 293										17 293
Debt impairment					12 781	50 432	2 711										65 924
Depreciation & asset impairment		208	1 394	8 895	142 068	11 390	3 783	601									168 339
Finance charges					28 622												28 622
Bulk purchases					346 143												346 143
Other materials																	-
Contracted services		5 052	4 105	10 898	102 753	51 035	12 216	5 546									191 605
Transfers and subsidies			5 250			1 000											6 250
Other expenditure		5 353	9 369	20 214	47 059	53 918	30 675	10 305									176 893
Loss on disposal of PPE																	-
Total Expenditure		23 158	58 316	69 257	810 393	321 478	121 293	82 781									1 486 676
Surplus/(Deficit)		(23 158)	(45 968)	(51 428)	64 366	(190 370)	(121 150)	308 978									(58 730)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)																	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																	-
Transfers and subsidies - capital (in-kind - all)																	-
Surplus/(Deficit) after capital transfers & contributions		(23 158)	(45 968)	(51 428)	64 366	(190 370)	(121 150)	308 978									(58 730)

References
1. Departmental columns to be based on municipal organisation structure

WC024 Stellenbosch - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
ASSETS											
Call investment deposits											
Call deposits		-	-	-	-	-	-	-	-	-	-
Other current investments		490 655	592 648	600 239	365 310	365 310	365 310	365 310	400 646	347 635	298 715
Total Call investment deposits	2	490 655	592 648	600 239	365 310	365 310	365 310	365 310	400 646	347 635	298 715
Consumer debtors											
Consumer debtors		207 100	168 218	169 244	148 002	148 002	148 002	148 002	161 422	173 079	183 957
Less: Provision for debt impairment		(51 049)	(69 436)	(57 050)	(51 268)	(51 268)	(51 268)	(51 268)	(55 917)	(59 955)	(63 723)
Total Consumer debtors	2	156 050	98 783	112 194	96 734	96 734	96 734	96 734	105 505	113 124	120 234
Debt impairment provision											
Balance at the beginning of the year		24 624	47 114	69 436	49 205	49 205	49 205	49 205	51 268	55 917	59 955
Contributions to the provision		38 792	22 322	(12 386)	18 645	18 645	18 645	18 645			
Bad debts written off		(12 367)	-	-	(16 582)	(16 582)	(16 582)	(16 582)	4 649	4 038	3 768
Balance at end of year		51 049	69 436	57 050	51 268	51 268	51 268	51 268	55 917	59 955	63 723
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		4 970 267	4 879 906	5 213 311	5 960 125	5 960 191	5 960 191	5 960 191	6 369 267	6 682 132	6 904 105
Leases recognised as PPE		-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		880 042	894 788	1 038 895	1 331 260	1 331 260	1 331 260	1 331 260	1 502 126	1 673 782	1 849 138
Total Property, plant and equipment (PPE)	2	4 090 225	3 985 118	4 174 416	4 628 865	4 628 931	4 628 931	4 628 931	4 867 141	5 008 349	5 054 966
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		10 480	9 105	11 908	10 039	10 039	10 039	10 039	16 984	19 895	18 895
Total Current liabilities - Borrowing		10 480	9 105	11 908	10 039	10 039	10 039	10 039	16 984	19 895	18 895
Trade and other payables											
Trade and other creditors		134 284	185 100	205 678	190 547	190 547	190 547	190 547	196 635	201 634	210 777
Unspent conditional transfers		33 741	37 080	46 821	-	-	-	-	-	-	-
VAT		-	-	-	-	-	-	-	-	-	-
Total Trade and other payables	2	168 025	222 179	252 498	190 547	190 547	190 547	190 547	196 635	201 634	210 777
Non current liabilities - Borrowing											
Borrowing		109 962	150 334	186 386	349 342	322 617	322 617	176 595	314 867	374 972	356 076
Finance leases (including PPP asset element)		-	-	-	-	-	-	-	-	-	-
Total Non current liabilities - Borrowing	4	109 962	150 334	186 386	349 342	322 617	322 617	176 595	314 867	374 972	356 076
Provisions - non-current											
Retirement benefits		141 794	188 703	207 825	200 665	200 665	200 665	200 665	219 728	240 602	263 459
<i>List other major provision items</i>											
Refuse landfill site rehabilitation		51 423	40 494	76 274	40 494	40 494	40 494	40 494	42 247	43 747	49 736
Other		9 039	-	9	-	-	-	-	-	-	-
Total Provisions - non-current		202 257	229 197	284 109	241 159	241 159	241 159	241 159	261 975	284 349	313 195
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		2 855 551	4 518 581	4 543 094	3 180 381	3 180 381	3 180 381	3 180 381	5 197 660	5 202 944	5 203 108
GRAP adjustments		-	-	-	-	-	-	-	-	-	-
Restated balance		2 855 551	4 518 581	4 543 094	3 180 381	3 180 381	3 180 381	3 180 381	5 197 660	5 202 944	5 203 108
Surplus/(Deficit)		154 864	24 513	149 671	56 498	39 650	39 650	39 650	1 407	8 861	12 129
Appropriations to Reserves		(3 037)	-	-	(65 000)	(65 000)	(65 000)	(65 000)	-	-	-
Transfers from Reserves		32 720	-	-	68 947	68 947	68 947	68 947	-	-	-
Depreciation offsets		14 134	-	-	17 547	17 547	17 547	17 547	-	-	-
Other adjustments		801 323	-	-	18 182	18 182	18 182	18 182	-	-	-
Accumulated Surplus/(Deficit)	1	3 855 555	4 543 094	4 692 765	3 276 555	3 259 707	3 259 707	3 259 707	5 199 067	5 211 805	5 215 237
Reserves											
Housing Development Fund		7 991	-	-	3 000	3 000	3 000	3 000	-	-	-
Capital replacement		103 661	-	-	142 240	128 397	128 397	128 397	230 000	200 000	170 000
Self-insurance		9 885	-	-	11 646	11 646	11 646	11 646	10 380	10 380	10 380
Other reserves		-	-	-	755 720	721 818	721 818	721 818	-	-	-
Revaluation		839 133	-	-	735 566	735 566	735 566	735 566	-	-	-
Total Reserves	2	960 671	-	-	1 648 172	1 600 427	1 600 427	1 600 427	240 380	210 380	180 380
TOTAL COMMUNITY WEALTH/EQUITY	2	4 816 226	4 543 094	4 692 765	4 924 727	4 860 133	4 860 133	4 860 133	5 439 447	5 422 185	5 395 617

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services											
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WC024 Stellenbosch - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand												
A Green and Sustainable Valley	A Green and Sustainable Valley			4 172	2 922	1 452	1 523	1 659	1 659	767	814	865
Valley of Possibility	Valley of Possibility			4 974	5 702	6 241	7 487	7 326	7 326	5 514	705	718
Dignified Living	Dignified Living			781 502	772 108	998 750	1 007 748	1 008 965	1 008 965	1 006 176	1 097 230	1 170 228
A Safe Valley	A Safe Valley			81 407	72 190	82 971	84 422	85 237	85 237	113 027	116 734	117 297
Good Governance and Compliance	Good Governance and Compliance			331 777	303 643	321 753	335 458	369 458	369 458	362 599	376 534	397 862
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	1 203 832	1 156 566	1 411 166	1 436 637	1 472 645	1 472 645	1 488 083	1 592 017	1 686 970

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

WC024 Stellenbosch - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
A Green and Sustainable Valley	A Green and Sustainable Valley			22 510	21 172	34 595	25 272	25 272	25 272	49 541	52 953	56 637	
Valley of Possibility	Valley of Possibility			21 956	23 453	28 123	41 872	41 872	41 872	45 803	49 290	53 074	
Dignified Living	Dignified Living			797 769	815 720	903 445	998 179	1 068 886	1 068 886	923 175	985 889	1 041 790	
A Safe Valley	A Safe Valley			94 548	117 308	120 332	140 961	140 961	140 961	213 023	227 998	244 153	
Good Governance and Compliance	Good Governance and Compliance			112 187	154 400	174 999	173 854	173 854	173 854	255 133	267 026	279 188	
Allocations to other priorities													
Total Expenditure				1	1 048 969	1 132 053	1 261 496	1 380 139	1 450 845	1 450 845	1 486 676	1 583 156	1 674 841

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

WC024 Stellenbosch - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
A Green and Sustainable Valley	A Green and Sustainable Valley	A		5 467	22 459	23 731	25 380	24 356	24 356	9 766	12 250	13 350
Valley of Possibility	Valley of Possibility	B		85 749	35 748	21 020	25 311	25 186	25 186	96 811	110 650	91 603
Dignified Living	Dignified Living	C		77 274	165 587	356 435	383 386	404 214	404 214	281 784	183 564	112 065
A Safe Valley	A Safe Valley	D		3 854	3 990	15 560	10 919	9 568	9 568	8 150	3 750	2 000
Good Governance and Compliance	Good Governance and Compliance	E		2 396	2 159	6 015	18 795	19 256	19 256	21 546	9 300	7 855
Allocations to other priorities			3									
Total Capital Expenditure			1	174 741	229 943	422 760	463 792	482 580	482 580	418 057	319 514	226 873

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure
2. Goal code must be used on Table SA36

WC024 Stellenbosch - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Vote 1 - Municipal Manager										
Function 1 - Budget Performance										
Sub-function 1 - Capital Expenditure	Amount spent (R)	93 975	93 975	40 000	35 000	35 000	35 000	35 000	35 000	35 000
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure	Amount spent (R)	7 640 632	7 640 632	13 815 402	14 427 537	14 427 537	14 427 537	23 157 755	24 769 817	26 511 824
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue	Amount collected(R)	0	0	250 000	0	0	0	240 000	360 000	480 000
<i>Insert measure/s description</i>										
Vote 2 - Planning and Development										
Function 1 - Budget Performance										
Sub-function 1 - Capital Expenditure	Amount spent (R)	1 133 661	1 133 661	2 509 272	3 076 749	3 332 732	3 332 732	5 393 000	2 335 000	250 000
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure	Amount spent (R)	20 384 513	20 384 513	38 455 135	47 319 632	53 616 101	53 616 101	58 316 204	62 774 382	67 612 543
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue	Amount collected(R)	5 083 565	5 083 565	6 894 730	8 014 720	8 014 720	8 014 720	12 348 450	7 990 000	8 487 643
<i>Insert measure/s description</i>										
Vote 3 - Human Settlements										
Function 1 - Budget Performance										
Sub-function 1 - Capital Expenditure	Amount spent (R)	19 447 354	19 447 354	50 260 904	55 570 000	55 570 000	55 570 000	52 872 000	46 650 000	26 340 000
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure	Amount spent (R)	70 110 303	70 110 303	81 565 067	69 365 916	69 365 916	69 365 916	69 257 003	73 527 333	78 119 833
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue	Amount collected(R)	62 445 141	62 445 141	69 252 589	63 582 180	65 723 907	65 723 907	24 263 280	45 487 770	40 539 002
<i>Insert measure/s description</i>										
Vote 4 - Community & Protection										
Function 1 - Budget Performance										
Sub-function 1 - Capital Expenditure	Amount spent (R)	19 447 354	19 447 354	26 159 442	22 868 370	22 868 370	22 868 370	20 273 700	13 780 300	10 382 950
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure	Amount spent (R)	70 110 303	70 110 303	198 263 620	215 281 011	215 281 011	215 281 011	321 477 649	344 131 242	368 597 297
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue	Amount collected(R)	62 445 141	62 445 141	99 113 008	107 029 980	107 029 980	107 029 980	132 907 150	137 684 140	144 794 001
<i>Insert measure/s description</i>										
Vote 5 - Engineering services										
Function 1 - Budget Performance										
Sub-function 1 - Capital Expenditure	Amount spent (R)	19 447 354	19 447 354	340 916 111	376 594 494	376 594 494	376 594 494	330 030 647	248 713 995	184 065 000
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure	Amount spent (R)	70 110 303	70 110 303	808 631 803	888 767 396	888 767 396	888 767 396	810 393 069	865 676 327	913 556 917
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue	Amount collected(R)	62 445 141	62 445 141	834 660 006	906 271 096	906 271 096	906 271 096	926 930 766	987 652 757	1 060 322 547
<i>Insert measure/s description</i>										
Vote 6 - Strategic										
Function 1 - Budget Performance										
Sub-function 1 - Capital Expenditure	Amount spent (R)	19 447 354	19 447 354	7 881 126	7 560 000	7 560 000	7 560 000	7 550 000	7 100 000	6 400 000
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure	Amount spent (R)	70 110 303	70 110 303	83 268 104	78 404 775	78 404 775	78 404 775	121 292 823	125 616 271	130 289 370
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue	Amount collected(R)	62 445 141	62 445 141	1 153 500	1 376 990	1 376 990	1 376 990	142 790	148 120	153 863
<i>Insert measure/s description</i>										
Vote 7 - Financial services										
Function 1 - Budget Performance										
Sub-function 1 - Capital Expenditure	Amount spent (R)	19 447 354	19 447 354	1 480 000	879 850	879 850	879 850	1 870 000	150 000	150 000
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure	Amount spent (R)	70 110 303	70 110 303	68 608 320	64 061 880	64 061 880	64 061 880	82 781 051	86 660 620	90 153 227

<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue	Amount collected(R)	62 445 141	62 445 141	338 621 153	352 704 657	352 704 657	352 704 657	391 250 450	412 694 230	432 192 670

WC024 Stellenbosch - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Borrowing Management											
Credit Rating		A1	A+	A+	A+	A+	A+	A+			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	2.1%	2.2%	2.7%	3.1%	2.2%	2.2%	2.2%	2.9%	3.7%	3.7%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	2.1%	2.4%	2.9%	3.6%	2.6%	2.6%	2.6%	3.3%	4.2%	4.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	21.2%	29.0%	15.7%	47.9%	0.0%	0.0%	0.0%	44.7%	33.7%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	11.4%	0.0%	0.0%	21.2%	20.2%	20.2%	11.0%	131.0%	178.2%	197.4%
Liquidity											
Current Ratio	Current assets/current liabilities	3.0	2.5	2.7	2.2	2.4	2.4	2.4	2.2	1.9	1.7
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.0	2.5	2.7	2.2	2.4	2.4	2.4	2.2	1.9	1.7
Liquidity Ratio	Monetary Assets/Current Liabilities	2.1	1.9	1.9	1.5	1.8	1.8	1.8	1.5	1.3	1.1
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		94.3%	91.0%	94.0%	96.8%	96.8%	100.8%	100.8%	95.6%	95.9%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		94.1%	91.5%	93.8%	96.8%	96.8%	100.8%	100.8%	95.6%	95.9%	95.9%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	18.1%	18.4%	18.3%	11.8%	11.4%	11.4%	11.4%	11.8%	11.3%	11.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	97.0%	97.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
Creditors to Cash and Investments		26.6%	30.4%	160.5%	48.2%	51.2%	38.3%	38.3%	46.9%	54.6%	63.8%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	32465145	28654139	30935978	30935978	30935978	30935978	30935978	30935978	30935978	30935978
	Total Cost of Losses (Rand '000)	-	-	-	-	-	-	-	-	-	-
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	-	-	-	-	-	-	-
Water Distribution Losses (2)	Total Volume Losses (kℓ)	3 572	2 129	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	-	-	-	-	-	-	-
Employee costs	Employee costs/(Total Revenue - capital revenue)	24.8%	28.5%	26.8%	30.3%	29.8%	29.8%	29.8%	34.0%	34.8%	35.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	26.0%	29.9%	28.1%	31.6%	31.1%	31.1%	31.1%	35.2%	36.0%	36.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.8%	5.3%	4.2%	6.4%	6.7%	6.7%	6.7%	6.7%	6.6%	6.4%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	13.1%	15.6%	13.1%	15.0%	13.6%	13.6%	13.6%	13.8%	14.1%	13.6%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	20.5	17.7	21.4	18.7	18.7	18.7	20.3	22.6	24.2	25.7
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	24.1%	22.1%	23.9%	14.8%	14.8%	14.8%	14.8%	15.0%	14.3%	14.2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	7.8	9.1	1.7	4.8	4.3	5.8	5.8	4.2	3.5	2.9

References

1. Consumer debtors > 12 months old are excluded from current assets
2. Only include if services provided by the municipality

WC024 Stellenbosch - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population		Statistics South Africa	119	201	156	161	166	171	174	184	195	207
Females aged 5 - 14		Statistics South Africa	10	18	11	11	12	12	12	13	14	15
Males aged 5 - 14		Statistics South Africa	10	16	11	11	12	12	13	13	14	15
Females aged 15 - 34		Statistics South Africa	26	39	33	34	35	36	38	40	42	45
Males aged 15 - 34		Statistics South Africa	24	42	33	34	35	36	37	39	42	44
Unemployment		Statistics South Africa	9	16	10	10	11	11	12	12	13	14
Monthly household income (no. of households)												
No income	1, 12	Statistics South Africa, regional economic growth	6 897	3 557	8 961	9 239	9 525	9 820	10 124	10 731	11 375	12 058
R1 - R1 600		Statistics South Africa, regional economic growth	1 095	245	914	1 382	1 868	2 065	2 093	2 219	2 352	2 493
R1 601 - R3 200		Statistics South Africa, regional economic growth	2 731	1 126	1 517	1 544	1 572	1 614	1 666	1 766	1 872	1 984
R3 201 - R6 400		Statistics South Africa, regional economic growth	4 833	3 728	4 415	4 494	4 575	4 699	4 849	5 140	5 448	5 775
R6 401 - R12 800		Statistics South Africa, regional economic growth	6 662	4 484	7 160	7 289	7 420	7 620	7 864	8 336	8 836	9 366
R12 801 - R25 600		Statistics South Africa, regional economic growth	5 630	6 463	6 742	6 863	6 987	7 176	7 406	7 850	8 321	8 821
R25 601 - R51 200		Statistics South Africa, regional economic growth	3 750	4 144	4 994	5 084	5 176	5 316	5 486	5 815	6 164	6 534
R52 201 - R102 400		Statistics South Africa, regional economic growth	2 099	2 578	3 671	3 737	3 804	3 907	4 032	4 274	4 530	4 802
R102 401 - R204 800		Statistics South Africa, regional economic growth	855	1 680	2 874	2 925	2 978	3 058	3 156	3 345	3 546	3 759
R204 801 - R409 600		Statistics South Africa, regional economic growth	260	69	1 432	1 457	1 483	1 523	1 572	1 666	1 766	1 872
R409 601 - R819 200		Statistics South Africa, regional economic growth	130	242	430	438	446	458	473	501	531	563
> R819 200		Statistics South Africa, regional economic growth	134	245	305	310	316	325	335	355	376	399
Poverty profiles (no. of households)												
< R2 060 per household per month	13		10 722	8 656	15 807	16092.00	16382.00	16824.00	17362.00	18403.72	19507.94	20678.42
Insert description	2					<R1600	<R1600	<R1600	<R1600			
Household/demographics (000)												
Number of people in municipal area		Statistics South Africa, regional population growth rate	118 803	200 524	155 718	161	166	171	176	187	198	210
Number of poor people in municipal area		Statistics South Africa, regional population growth rate										
Number of households in municipal area		Statistics South Africa, regional population growth rate	35 156	36 413	43 417	45	46	48	49	52	55	58
Number of poor households in municipal area		Statistics South Africa, regional population growth rate	10 722	8 656	15 807	16	17	17	18	19	20	21
Definition of poor household (R per month)						<R1600	<R1600	<R1600	<R1600			
Housing statistics												
Formal	3	Statistics South Africa, regional population growth rate	23 634	32 918	32 620	33 631	34 674	35 749	36 857	39 068	41 413	43 897
Informal		Statistics South Africa, regional population growth rate	11 522	3 495	10 796	11 131	11 476	11 832	12 199	12 931	13 707	14 529
Total number of households			35 156	36 413	43 417	44 762	46 150	47 581	49 056	51 999	55 119	58 426
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic												
Inflation/inflation outlook (CPIX)	6					5.7%	5.6%	5.4%	6.6%	7.0%	7.4%	7.9%
Interest rate - borrowing						10.5%	10.5%	11.0%	11.0%	11.0%	11.0%	11.0%
Interest rate - investment						7.5%	6.5%	7.0%	8.0%	8.5%	9.0%	9.5%
Remuneration increases						7.0%	6.9%	7.0%	7.0%	7.4%	7.9%	8.3%
Consumption growth (electricity)						0.5%	0.0%	0.0%	-1.0%	-1.1%	-1.1%	-1.2%
Consumption growth (water)						0.5%	0.0%	0.0%	0.5%	0.5%	0.6%	0.6%
Collection rates												
Property tax/service charges	7					98.0%	98.0%	98.0%	97.0%	96.0%	96.0%	96.0%
Rental of facilities & equipment						83.0%	83.0%	83.0%	83.0%	80.0%	80.0%	80.0%
Interest - external investments						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors						97.0%	97.0%	97.0%	97.0%	96.0%	96.0%	96.0%
Revenue from agency services						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

WC024 Stellenbosch Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	504 928	609 430	128 187	395 726	371 808	497 430	497 430	419 542	369 279	330 432
Cash + investments at the yr end less applications - R'000	18(1)b	2	156 031	464 423	226 882	33 448	26 755	32 149	243 558	82 727	56 324	42 792
Cash year end/monthly employee/supplier payments	18(1)b	3	7.8	9.1	1.7	4.8	4.3	5.8	5.8	4.2	3.5	2.9
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	168 998	24 513	149 671	74 045	57 197	57 197	57 197	1 407	8 861	12 129
Service charge rev % change - macro CPI target exclusive	18(1)a,(2)	5	N.A.	(1.4%)	5.2%	(2.1%)	(6.1%)	(6.0%)	(6.0%)	1.2%	0.5%	0.6%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	79.8%	95.0%	90.2%	91.6%	92.0%	95.5%	95.5%	90.3%	90.6%	90.7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	11.0%	4.6%	7.1%	2.4%	6.3%	6.3%	6.3%	6.1%	6.1%	6.1%
Capital payments % of capital expenditure	18(1)c:19	8	99.8%	100.2%	82.3%	100.0%	99.2%	99.2%	99.2%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	19.4%	28.9%	15.7%	46.4%	0.0%	0.0%	0.0%	44.7%	33.7%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(4.1%)	19.9%	(35.6%)	0.0%	0.0%	0.0%	8.9%	1.1%	6.5%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	565.2%	(47.6%)	(8.3%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.3%	1.5%	1.3%	1.8%	2.0%	2.0%	2.1%	2.0%	2.0%	2.0%
Asset renewal % of capital budget	20(1)(vi)	14	56.3%	51.4%	57.9%	86.2%	79.4%	79.4%	0.0%	6.8%	5.8%	13.4%

References

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision
8. Indicative of planned capital expenditure level & cash payment timing
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
10. Substantiation of National/Province allocations included in budget
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

WC024 Stellenbosch - Supporting Table SA11 Property rates summary

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Valuation:	1									
Date of valuation:			02/07/2012							
Financial year valuation used			2014/2015	02/07/2012	02/07/2012			02/07/2016		
Municipal by-laws s6 in place? (Y/N)	2	Y	Y	2015/2016	Y			Y		
Municipal/assistant valuer appointed? (Y/N)		Y	Y	Y	Y			Y		
Municipal partnership s38 used? (Y/N)		N	Y	Y	N	N	N	N	N	N
No. of assistant valuers (FTE)	3	1	1	2	2	2	2	2	2	2
No. of data collectors (FTE)	3	7	7	8	8	8	8	8	8	8
No. of internal valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	1	1	1	1	1	1	1	1	1
No. of additional valuers (FTE)	4	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)		Y	Y	Y	Y			Y		
Implementation time of new valuation roll (mths)		12	12	24	12			12		
No. of properties	5	30 072	30 072	32 363	33 081	33 081	33 081	33 403	34 000	34 750
No. of sectional title values	5	6 554	6 554	7 105	7 420	7 420	7 420	7 617	7 770	7 930
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-
No. of supplementary valuations		-	-	2	1	1	1	2	2	2
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-
No. of objections by rate payers		-	-	-	-	-	-	-	-	-
No. of appeals by rate payers		-	-	-	-	-	-	-	-	-
No. of successful objections	8	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	8	-	-	-	-	-	-	-	-	-
Supplementary valuation		-	-	-	-	-	-	-	-	-
Public service infrastructure value (Rm)	5	0	0	0	34	34	34	33	33	33
Municipality owned property value (Rm)		0	0	0	1 128	1 128	1 128	1 161	1 161	1 161
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		10	10	10	34	34	34	33	33	33
Valuation reductions-nature reserves/park (Rm)		7	7	11	12	12	12	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		338	338	365	374	374	374	382	382	382
Valuation reductions-public worship (Rm)		319	319	334	334	334	334	189	189	189
Valuation reductions-other (Rm)		-	-	-	-	-	-	2	2	2
Total valuation reductions:		675	675	721	754	754	754	605	605	605
Total value used for rating (Rm)	5	47 815	48 475	48 963	48 424	48 424	48 424	69 851	71 248	72 672
Total land value (Rm)	5	20 549	20 647	20 656	19 893	19 893	19 893	10 583	10 800	11 000
Total value of improvements (Rm)	5	27 123	27 664	28 233	28 458	28 458	28 458	59 873	61 070	62 300
Total market value (Rm)	5	47 672	48 311	48 889	48 350	48 350	48 350	70 456	71 870	73 300
Rating:										
Residential rate used to determine rate for other categories? (Y/N)		Y	Y	Y	Y			Y		
Differential rates used? (Y/N)	5	Y	Y	Y	Y			Y		
Limit on annual rate increase (s20)? (Y/N)		Y	Y	Y	Y			Y		
Special rating area used? (Y/N)		N	N	Y	Y			Y		
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0
Rates policy accompanying budget? (Y/N)		Y	Y	Y	Y			Y		
Fixed amount minimum value (R'000)		80	80		80			200		
Non-residential prescribed ratio s19? (%)		0.0%	0.0%		25.0%			25.0%		
Rate revenue:										
Rate revenue budget (R '000)	6	281 155	298 586	297 495 800	310 177	310 177	310 177	345 900	366 654	388 653
Rate revenue expected to collect (R'000)	6	263 319	269 909		303 974	303 974	303 974	345 905	366 660	388 659
Expected cash collection rate (%)		98.0%	96.0%	98.0%	98.0%	98.0%	98.0%	97.0%	97.0%	97.0%
Special rating areas (R'000)	7	-	-	-	4 134	4 134	4 134	4 908	4 908	4 908
Rebates, exemptions - indigent (R'000)		1 090	1 324	1 174 200	1 789	1 789	1 789	3 467	3 467	3 467
Rebates, exemptions - pensioners (R'000)		2 479	2 083	2 693 900	3 316	3 316	3 316	3 635	3 635	3 635
Rebates, exemptions - bona fide farm. (R'000)		76	126	133 600	167	167	167	-	-	-
Rebates, exemptions - other (R'000)		26 029	27 425	24 643 300	19 620	19 620	19 620	28 793	28 793	28 793
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-
Total rebates, exemptns, reductns, discs (R'000)		29 675	30 958	28 645 000	24 892	24 892	24 892	35 894	35 894	35 894

References

1. All numbers to be expressed as whole numbers except FTEs and Rates in the Rand
2. To give effect to rates policy
3. Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff
4. Required to implement new system (FTE)
5. Provide relevant information for historical comparisons. Must reconcile to the total of Table SA12
6. Current and budget year must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
7. Included in rate revenue budget
8. In favour of the rate-payer

WC024 Stellenbosch - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.	
Current Year 2016/17																		
Valuation:																		
No. of properties		26 991	-	2 621	1 872	88	1 730	194	-	-	-	-	-	-	-	-	-	-
No. of sectional title property values		6 653	-	975	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		365	-	80	31	-	4	4	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)		417	-	99	164	-	1	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Frequency of valuation (select)		4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Method of valuation used (select)																		
Base of valuation (select)																		
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Flat rate used? (Y/N)		N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
Is balance rated by uniform rate/variable rate?																		
Valuation reductions:																		
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	34	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	1	-	11	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		380	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		71	-	266	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																		
Total value used for rating (Rm)	6	28 357	-	9 843	9 608	747	219	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	6	9 993	-	2 381	7 044	274	215	23	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	6	18 235	-	7 588	2 575	473	5	10	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	6	28 229	-	9 969	9 619	746	219	34	-	-	-	-	-	-	-	-	-	-
Rating:																		
Average rate	3	0.005991	-	0.011976	0.001494	0.009870	0.012000	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R'000)		169 882	-	117 879	14 350	7 369	2 629	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)		164 785	-	114 343	13 919	7 148	2 550	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	4	97.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special rating areas (R'000)		3 362	-	1 297	8	83	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		1 964	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		3 057	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	45	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		8 780	-	8 331	-	1	2 629	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,eductns,discs (R'000)																		

References

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations
2. Include value of additional reductions is 'free' value greater than MPRA minimum.
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum
4. Include arrears collections
5. In favour of the rate-payer
6. Provide relevant information for historical comparisons.

WC024 Stellenbosch - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.	
Budget Year 2017/18																		
Valuation:																		
No. of properties		27 027	-	2 784	1 827	70	1 495	198	-	-	-	-	-	-	-	2	-	
No. of sectional title property values		6 643	-	974	-	-	-	-	-	-	-	-	-	-	-	-	-	
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
No. of supplementary valuations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Supplementary valuation (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Years since last valuation (select)		2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Frequency of valuation (select)		4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Method of valuation used (select)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Base of valuation (select)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Combination of rating types used? (Y/N)		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
Flat rate used? (Y/N)		N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	
Is balance rated by uniform rate/variable rate?		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Valuation reductions:																		
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	33	-	-	-	-	-	-	-	-	-	
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Valuation reductions-R15,000 threshold (Rm)		382	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Valuation reductions-public worship (Rm)		8	-	182	-	-	-	-	-	-	-	-	-	-	-	-	-	
Valuation reductions-other (Rm)	2	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	
Total valuation reductions:																		
Total value used for rating (Rm)	6	42 848	-	12 591	12 232	1 021	1 140	-	-	-	-	-	-	-	-	18	-	
Total land value (Rm)	6	947	-	648	8 873	103	-	12	-	-	-	-	-	-	-	-	-	
Total value of improvements (Rm)	6	42 291	-	12 125	3 360	918	1 140	23	-	-	-	-	-	-	-	18	-	
Total market value (Rm)	6	43 237	-	12 773	12 232	1 021	1 140	35	-	-	-	-	-	-	-	18	-	
Rating:																		
Average rate	3	0.004473	-	0.009802	0.001098	0.009669	0.006593	-	-	-	-	-	-	-	-	0.001098	-	
Rate revenue budget (R'000)		191 641	-	123 423	13 431	9 875	7 516	-	-	-	-	-	-	-	-	20	-	
Rate revenue expected to collect (R'000)		185 891	-	119 720	13 028	9 579	7 291	-	-	-	-	-	-	-	-	19	-	
Expected cash collection rate (%)	4	97.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Special rating areas (R'000)		3 301	-	1 322	215	71	-	-	-	-	-	-	-	-	-	-	-	
Rebates, exemptions - indigent (R'000)		3 467	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rebates, exemptions - pensioners (R'000)		3 635	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rebates, exemptions - other (R'000)		13 572	-	9 759	67	-	5 395	-	-	-	-	-	-	-	-	-	-	
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total rebates,exemptns,eductns,discs (R'000)																		

References

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations
2. Include value of additional reductions is 'free' value greater than MPRA minimum.
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum
4. Include arrears collections
5. In favour of the rate-payer
6. Provide relevant information for historical comparisons.

WC024 Stellenbosch - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Property rates (rate in the Rand)	1								
Residential properties		Rate in rand	0.0053	0.0053	0.0057	0.0060	0.0045	0.0048	0.0051
Residential properties - vacant land		Rate in rand	0.0107	0.0107	0.0113	0.0120	0.0090	0.0096	0.0101
Formal/informal settlements		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small holdings		depends on	depends on	depends on	n/a	n/a	n/a	n/a	n/a
Farm properties - used		Rate in rand	0.0013	0.0013	0.0014	0.0015	0.0011	0.0012	0.0012
Farm properties - not used		Rate in rand	0.0013	0.0013	0.0014	0.0015	0.0011	0.0012	0.0012
Industrial properties		Rate in rand	0.0101	0.0167	0.0177	0.0120	0.0099	0.0103	0.0109
Business and commercial properties		Rate in rand	0.0167	0.0107	0.0113	0.0120	0.0099	0.0103	0.0109
Communal land - residential		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Communal land - small holdings		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Communal land - farm property		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Communal land - business and commercial		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Communal land - other		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
State-owned properties					Res or Bus	Res or Bus	Res or Bus	Res or Bus	Res or Bus
Municipal properties					Res or Bus	Res or Bus	Res or Bus	Res or Bus	Res or Bus
Public service infrastructure		Rate in rand				0.0015	0.0011	0.0012	0.0012
Privately owned towns serviced by the owner					n/a	n/a	n/a	n/a	n/a
State trust land					n/a	n/a	n/a	n/a	n/a
Restitution and redistribution properties					n/a	n/a	n/a	n/a	n/a
Protected areas		Rate in rand				0.0015	0.0011	0.0012	0.0012
National monuments properties		Rate in rand				0.0120	0.0011	0.0012	0.0012
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate		Rands	70 000	80 000	80 000	80 000	185 000	185 000	185 000
Indigent rebate or exemption		no rebate	no rebate	no rebate	no rebate	no rebate	185 000	185 000	185 000
Pensioners/social grants rebate or exemption		depends on	depends on	depends on	depends on	depends on	depends on	depends on	depends on
Temporary relief rebate or exemption		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Bona fide farmers rebate or exemption		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other rebates or exemptions	2								
Water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)		Rands	46	46	50	53	57	60	60
Service point - vacant land (Rands/month)									
Water usage - flat rate tariff (c/kl)									
Water usage - life line tariff									
Water usage - Block 1 (c/kl)		0 kiloliters to 6 kiloliters	4	4	4	5	5	5	6
Water usage - Block 2 (c/kl)		7 kiloliters to 20 kiloliters	6	6	6	7	7	8	8
Water usage - Block 3 (c/kl)		21 kiloliters to 40 kiloliters	9	9	10	11	12	13	14
Water usage - Block 4 (c/kl)		41 kiloliters to 60 kiloliters	15	15	16	18	19	20	22
Other	2	61 kiloliters and above	20	20	22	24	26	27	29
Waste water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)									
Service point - vacant land (Rands/month)									
Waste water - flat rate tariff (c/kl)									
Volumetric charge - Block 1 (c/kl)		0 - 250	880	990	1 050	1 134	1 213	1 298	1 389
Volumetric charge - Block 2 (c/kl)		251 - 500	1 129	1 271	1 347	1 455	1 556	1 665	1 782
Volumetric charge - Block 3 (c/kl)		501 - 600	1 272	1 431	1 517	1 639	1 753	1 876	2 008

Description	Ref	Provide description of tariff structure where appropriate	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Volumetric charge - Block 4 (c/kl)		601 - 700	1 412	1 589	1 684	1 819	1 946	2 083	2 228
<i>Other</i>	2								
Electricity tariffs									
<i>Domestic</i>									
Basic charge/ fixed fee (Rands/month)									
Service point - vacant land (Rands/month)									
FBE									
Life-line tariff - meter		0 - 50 kwh (c/kWh)	71	74	79	84	87	94	101
Life-line tariff - prepaid		51 - 350 kwh (c/kWh)	87	113	122	131	108	117	126
Flat rate tariff - meter (c/kwh)		351 - 600 kwh (c/kWh)	117	132	148	169	165	178	193
Flat rate tariff - prepaid(c/kwh)		601 - 99999 kwh (c/kWh)	138	149	166	189	187	201	218
Meter - IBT Block 1 (c/kwh)		0 - 50 kwh (c/kWh)	71	74	79	84	87	94	101
Meter - IBT Block 2 (c/kwh)		51 - 350 kwh (c/kWh)	85	91	97	104	111	120	130
Meter - IBT Block 3 (c/kwh)		351 - 600 kwh (c/kWh)	123	132	148	169	157	170	184
Meter - IBT Block 4 (c/kwh)		601 - 99999 kwh (c/kWh)	139	149	168	191	185	200	216
Meter - IBT Block 5 (c/kwh)									
Prepaid - IBT Block 1 (c/kwh)		0 - 50 kwh (c/kWh)	71	74	79	84	87	94	101
Prepaid - IBT Block 2 (c/kwh)		51 - 350 kwh (c/kWh)	104	93	100	107	135	146	158
Prepaid - IBT Block 3 (c/kwh)		351 - 600 kwh (c/kWh)	119	126	141	161	165	178	193
Prepaid - IBT Block 4 (c/kwh)		601 - 99999 kwh (c/kWh)	134	148	166	189	185	200	216
Prepaid - IBT Block 5 (c/kwh)									
<i>Other</i>	2								
Waste management tariffs									
<i>Domestic</i>									
Street cleaning charge									
Basic charge/ fixed fee									
80l bin - once a week									
250l bin - once a week		Rands	96	110	120	127	135	146	158

WC024 Stellenbosch - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Exemptions, reductions and rebates (Rands)									
Property rates (R value threshold)			85 000	95 000	95 000	95 000	200 000	200 000	200 000
Water (kilolitres per household per month) - registered			6	6	10	10	10	10	10
Sanitation (kilolitres per household per month)									
Sanitation (Rand per household per month)			67	67	90	90	101	107	114
Electricity (kwh per household per month)			60	60	60	60	60	60	60
Refuse (average litres per week)			250	250	250	250	250	265	281
Water tariffs									
Water usage - life line tariff		0 kiloliters to 6 kiloliters	4	4	4	5	5	5	6
Water usage - Block 1 (c/kl)		7 kiloliters to 20 kiloliters	6	6	6	7	7	8	8
Water usage - Block 2 (c/kl)		21 kiloliters to 40 kiloliters	9	9	10	11	12	13	14
Water usage - Block 3 (c/kl)		41 kiloliters to 60 kiloliters	15	15	16	18	19	20	22
Water usage - Block 4 (c/kl)		61 kiloliters and above	16	20	22	24	26	27	29
Water usage - Block 5 (c/kl)									
Waste water tariffs									
Size per erf in m ² - Block 1 (c/kl)		0 - 250	880	990	1 050	1 134	1 213	1 298	1 389
Size per erf in m ² - Block 2 (c/kl)		251 - 500	1 129	1 271	1 347	1 455	1 556	1 665	1 782
Size per erf in m ² - Block 3 (c/kl)		501 - 600	1 272	1 431	1 517	1 639	1 753	1 876	2 008
Size per erf in m ² - Block 4 (c/kl)		601 - 700	1 412	1 589	1 684	1 819	1 946	2 083	2 228
Size per erf in m ² - Block 5 (c/kl)		701 - 800	1 554	1 748	1 853	2 001	2 141	2 291	2 452
Size per erf in m ² - Block 6 (c/kl)		801 - 900	1 695	1 907	2 022	2 183	2 336	2 500	2 675
Size per erf in m ² - Block 7 (c/kl)		901 - 1000	1 835	2 065	2 189	2 364	2 529	2 706	2 896
Size per erf in m ² - Block 8 (c/kl)		Above - 1000	1 835	2 065	2 189	2 364	2 529	2 706	2 896
Electricity tariffs									
Regular - IBT Block 1 (c/kwh)		0 - 50 kwh (c/kWh)	71	74	79	84	87	90	93
Regular - IBT Block 2 (c/kwh)		51 - 350 kwh (c/kWh)	87	113	122	131	111	115	119
Regular - IBT Block 3 (c/kwh)		351 - 600 kwh (c/kWh)	117	132	148	169	157	163	168
Regular - IBT Block 4 (c/kwh)		601 - 99999 kwh (c/kWh)	138	148	166	189	185	191	198
Life Line Prepaid - IBT Block 1 (c/kwh)		0 - 50 kwh (c/kWh)	71	74	79	84	87	90	93
Life Line Prepaid - IBT Block 2 (c/kwh)		51 - 350 kwh (c/kWh)	85	91	97	104	108	112	116
Life Line Prepaid - IBT Block 3 (c/kwh)		351 - 600 kwh (c/kWh)	123	132	148	169	165	171	176
Life Line Prepaid - IBT Block 4 (c/kwh)		601 - 99999 kwh (c/kWh)	139	150	168	191	187	193	199
Regular Prepaid - IBT Block 1 (c/kwh)		0 - 50 kwh (c/kWh)	71	74	79	84	87	90	93
Regular Prepaid - IBT Block 2 (c/kwh)		51 - 350 kwh (c/kWh)	107	93	100	107	111	115	119
Regular Prepaid - IBT Block 3 (c/kwh)		351 - 600 kwh (c/kWh)	123	126	141	161	157	163	168
Regular Prepaid - IBT Block 4 (c/kwh)		601 - 99999 kwh (c/kWh)	139	148	166	189	185	191	198

WC024 Stellenbosch - Supporting Table SA14 Household bills

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18 % incr.	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		254.60	268.72	285.38	302.50	302.50	302.50	(37.9%)	188.00	199.28	211.24
Electricity: Basic levy		86.00	95.00	107.00	122.00	122.00	122.00	(2.4%)	119.10	126.25	133.82
Electricity: Consumption		1 141.04	1 223.00	1 377.10	1 506.55	1 506.55	1 506.55	1.9%	1 534.87	1 626.97	1 724.58
Water: Basic levy		41.92	45.70	49.35	52.81	52.81	52.81	7.0%	56.50	60.46	64.69
Water: Consumption		181.26	197.56	215.34	230.41	230.41	230.41	7.0%	246.54	263.80	282.26
Sanitation		117.70	132.42	144.34	155.89	155.89	155.89	9.0%	169.92	185.21	201.88
Refuse removal		95.54	109.88	119.77	127.20	127.20	127.20	9.0%	138.65	151.13	164.73
Other											
sub-total		1 918.06	2 072.28	2 298.28	2 497.36	2 497.36	2 497.36	(1.8%)	2 453.58	2 613.08	2 783.20
VAT on Services		217.60	259.11	281.81	299.68	299.68	299.68				
Total large household bill:		2 135.66	2 331.39	2 580.08	2 797.04	2 797.04	2 797.04	(12.3%)	2 453.58	2 613.08	2 783.20
% increase/-decrease			9.2%	10.7%	8.4%	-	-	(12.3%)	(12.3%)	6.5%	6.5%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		170.44	179.89	191.04	202.50	202.50	202.50	(7.2%)	188.00	199.28	211.24
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		539.43	575.52	648.03	708.94	708.94	708.94	1.9%	722.27	765.60	811.54
Water: Basic levy		41.92	45.70	49.35	52.80	52.80	52.80	7.0%	56.50	60.45	64.68
Water: Consumption		137.76	150.16	163.67	175.13	175.13	175.13	7.0%	187.39	200.51	214.54
Sanitation		106.03	119.29	130.03	140.43	140.43	140.43	9.0%	153.07	166.84	181.86
Refuse removal		95.54	109.88	119.77	127.20	127.20	127.20	9.0%	138.65	151.13	164.73
Other											
sub-total		1 091.12	1 180.44	1 301.89	1 407.00	1 407.00	1 407.00	2.8%	1 445.87	1 543.81	1 648.59
VAT on Services											
Total small household bill:		1 091.12	1 180.44	1 301.89	1 407.00	1 407.00	1 407.00	2.8%	1 445.87	1 543.81	1 648.59
% increase/-decrease			8.2%	10.3%	8.1%	-	-	2.8%	2.8%	6.8%	6.8%
Monthly Account for Household - 'Indigent'	3										
Household receiving free basic services											
Rates and services charges:											
Property rates		90.48	86.27	91.05	96.70	96.70	96.70	(61.1%)	37.60	39.86	42.25
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		240.00	255.60	263.15	296.30	296.30	296.30	1.9%	301.87	319.99	339.18
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		68.56	72.66	79.24	86.37	86.37	86.37	7.0%	92.42	98.89	105.81
Sanitation		-	-	23.36	25.46	25.46	25.46	9.0%	27.75	30.25	32.97
Refuse removal		19.56	21.22	24.41	26.61	26.61	26.61	9.0%	29.00	31.61	34.46
Other											
sub-total		418.60	435.75	481.21	531.44	531.44	531.44	(8.1%)	488.65	520.59	554.67
VAT on Services											
Total small household bill:		418.60	435.75	481.21	531.44	531.44	531.44	(8.1%)	488.65	520.59	554.67
% increase/-decrease			4.1%	10.4%	10.4%	-	-	(8.1%)	(8.1%)	6.5%	6.5%

WC024 Stellenbosch - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		490 655	592 648	432 755	365 310	365 310	365 310	400 646	347 635	298 715
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	490 655	592 648	432 755	365 310	365 310	365 310	400 646	347 635	298 715
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		490 655	592 648	432 755	365 310	365 310	365 310	400 646	347 635	298 715

WC024 Stellenbosch - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ^a	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months										
Parent municipality												
ABSA Bank		6 Months	Fixed Deposit	Yes	Fixed Rate	8.50%	30 June 2018	72 000	6 120	-	-	78 120
Standard Bank		6 Months	Fixed Deposit	Yes	Fixed Rate	8.50%	30 June 2018	72 000	6 120	-	-	78 120
FNB		6 Months	Fixed Deposit	Yes	Fixed Rate	8.50%	30 June 2018	72 000	6 120	-	-	78 120
Nedbank		6 Months	Fixed Deposit	Yes	Fixed Rate	8.50%	30 June 2018	72 000	6 120	-	-	78 120
Investec		6 Months	Fixed Deposit	Yes	Fixed Rate	8.50%	30 June 2018	77 310	7 319	(14 050)	17 587	88 166
												-
												-
Municipality sub-total								365 310		(14 050)	17 587	400 646
Entities												
												-
												-
												-
												-
												-
Entities sub-total								-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1							365 310		(14 050)	17 587	400 646

WC024 Stellenbosch - Supporting Table SA17 Borrowing

Borrowing - Categorized by type R thousand	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Parent municipality										
Annuity and Bullet Loans		120 442	198 357	212 257	365 310	365 310	190 547	331 851	394 867	374 972
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	120 442	198 357	212 257	365 310	365 310	190 547	331 851	394 867	374 972
Entities										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	120 442	198 357	212 257	365 310	365 310	190 547	331 851	394 867	374 972

WC024 Stellenbosch - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		53 895	69 334	88 417	99 065	99 065	99 065	117 001	126 094	139 695
Local Government Equitable Share		50 157	65 606	84 962	95 982	95 982	95 982	110 631	124 544	137 145
Municipal Systems Improvement		678	934	930	-	-	-	-	-	1 000
EPWP Ingegrated Grant for Municipalities		1 760	1 544	1 075	1 758	1 758	1 758	4 820	-	-
Local Government Financial Management Grant		1 300	1 250	1 450	1 325	1 325	1 325	1 550	1 550	1 550
Provincial Government:		37 262	8 368	29 834	12 756	36 269	36 269	11 341	12 065	18 849
Library Services: Conditional Grant		1 084	5 413	8 607	10 009	10 009	10 009	11 045	11 649	12 313
Community Development Workers Operational Support Grant		36	84	54	56	56	56	56	56	56
Human Settlements Development Grant		35 841	2 871	20 423	-	22 733	22 733	-	-	6 000
LGFinancial Management Support Grant		300	-	250	-	-	-	-	-	-
Spatial Development framework		-	-	500	400	900	900	-	-	-
Financial Management Capacity Building Grant		-	-	-	120	180	180	240	360	480
LG Graduate Internship		-	-	-	-	220	220	-	-	-
Maintenance and Construction of Transport Infrastructure		-	-	-	2 171	2 171	2 171	-	-	-
District Municipality:		-	-	-	300	-	300	-	-	-
<i>Hosting of cultural events</i>		-	-	-	300	-	300	-	-	-
Other grant providers:		4 035	4 596	-	600	-	-	-	-	-
<i>Public contributions & Donations</i>		4 035	4 596	-	600	-	-	-	-	-
Total Operating Transfers and Grants	5	95 191	82 298	118 251	112 721	135 334	135 634	128 342	138 159	158 544
Capital Transfers and Grants										
National Government:		59 469	47 439	92 785	80 106	80 106	80 106	47 594	52 302	59 353
Municipal Infrastructure Grant (MIG)		29 469	29 222	34 657	34 147	34 147	34 147	36 358	38 302	40 353
Regional Bulk Infrastructure		30 000	18 025	48 128	32 809	32 809	32 809	-	-	-
Integrated National Electrification Programme (Municipal) Grant		-	-	4 000	5 000	5 000	5 000	4 000	4 000	7 000
Energy Efficiency and Demand Side Management Grant		-	-	6 000	8 000	8 000	8 000	7 236	10 000	12 000
Local Government Financial Management Grant		-	192	-	150	150	150	-	-	-
Provincial Government:		18 396	9 780	24 165	36 430	20 421	20 421	12 543	30 100	18 100
Human Settlements Development Grant		14 952	8 916	20 127	34 150	11 417	11 417	7 767	28 000	16 000
RSEP/ VPUU		-	-	-	-	-	-	1 000	1 500	1 500
Maintenance and Construction of Transport Infrastructure		3 048	264	308	-	4 000	4 000	376	-	-
Library Services: Conditional Grant		-	-	3 080	2 220	4 944	4 944	2 000	-	-
Integrated Transport Planning		396	600	600	-	-	-	600	600	600
Fire Services Capacity Building Grant		-	-	-	-	-	-	800	-	-
Development of Sport and Recreational Facilities		-	-	50	60	60	60	-	-	-
District Municipality:		-	382	12 000	11 024	11 024	11 024	-	-	-
<i>Hosting of cultural events</i>		-	382	12 000	11 024	11 024	11 024	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>Public contributions &</i>		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	77 865	57 602	128 950	127 560	111 551	111 551	60 137	82 402	77 453
TOTAL RECEIPTS OF TRANSFERS & GRANTS		173 056	139 900	247 201	240 281	246 885	247 185	188 479	220 561	235 997

WC024 Stellenbosch - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
EXPENDITURE:										
Operating expenditure of Transfers and Grants										
National Government:		53 895	69 334	88 417	99 065	99 065	99 065	117 001	126 094	139 695
Local Government Equitable Share		50 157	65 606	84 962	95 982	95 982	95 982	110 631	124 544	137 145
Municipal Systems Improvement		678	934	930	-	-	-	-	-	1 000
EPWP Ingetegrated Grant for Municipalities		1 760	1 544	1 075	1 758	1 758	1 758	4 820	-	-
Local Government Financial Management Grant		1 300	1 250	1 450	1 325	1 325	1 325	1 550	1 550	1 550
Provincial Government:		37 262	8 368	29 834	12 756	36 049	36 269	11 341	12 065	18 849
Library Services: Conditional Grant		1 084	5 413	8 607	10 009	10 009	10 009	11 045	11 649	12 313
Community Development Workers Operational Support Grant		36	84	54	56	56	56	56	56	56
Human Settlements Development Grant		35 841	2 871	20 423	-	22 733	22 733	-	-	6 000
LGFinancial Management Support Grant		300	-	250	-	-	220	-	-	-
Spatial Development framework		-	-	500	400	900	900	-	-	-
Financial Management Capacity Building Grant		-	-	-	120	180	180	240	360	480
Maintenance and Construction of Transport Infrastructure		-	-	-	2 171	2 171	2 171	-	-	-
District Municipality:		-	-	-	300	300	300	-	-	-
<i>Hosting of cultural events</i>		-	-	-	300	300	300	-	-	-
Other grant providers:		4 035	4 596	-	600	600	600	-	-	-
<i>Public contributions & Donations</i>		4 035	4 596	-	600	600	600	-	-	-
Total operating expenditure of Transfers and Grants:		95 191	82 298	118 251	112 721	136 014	136 234	128 342	138 159	158 544
Capital expenditure of Transfers and Grants										
National Government:		59 469	47 439	92 785	80 106	80 106	80 106	47 594	52 302	59 353
Municipal Infrastructure Grant (MIG)		29 469	29 222	34 657	34 147	34 147	34 147	36 358	38 302	40 353
Regional Bulk Infrastructure		30 000	18 025	48 128	32 809	32 809	32 809	-	-	-
Integrated National Electrification Programme (Municipal) Grant		-	-	4 000	5 000	5 000	5 000	4 000	4 000	7 000
Energy Efficiency and Demand Side Management Grant		-	-	6 000	8 000	8 000	8 000	7 236	10 000	12 000
Local Government Financial Management Grant		0	192	-	150	150	150	-	-	-
Provincial Government:		18 396	9 780	24 165	36 430	20 421	20 421	12 543	30 100	18 100
Human Settlements Development Grant		14 952	8 916	20 127	34 150	11 417	11 417	7 767	28 000	16 000
RSEP/ VPUU		-	-	-	-	-	-	1 000	1 500	1 500
Maintenance and Construction of Transport Infrastructure		3 048	264	308	-	4 000	4 000	376	-	-
Library Services		-	-	3 080	2 220	4 944	4 944	2 000	-	-
Integrated Transport Planning		396	600	600	-	-	-	600	600	600
Fire Services Capacity Building Grant		-	-	-	-	-	-	800	-	-
Development of Sport and Recreational Facilities		-	-	50	60	60	60	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>Hosting of cultural events</i>		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	12 000	11 024	11 024	11 024	-	-	-
<i>Public contributions &</i>		-	-	12 000	11 024	11 024	11 024	-	-	-
Total capital expenditure of Transfers and Grants		77 865	57 220	128 950	127 560	111 551	111 551	60 137	82 402	77 453
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		173 056	139 518	247 201	240 281	247 565	247 785	188 479	220 561	235 997

WC024 Stellenbosch - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		543	756	-	-	-	-	-	-	-
Current year receipts		54 107	69 334	88 417	99 065	99 065	99 065	117 001	126 094	139 695
Conditions met - transferred to revenue		53 895	70 090	88 417	99 065	99 065	99 065	117 001	126 094	139 695
Conditions still to be met - transferred to liabilities		756								
Provincial Government:										
Balance unspent at beginning of the year		700	1 082	400	-	-	-	-	-	-
Current year receipts		33 466	22 998	29 834	12 756	36 269	36 269	11 341	12 065	18 849
Conditions met - transferred to revenue		33 084	23 679	30 234	12 756	36 269	36 269	11 341	12 065	18 849
Conditions still to be met - transferred to liabilities		1 082	400							
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts					300	300	300			
Conditions met - transferred to revenue		-	-	-	300	300	300	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year		2 460	5 271							
Current year receipts		4 358	3 005		600	600	600			
Conditions met - transferred to revenue		1 546	8 276	-	600	600	600	-	-	-
Conditions still to be met - transferred to liabilities		5 271								
Total operating transfers and grants revenue		88 525	102 045	118 651	112 721	136 234	136 234	128 342	138 159	158 544
Total operating transfers and grants - CTBM	2	7 109	400	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		36 839	47 439	92 785	80 106	80 106	80 106	47 594	52 302	59 353
Conditions met - transferred to revenue		36 839	47 439	92 785	80 106	80 106	80 106	47 594	52 302	59 353
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year		10 185	6 605	6 533	-	-	-	-	-	-
Current year receipts		9 901	6 708	24 165	36 430	20 421	20 421	12 543	30 100	18 100
Conditions met - transferred to revenue		13 481	6 780	30 698	36 430	20 421	20 421	12 543	30 100	18 100
Conditions still to be met - transferred to liabilities		6 605	6 533							
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year		3 657	3 657	5 296	-	-	-	-	-	-
Current year receipts		114	1 639	12 000	11 024	11 024	11 024	-	-	-
Conditions met - transferred to revenue		114	-	17 296	11 024	11 024	11 024	-	-	-
Conditions still to be met - transferred to liabilities		3 657	5 296							
Total capital transfers and grants revenue		50 434	54 219	140 779	127 560	111 551	111 551	60 137	82 402	77 453
Total capital transfers and grants - CTBM	2	10 262	11 829	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		138 959	156 265	259 430	240 281	247 785	247 785	188 479	220 561	235 997
TOTAL TRANSFERS AND GRANTS - CTBM		17 370	12 229	-	-	-	-	-	-	-

WC024 Stellenbosch - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash Transfers to other municipalities											
<i>Grant: Provision of basic services for Rural Dwellings</i>	1				500	500	500	500	-	-	-
Total Cash Transfers To Municipalities:		-	-	-	500	500	500	500	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
<i>Grant: Provision of basic services for Rural Dwellings</i>	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
<i>Grant: Provision of basic services for Rural Dwellings</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Grant: Provision of basic services for Rural Dwellings</i>											
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
<i>Festivals</i>		30	2 146	155	150	150	150	150	-	-	-
<i>Grant-In-Aid: Sundry</i>		2 000	2 841	2 400	2 500	2 172	2 172	2 172	1 600	1 680	1 764
<i>Grant-In-Aid: External Bodies Performing Tourism Funclior</i>		2 292	569	3 700	3 500	3 500	3 500	3 500	3 650	3 833	4 024
<i>Grant-In-Aid: External Bodies Performing Animal Welfare Functioi</i>		496	-	900	932	932	932	932	1 000	1 050	1 103
<i>Grant-In-Aid: Renta</i>		-	-	20	21	21	21	21	-	-	-
<i>Grant-In-Aid Led Initiatives</i>		-	-	1 000	1 100	1 100	1 100	1 100	-	-	-
<i>Grants & Subsidies: External Bursaries</i>									-	-	-
Total Cash Transfers To Groups Of Individuals:		4 818	5 555	8 175	8 203	7 875	7 875	7 875	6 250	6 563	6 891
TOTAL CASH TRANSFERS AND GRANTS	6	4 818	5 555	8 175	8 703	8 375	8 375	8 375	6 250	6 563	6 891
Non-Cash Transfers to other municipalities											
<i>Insert descriptor.</i>	1										
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
<i>Grant: Provision of basic services for Rural Dwellings</i>	2										
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
<i>Grant: Provision of basic services for Rural Dwellings</i>	3										
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations											
<i>Grant: Provision of basic services for Rural Dwellings</i>	4										
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
<i>Grant: Provision of basic services for Rural Dwellings</i>	5										
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	4 818	5 555	8 175	8 703	8 375	8 375	8 375	6 250	6 563	6 891

WC024 Stellenbosch - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		9 042	9 628	10 668	11 308	11 308	11 308	10 022	10 523	11 050
Pension and UIF Contributions		565	257	911	965	965	965	1 817	1 908	2 003
Medical Aid Contributions		180	244	122	129	129	129	173	181	190
Motor Vehicle Allowance		3 250	3 408	3 601	3 817	3 817	3 817	4 025	4 226	4 438
Cellphone Allowance		896	895	762	808	808	808	998	1 048	1 101
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	256	269	282
Sub Total - Councillors		13 933	14 431	16 063	17 027	17 027	17 027	17 291	18 156	19 064
% increase	4		3.6%	11.3%	6.0%	-	-	1.6%	5.0%	5.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		5 904	6 412	7 803	7 899	7 899	7 899	9 155	9 933	10 778
Pension and UIF Contributions		891	746	331	638	638	638	1 038	1 126	1 222
Medical Aid Contributions		142	-	151	50	50	50	58	63	69
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	465	299	299	299	400	434	471
Motor Vehicle Allowance	3	419	771	391	784	784	784	1 116	1 211	1 314
Cellphone Allowance	3	55	55	62	46	46	46	143	156	169
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	73	34	34	34	96	104	113
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		7 411	7 983	9 278	9 749	9 749	9 749	12 007	13 028	14 135
% increase	4		7.7%	16.2%	5.1%	-	-	23.2%	8.5%	8.5%
Other Municipal Staff										
Basic Salaries and Wages		161 452	181 827	226 423	241 278	244 748	244 748	306 815	336 055	368 079
Pension and UIF Contributions		29 312	32 273	37 744	45 391	45 391	45 391	44 698	48 955	53 617
Medical Aid Contributions		13 739	15 303	18 129	22 289	22 289	22 289	27 062	29 634	32 449
Overtime		12 319	15 993	12 674	13 055	18 749	18 749	25 685	28 125	30 796
Performance Bonus		-	-	-	-	-	-	-	4	9
Motor Vehicle Allowance	3	9 181	9 453	9 919	15 198	15 198	15 198	11 917	13 060	14 313
Cellphone Allowance	3	551	594	585	838	838	838	658	722	793
Housing Allowances	3	1 265	1 384	1 870	2 774	2 774	2 774	2 089	2 287	2 505
Other benefits and allowances	3	47 702	49 008	34 219	46 743	46 743	46 743	29 621	32 363	35 438
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	25 055	20 914	15 659
Sub Total - Other Municipal Staff		275 521	305 836	341 564	387 565	396 729	396 729	473 600	512 118	553 657
% increase	4		11.0%	11.7%	13.5%	2.4%	-	19.4%	8.1%	8.1%
Total Parent Municipality		296 866	328 250	366 905	414 341	423 505	423 505	502 899	543 301	586 856
			10.6%	11.8%	12.9%	2.2%	-	18.7%	8.0%	8.0%

WC024 Stellenbosch - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		433 144	77 209	202 058			712 410
Chief Whip			374 071	87 009	185 131			646 211
Executive Mayor			521 571	92 972	244 272			858 814
Deputy Executive Mayor			433 144	77 209	202 058			712 410
Executive Committee			3 060 996	626 950	1 481 741			5 169 686
Total for all other councillors			5 199 367	1 028 213	2 964 285			9 191 865
Total Councillors	8	-	10 022 292	1 989 562	5 279 544			17 291 398
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1 234 860	273 263	156 661	100 000		1 764 784
Chief Finance Officer			1 499 576	-	134 047	-		1 633 622
Director: Community and Protection			1 002 740	195 534	166 844	100 000		1 465 118
Director: Corporate and Strategic			1 002 740	195 534	166 844	-		1 365 118
Director: Engineering Services			1 002 740	195 534	166 844	-		1 365 118
Director: Human Settlements and Property Management			991 216	219 280	154 622	100 000		1 465 118
<i>List of each official with packages >= senior manager</i>								
Director: Planning and Development			1 184 935	-	180 183	100 000		1 465 118
Manager: Water Services			1 236 440	-	246 551	-		1 482 991
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total Senior Managers of the Municipality	8,10	-	9 155 246	1 079 146	1 372 596	400 000		12 006 988

WC024 Stellenbosch - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2015/16			Current Year 2016/17			Budget Year 2017/18		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		43	43	-	43	43	-	43	43	-
Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
Municipal employees	5									
Municipal Manager and Senior Managers	3	7	7	-	5	5	-	5	5	-
Other Managers	7	28	28	1	11	11	2	11	11	2
Professionals		105	105	6	74	74	6	74	74	6
Finance		27	27	5	17	17	3	17	17	3
Spatial/town planning		10	10	-	15	15	-	15	15	-
Information Technology		7	7	-	7	7	-	7	7	-
Roads		5	5	-	2	2	1	2	2	1
Electricity		2	2	-	1	1	-	1	1	-
Water		3	3	-	3	3	-	3	3	-
Sanitation		1	1	-	-	-	-	-	-	-
Refuse		4	4	-	1	1	-	1	1	-
Other		46	46	1	28	28	2	28	28	2
Technicians		95	95	3	163	163	-	163	163	-
Finance		-	-	-	-	-	-	-	-	-
Spatial/town planning		-	-	-	11	11	-	11	11	-
Information Technology		-	-	2	-	-	-	-	-	-
Roads		8	8	-	23	23	-	23	23	-
Electricity		28	28	-	29	29	-	29	29	-
Water		34	34	-	59	59	-	59	59	-
Sanitation		5	5	-	-	-	-	-	-	-
Refuse		1	1	-	11	11	-	11	11	-
Other		19	19	1	30	30	-	30	30	-
Clerks (Clerical and administrative)		227	227	50	241	241	85	241	241	85
Service and sales workers		118	118	44	160	160	96	160	160	96
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-
Craft and related trades		-	-	-	-	-	-	-	-	-
Plant and Machine Operators		58	58	-	58	58	-	58	58	-
Elementary Occupations		481	481	254	423	423	12	423	423	12
TOTAL PERSONNEL NUMBERS	9	1 162	1 162	358	1 178	1 178	201	1 178	1 178	201
% increase					1.4%	1.4%	(43.9%)	-	-	-
Total municipal employees headcount	6, 10	1 162	1 162	358	1 178	1 178	201	1 178	1 178	201
Finance personnel headcount	8, 10	108	108	7	99	99	27	99	99	27
Human Resources personnel headcount	8, 10	14	14	-	15	15	4	15	15	4

References

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number fo persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions

WC024 Stellenbosch - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source																
Property rates		313 009	-	-	-	-	-	-	-	-	-	-	-	313 009	331 790	351 697
Service charges - electricity revenue		29 179	34 043	31 611	38 906	35 988	41 824	47 660	40 365	39 392	45 228	48 146	63 996	496 336	526 495	559 523
Service charges - water revenue		8 582	10 012	9 297	11 442	10 584	12 300	14 017	11 871	11 585	13 302	14 160	15 891	143 043	153 055	163 767
Service charges - sanitation revenue		88 677	-	-	-	-	-	-	-	-	-	-	-	88 677	96 658	105 357
Service charges - refuse revenue		46 351	-	-	-	-	-	-	-	-	-	-	-	46 351	50 522	55 069
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		1 080	1 260	1 170	1 440	1 332	1 547	1 763	1 493	1 458	1 673	1 781	1 997	17 994	19 074	20 218
Interest earned - external investments		1 908	2 226	2 067	2 544	2 353	2 735	3 116	2 639	2 576	2 957	3 148	9 730	37 999	32 553	28 178
Interest earned - outstanding debtors		460	536	498	613	567	659	751	636	621	713	759	851	7 664	8 274	8 932
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		5 644	6 585	6 114	7 525	6 961	8 090	9 218	9 218	7 807	7 619	9 312	12 971	97 064	99 742	103 491
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	9 913	9 913	10 572	11 277
Agency services		151	176	163	201	186	216	246	209	204	234	249	279	2 514	2 670	2 836
Transfers and subsidies		7 701	8 984	8 342	10 267	9 497	11 037	12 578	10 652	10 396	11 936	12 706	14 246	128 342	138 159	158 544
Other revenue		1 880	2 193	2 036	2 506	2 318	2 694	3 070	2 600	2 538	2 914	3 102	9 746	37 598	38 536	40 627
Gains on disposal of PPE		-	-	-	-	-	-	-	-	1 441	-	-	-	1 441	1 516	-
Total Revenue (excluding capital transfers and contributions)		504 620	66 014	61 299	75 445	69 786	81 103	92 420	79 685	78 017	86 576	93 363	139 620	1 427 946	1 509 615	1 609 517
Expenditure By Type																
Employee related costs		34 599	34 599	38 599	34 599	64 199	34 599	34 599	35 599	34 599	34 599	34 599	70 414	485 607	525 145	567 792
Remuneration of councillors		1 372	1 372	1 372	1 372	1 372	1 372	1 372	1 945	1 441	1 441	1 441	1 417	17 293	18 157	19 065
Debt impairment		-	-	-	-	17 860	-	-	-	-	-	-	48 065	65 924	70 539	75 477
Depreciation & asset impairment		-	-	-	-	-	84 170	14 028	14 028	14 028	14 028	14 028	14 028	168 339	171 970	175 685
Finance charges		-	-	-	-	-	9 413	-	-	-	-	-	19 209	28 622	40 822	42 822
Bulk purchases		-	36 974	34 274	27 975	33 282	24 590	24 751	25 897	33 274	26 897	27 123	51 106	346 143	366 911	388 926
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		13 597	12 459	13 570	14 259	14 790	14 570	16 795	14 698	14 237	14 124	17 897	30 611	191 605	199 269	207 240
Transfers and subsidies		-	7 250	-	-	-	-	-	-	-	-	-	(1 000)	6 250	6 563	6 891
Other expenditure		12 579	11 254	10 256	10 590	11 548	10 988	12 786	10 259	11 259	10 898	10 741	53 737	176 893	183 781	190 944
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		62 148	103 908	98 072	88 795	143 051	179 701	104 332	102 427	108 838	101 987	105 830	287 586	1 486 676	1 583 156	1 674 841
Surplus/(Deficit)																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		442 472	(37 894)	(36 773)	(13 350)	(73 265)	(98 598)	(11 912)	(22 742)	(30 821)	(15 411)	(12 467)	(147 966)	(58 730)	(73 541)	(65 324)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		3 608	4 210	3 909	4 811	4 450	5 172	5 893	4 991	4 871	5 593	5 954	6 675	60 137	82 402	77 453
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		446 081	(33 685)	(32 865)	(8 539)	(68 815)	(93 427)	(6 019)	(17 751)	(25 950)	(9 818)	(6 514)	(141 291)	1 407	8 861	12 129
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	446 081	(33 685)	(32 865)	(8 539)	(68 815)	(93 427)	(6 019)	(17 751)	(25 950)	(9 818)	(6 514)	(141 291)	1 407	8 861	12 129

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

WC024 Stellenbosch - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote																
Vote 1 - Office of the Municipal Manager		14	17	16	19	18	21	24	20	19	22	24	27	240	360	480
Vote 2 - Planning and Development		741	864	803	988	914	1 062	1 210	1 025	1 000	1 148	1 222	1 371	12 348	7 990	8 488
Vote 3 - Human Settlements and Property Management		1 456	1 698	1 577	1 941	1 795	2 087	2 378	2 014	1 965	2 256	2 402	2 693	24 263	45 488	40 539
Vote 4 - Engineering Services		168 248	53 571	49 387	61 938	56 918	66 959	77 001	65 860	64 405	71 688	77 838	113 120	926 931	987 653	1 060 323
Vote 5 - Community and Protection Services		7 764	9 059	8 411	10 353	9 576	11 129	12 682	10 741	10 482	12 035	12 811	17 864	132 907	137 684	144 794
Vote 6 - Strategic and Corporate Services		9	10	9	11	11	12	14	12	12	13	14	16	143	148	154
Vote 7 - Financial Services		329 997	5 005	5 005	5 005	5 005	5 005	5 005	5 005	5 005	5 005	5 005	11 205	391 250	412 694	432 193
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
Total Revenue by Vote		508 228	70 224	65 208	80 256	74 236	86 275	98 313	84 676	82 888	92 168	99 316	146 295	1 488 083	1 592 017	1 686 970
Expenditure by Vote to be appropriated																
Vote 1 - Office of the Municipal Manager		922	1 541	1 455	1 317	2 122	2 665	1 547	1 519	1 614	1 513	1 570	5 373	23 158	24 770	26 512
Vote 2 - Planning and Development		2 335	3 904	3 685	3 336	5 375	6 752	3 920	3 848	4 089	3 832	3 976	13 263	58 316	62 774	67 613
Vote 3 - Human Settlements and Property Management		2 794	4 671	4 408	3 991	6 430	8 078	4 690	4 604	4 892	4 584	4 757	15 357	69 257	73 527	78 120
Vote 4 - Engineering Services		34 080	56 981	53 780	48 693	78 446	98 544	57 213	56 168	59 684	55 927	58 034	152 843	810 393	865 676	913 557
Vote 5 - Community and Protection Services		13 471	22 523	21 258	19 247	31 007	38 951	22 614	22 202	23 591	22 106	22 939	61 568	321 478	344 131	368 597
Vote 6 - Strategic and Corporate Services		5 074	8 483	8 007	7 249	11 679	14 671	8 518	8 362	8 886	8 326	8 640	23 396	121 293	125 616	130 289
Vote 7 - Financial Services		3 472	5 805	5 479	4 961	7 992	10 040	5 829	5 723	6 081	5 698	5 913	15 787	82 781	86 661	90 153
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
Total Expenditure by Vote		62 148	103 908	98 072	88 795	143 051	179 701	104 332	102 427	108 838	101 987	105 830	287 586	1 486 676	1 583 156	1 674 841
Surplus/(Deficit) before assoc.		446 081	(33 685)	(32 865)	(8 539)	(68 815)	(93 427)	(6 019)	(17 751)	(25 950)	(9 818)	(6 514)	(141 291)	1 407	8 861	12 129
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	446 081	(33 685)	(32 865)	(8 539)	(68 815)	(93 427)	(6 019)	(17 751)	(25 950)	(9 818)	(6 514)	(141 291)	1 407	8 861	12 129

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

WC024 Stellenbosch - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Functional																
<i>Governance and administration</i>		329 985	4 991	4 992	4 989	4 990	4 988	4 986	4 989	4 989	4 987	4 986	16 950	396 822	418 707	438 611
Executive and council		(12)	(14)	(13)	(16)	(14)	(17)	(19)	(16)	(16)	(18)	(19)	(22)	(196)	(102)	(11)
Finance and administration		329 997	5 005	5 005	5 005	5 005	5 005	5 005	5 005	5 005	5 005	5 005	16 972	397 018	418 810	438 622
Internal audit													-	-	-	-
<i>Community and public safety</i>		8 316	9 703	9 010	11 089	10 257	11 920	13 584	11 504	11 227	12 891	13 722	18 885	142 108	167 139	168 320
Community and social services		742	866	804	990	916	1 064	1 212	1 027	1 002	1 151	1 225	1 373	12 372	13 057	13 785
Sport and recreation		417	486	452	556	514	598	681	577	563	646	688	771	6 950	7 332	9 147
Public safety		6 007	7 008	6 507	8 009	7 408	8 610	9 811	8 309	8 109	9 310	9 911	14 612	103 612	106 659	110 571
Housing		1 150	1 342	1 246	1 534	1 419	1 649	1 879	1 591	1 553	1 783	1 898	2 128	19 173	40 091	34 817
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 549	1 807	1 678	2 066	1 911	2 220	2 530	2 143	2 091	2 401	2 556	2 866	25 819	19 240	20 386
Planning and development		744	868	806	992	918	1 067	1 216	1 030	1 005	1 154	1 228	1 377	12 404	8 046	8 544
Road transport		805	939	872	1 073	993	1 154	1 315	1 113	1 087	1 248	1 328	1 489	13 415	11 194	11 843
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		168 374	53 718	49 524	62 107	57 074	67 141	77 208	66 035	64 576	71 884	78 047	107 587	923 276	986 870	1 059 587
Energy sources		17 089	35 574	32 283	42 157	38 207	46 106	54 006	45 543	44 444	49 586	54 664	75 768	535 427	566 052	610 336
Water management		10 838	12 644	11 741	14 451	13 367	15 534	17 702	14 992	14 631	16 799	17 883	20 050	180 632	186 739	206 286
Waste water management		88 677	3 783	3 783	3 783	3 783	3 783	3 783	3 783	3 783	3 783	3 783	10 051	136 553	157 221	158 924
Waste management		51 771	1 718	1 718	1 718	1 718	1 718	1 718	1 718	1 718	1 718	1 718	1 718	70 664	76 858	84 040
<i>Other</i>		3	4	4	5	4	5	6	5	5	5	6	6	58	62	65
Total Revenue - Functional		508 228	70 224	65 208	80 256	74 236	86 275	98 313	84 676	82 888	92 168	99 316	146 295	1 488 083	1 592 017	1 686 970
Expenditure - Functional																
<i>Governance and administration</i>		11 616	19 421	18 330	16 596	26 737	33 587	19 500	19 144	20 342	19 062	19 780	53 565	277 678	290 505	303 644
Executive and council		2 490	4 163	3 929	3 557	5 731	7 199	4 180	4 104	4 360	4 086	4 240	12 508	60 547	64 475	68 698
Finance and administration		8 617	14 408	13 599	12 312	19 835	24 917	14 467	14 202	15 091	14 141	14 674	38 732	204 996	213 188	221 347
Internal audit		508	850	802	726	1 170	1 470	854	838	890	834	866	2 325	12 134	12 842	13 599
<i>Community and public safety</i>		7 319	12 237	11 550	10 457	16 847	21 163	12 287	12 063	12 818	12 011	12 463	36 535	177 749	191 004	205 389
Community and social services		981	1 640	1 548	1 402	2 258	2 837	1 647	1 617	1 718	1 610	1 671	4 429	23 357	25 205	27 214
Sport and recreation		1 726	2 886	2 723	2 466	3 973	4 990	2 897	2 844	3 022	2 832	2 939	7 874	41 173	43 894	46 832
Public safety		3 284	5 491	5 183	4 692	7 560	9 496	5 513	5 413	5 752	5 389	5 593	15 441	78 807	84 994	91 720
Housing		1 328	2 220	2 096	1 897	3 057	3 840	2 229	2 189	2 326	2 179	2 261	8 791	34 412	36 912	39 623
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		11 519	19 259	18 177	16 458	26 514	33 306	19 337	18 984	20 172	18 903	19 615	55 340	277 583	295 015	313 769
Planning and development		2 579	4 311	4 069	3 684	5 935	7 456	4 329	4 250	4 516	4 231	4 391	14 964	64 714	69 639	74 984
Road transport		8 087	13 521	12 761	11 554	18 614	23 383	13 576	13 328	14 162	13 271	13 771	36 550	192 577	203 482	215 152
Environmental protection		853	1 427	1 347	1 219	1 964	2 468	1 433	1 407	1 495	1 401	1 453	3 827	20 293	21 894	23 633
<i>Trading services</i>		31 695	52 992	50 015	45 284	72 954	91 645	53 208	52 236	55 506	52 012	53 972	142 146	753 665	806 632	852 040
Energy sources		18 108	30 276	28 576	25 873	41 682	52 361	30 400	29 845	31 713	29 716	30 836	81 214	430 599	454 668	480 211
Water management		4 572	7 645	7 215	6 533	10 524	13 221	7 676	7 536	8 007	7 503	7 786	20 501	108 719	114 407	120 485
Waste water management		5 453	9 117	8 605	7 791	12 552	15 768	9 155	8 987	9 550	8 949	9 286	24 461	129 674	148 374	157 350
Waste management		3 561	5 953	5 619	5 088	8 196	10 296	5 978	5 869	6 236	5 843	6 064	15 971	84 673	89 184	93 994
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional		62 148	103 908	98 072	88 795	143 051	179 701	104 332	102 427	108 838	101 987	105 830	287 586	1 486 676	1 583 156	1 674 841
Surplus/(Deficit) before assoc.		446 081	(33 685)	(32 865)	(8 539)	(68 815)	(93 427)	(6 019)	(17 751)	(25 950)	(9 818)	(6 514)	(141 291)	1 407	8 861	12 129
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	446 081	(33 685)	(32 865)	(8 539)	(68 815)	(93 427)	(6 019)	(17 751)	(25 950)	(9 818)	(6 514)	(141 291)	1 407	8 861	12 129

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

WC024 Stellenbosch - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - Office of the Municipal Manager													-	-	-	-
Vote 2 - Planning and Development													-	-	-	-
Vote 3 - Human Settlements and Property Management		3	194	1 831	739	789	1 491	522	743	1 664	1 489	1 829	20 471	31 767	36 420	19 320
Vote 4 - Engineering Services		41	2 439	22 980	9 276	9 903	18 716	6 554	9 321	20 884	18 686	22 958	59 180	200 937	141 644	83 500
Vote 5 - Community and Protection Services													-	-	-	-
Vote 6 - Strategic and Corporate Services		1	33	314	127	135	255	89	127	285	255	313	1 566	3 500	2 000	1 300
Vote 7 - Financial Services													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
Capital multi-year expenditure sub-total	2	45	2 666	25 124	10 142	10 827	20 463	7 166	10 191	22 833	20 429	25 101	81 216	236 204	180 064	104 120
Single-year expenditure to be appropriated																
Vote 1 - Office of the Municipal Manager		0	0	4	2	2	3	1	2	4	3	4	10	35	35	35
Vote 2 - Planning and Development		1	66	626	253	270	510	179	254	569	509	626	1 529	5 393	2 335	250
Vote 3 - Human Settlements and Property Management		4	211	1 986	802	856	1 618	567	806	1 805	1 615	1 985	8 851	21 105	10 980	6 270
Vote 4 - Engineering Services		26	1 548	14 586	5 888	6 286	11 880	4 160	5 916	13 256	11 860	14 572	39 983	129 961	107 070	100 565
Vote 5 - Community and Protection Services		4	234	2 209	892	952	1 799	630	896	2 008	1 796	2 207	8 250	21 879	13 780	10 383
Vote 6 - Strategic and Corporate Services		1	65	616	248	265	501	176	250	559	500	615	(2 187)	1 610	5 100	5 100
Vote 7 - Financial Services		0	23	217	88	94	177	62	88	197	177	217	530	1 870	150	150
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
0													-	-	-	-
Capital single-year expenditure sub-total	2	36	2 149	20 245	8 172	8 724	16 489	5 774	8 212	18 398	16 462	20 226	56 966	181 853	139 450	122 753
Total Capital Expenditure	2	81	4 815	45 369	18 314	19 551	36 951	12 941	18 403	41 231	36 891	45 326	138 183	418 057	319 514	226 873

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates
2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

WC024 Stellenbosch - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital Expenditure - Functional	1															
<i>Governance and administration</i>		6	357	3 363	1 357	1 449	2 739	959	1 364	3 056	2 734	3 360	5 521	26 265	13 875	11 435
Executive and council		0	0	4	2	2	3	1	2	4	3	4	10	35	35	35
Finance and administration		6	356	3 359	1 356	1 447	2 735	958	1 362	3 052	2 731	3 355	5 511	26 230	13 840	11 400
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		6	380	3 582	1 446	1 544	2 918	1 022	1 453	3 256	2 913	3 579	31 402	53 501	51 870	29 143
Community and social services		2	96	902	364	389	735	257	366	820	734	901	2 798	8 364	6 205	6 273
Sport and recreation		0	26	242	98	104	197	69	98	220	196	241	1 040	2 530	1 030	130
Public safety		1	76	717	289	309	584	205	291	652	583	716	3 361	7 785	3 825	2 000
Housing		3	183	1 721	695	742	1 402	491	698	1 564	1 400	1 720	24 203	34 822	40 810	20 740
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		11	664	6 259	2 526	2 697	5 097	1 785	2 539	5 688	5 089	6 253	19 417	58 025	40 970	30 860
Planning and development		1	72	680	274	293	554	194	276	618	553	679	1 660	5 853	2 645	540
Road transport		10	574	5 410	2 184	2 332	4 407	1 543	2 195	4 917	4 399	5 405	17 346	50 722	37 125	29 620
Environmental protection		0	18	168	68	73	137	48	68	153	137	168	411	1 450	1 200	700
<i>Trading services</i>		57	3 396	32 003	12 918	13 791	26 065	9 128	12 981	29 084	26 023	31 973	81 445	278 866	211 429	154 085
Energy sources		10	607	5 719	2 309	2 465	4 658	1 631	2 320	5 198	4 651	5 714	14 166	49 448	55 850	61 400
Water management		16	918	8 652	3 493	3 729	7 047	2 468	3 509	7 863	7 035	8 644	24 227	77 600	55 100	41 850
Waste water management		29	1 725	16 257	6 562	7 006	13 241	4 637	6 594	14 774	13 219	16 242	39 696	139 983	82 094	38 450
Waste management		2	146	1 374	555	592	1 119	392	558	1 249	1 118	1 373	3 356	11 835	18 385	12 385
<i>Other</i>		0	17	163	66	70	132	46	66	148	132	162	397	1 400	1 370	1 350
Total Capital Expenditure - Functional	2	81	4 815	45 369	18 314	19 551	36 951	12 941	18 403	41 231	36 891	45 326	138 183	418 057	319 514	226 873
Funded by:																
National Government		-	2 900	7 444	5 396	2 987	1 880	5 463	1 500	860	3 000	1 660	14 504	47 594	52 302	59 353
Provincial Government		-	600	1 467	1 080	690	1 130	1 030	205	2 369	1 864	846	1 261	12 543	30 100	18 100
District Municipality													-	-	-	-
Other transfers and grants													-	-	-	-
Transfers recognised - capital		-	3 500	8 911	6 476	3 677	3 010	6 493	1 705	3 229	4 864	2 506	15 765	60 137	82 402	77 453
Public contributions & donations													-	-	-	-
Borrowing		-	-	-	11 838	14 000	23 500	3 837	16 698	16 839	16 000	15 000	42 287	160 000	80 000	-
Internally generated funds		81	1 315	36 458	-	1 874	10 441	2 610	-	21 163	16 027	27 820	80 130	197 920	157 112	149 420
Total Capital Funding		81	4 815	45 369	18 314	19 551	36 951	12 941	18 403	41 231	36 891	45 326	138 183	418 057	319 514	226 873

References
 1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates
 2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure check

WC024 Stellenbosch - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash Receipts By Source													1			
Property rates	20 765	20 975	36 847	23 004	24 645	25 021	25 847	24 746	24 747	25 748	25 847	22 297	300 489	318 518	337 629	
Service charges - electricity revenue	43 646	42 746	43 748	40 636	40 004	38 646	35 637	35 525	36 625	36 626	38 626	44 005	476 469	505 421	537 128	
Service charges - water revenue	9 636	9 736	10 827	10 726	10 736	13 837	13 736	13 364	12 735	11 736	10 535	9 705	137 308	148 449	158 840	
Service charges - sanitation revenue	7 636	6 846	6 928	7 002	7 102	6 863	6 928	6 827	7 011	7 001	7 272	6 345	83 759	92 248	100 550	
Service charges - refuse revenue	3 475	3 746	3 725	3 304	3 002	3 852	3 563	3 525	3 336	3 524	3 483	3 436	41 971	46 226	50 388	
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	1 270	1 162	1 183	1 175	1 188	1 290	1 284	1 164	1 197	1 173	1 099	1 211	14 395	15 259	16 174	
Interest earned - external investments	2 501	2 500	2 654	2 683	2 635	3 726	2 635	1 953	2 003	2 974	2 635	9 100	37 999	32 553	28 178	
Interest earned - outstanding debtors	656	662	600	605	600	637	591	599	585	555	538	728	7 357	7 860	8 485	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	2 778	2 636	2 445	2 635	2 627	3 002	2 537	2 003	3 000	2 288	2 527	5 497	33 973	34 910	36 222	
Licences and permits	701	745	746	653	691	853	891	781	764	842	778	970	9 413	10 072	10 777	
Agency services	205	208	211	213	198	200	199	205	193	208	226	252	2 514	2 670	2 836	
Transfer receipts - operational	45 000	6 000	11 000	-	5 000	21 363	12 500	6 000	21 479	-	-	-	128 342	138 159	158 544	
Other revenue	2 574	2 063	2 274	2 573	2 864	3 073	3 165	2 583	2 176	2 865	2 754	8 636	37 598	38 536	40 627	
Cash Receipts by Source	140 840	100 026	123 187	95 208	101 292	122 361	109 510	99 274	115 850	95 540	96 319	112 182	1 311 587	1 390 882	1 486 379	
Other Cash Flows by Source																
Transfer receipts - capital	10 000	-	12 000	-	7 000	5 000	7 000	8 000	11 137	-	-	-	60 137	82 402	77 453	
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	3 500	-	3 500	3 200	-	
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing long term/refinancing	-	-	-	-	-	160 000	-	-	-	-	-	-	160 000	80 000	-	
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Receipts by Source	150 840	100 026	135 187	95 208	108 292	287 361	116 510	107 274	126 987	95 540	99 819	112 182	1 535 224	1 556 484	1 563 832	
Cash Payments by Type																
Employee related costs	34 599	34 599	38 599	34 599	64 199	34 599	34 599	35 599	34 599	34 599	34 599	34 599	449 793	492 523	539 313	
Remuneration of councillors	1 372	1 372	1 372	1 372	1 372	1 372	1 372	1 945	1 441	1 441	1 441	1 417	17 293	18 157	19 065	
Finance charges	-	-	-	-	-	9 413	-	-	-	-	-	19 209	28 622	40 822	42 822	
Bulk purchases - Electricity	-	36 974	34 274	27 975	25 798	24 590	24 751	25 897	25 789	26 897	27 123	43 622	323 690	343 111	363 698	
Bulk purchases - Water & Sewer	-	-	-	-	7 484	-	-	-	7 484	-	-	7 484	22 453	23 800	25 228	
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Contracted services	13 597	12 459	13 570	14 259	14 790	14 570	16 795	14 698	14 237	14 124	17 897	30 611	191 605	199 269	207 240	
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers and grants - other	-	6 250	-	-	-	-	-	-	-	-	-	-	6 250	6 563	6 891	
Other expenditure	12 579	11 254	10 256	10 590	11 548	10 988	12 786	10 259	11 259	10 898	10 741	17 413	140 569	146 004	151 656	
Cash Payments by Type	62 148	102 908	98 072	88 795	125 192	95 532	90 303	88 399	94 810	87 958	91 802	154 354	1 180 273	1 270 248	1 355 911	
Other Cash Flows/Payments by Type																
Capital assets	81	4 815	45 369	18 314	19 551	36 951	12 941	18 403	41 231	36 891	45 326	138 183	418 057	319 514	226 873	
Repayment of borrowing	-	-	-	-	-	6 287	-	-	-	-	-	8 496	14 784	16 984	19 895	
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Payments by Type	62 229	107 723	143 441	107 109	144 743	138 770	103 244	106 802	136 041	124 849	137 128	301 033	1 613 113	1 606 746	1 602 679	
NET INCREASE/(DECREASE) IN CASH HELD	88 611	(7 698)	(8 254)	(11 901)	(36 451)	148 591	13 266	472	(9 054)	(29 310)	(37 309)	(188 851)	(77 889)	(50 262)	(38 848)	
Cash/cash equivalents at the month/year begin:	497 430	586 041	578 343	570 089	558 187	521 736	670 327	683 593	684 065	675 011	645 702	608 393	497 430	419 542	369 279	
Cash/cash equivalents at the month/year end:	586 041	578 343	570 089	558 187	521 736	670 327	683 593	684 065	675 011	645 702	608 393	419 542	419 542	369 279	330 432	

References

1. Note that this section of Table SA 30 is deliberately not linked to Table A4 because timing differences between the invoicing of clients and receiving the cash means that the cashflow will differ from budgeted revenue, and similarly for budgeted expenditure. However for the MTREF it is now directly linked to A7.

WC024 Stellenbosch - NOT REQUIRED - municipality does not have entities

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R million										
Financial Performance										
Property rates										
Service charges										
Investment revenue										
Transfers recognised - operational										
Other own revenue										
Contributions recognised - capital & contributed assets										
Total Revenue (excluding capital transfers and contributions)		-	-	-	-	-	-	-	-	-
Employee costs										
Remuneration of Board Members										
Depreciation & asset impairment										
Finance charges										
Materials and bulk purchases										
Transfers and grants										
Other expenditure										
Total Expenditure		-	-	-	-	-	-	-	-	-
Surplus/(Deficit)		-	-	-	-	-	-	-	-	-
Capital expenditure & funds sources										
Capital expenditure										
Transfers recognised - operational										
Public contributions & donations										
Borrowing										
Internally generated funds										
Total sources		-	-	-	-	-	-	-	-	-
Financial position										
Total current assets										
Total non current assets										
Total current liabilities										
Total non current liabilities										
Equity										
Cash flows										
Net cash from (used) operating										
Net cash from (used) investing										
Net cash from (used) financing										
Cash/cash equivalents at the year end										

WC024 Stellenbosch - Supporting Table SA32 List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Neotel (Pty) Ltd	1 Yr	Ongoing	Voice and internet (DATA) services	30 June 2017	6 969
Lindol Hygiene Services (Pty) Ltd	3 Yr	Ongoing	Service provider to perform hygienic services	30 June 2017	1 340
Umoya Software	2 Yr	Ongoing	Hosting, Licensing and support of existing database	30 June 2017	715
DBSA	15 Yr	Ongoing	Financial of approved Capital Projects by means of and ex	30 June 2029	100 000
BC Lanscape Training and Consultancy cc.	3 Yr	Ongoing	Facilitation Of Horticulture (Nqf L2); Landscaping (Nqf L3)	30 June 2017	Rates approved
Siphakame Skills development	3 Yr	Ongoing	Adult Education & Training: Qualification Saqa Id: 71751 G	30 June 2017	Rates approved
Nu-Law Firearms Compliance (Pty) Ltd	3 Yr	Ongoing	Firearms Competency & Regulation 21 (Refresher Practice	30 June 2017	Rates approved
Tjeka training Matters	3 Yr	Ongoing	Training And Trade Test For Artisan:	30 June 2017	Rates approved
ABB South Africa	3 Yr	Ongoing	Supply of new scada and telemetry system: 3 year period.	30 June 2017	Rates approved
The Sustainability Institute Innovation Laboratory (Pty) Ltd	3 Yr	Ongoing	Provision of off the grid electricity and related equipment to	30 June 2017	Offer approved
ABSA	15 Yr	Ongoing	Provisioning of banking services.	30 June 2017	Rates approved

References

1. Total agreement period from commencement until end
2. Annual value

WC024 Stellenbosch - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework			Total Contract Value
				Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
R thousand	1,3	Total	Original Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Estimate
Parent Municipality:							
Revenue Obligation By Contract	2						
<i>Contract 1</i>							-
<i>Contract 3 etc</i>							-
Total Operating Revenue Implication		-	-	-	-	-	-
Expenditure Obligation By Contract	2						
<i>Lawula Systems</i>		Rates Approved					-
<i>Robotech</i>		Rates Approved					
<i>Syntell</i>		Rates Approved					
<i>TMT Services</i>		Rates Approved					
<i>Strike Technologies</i>			456	6 490	6 815		
<i>Geodebt Solutions CC</i>			383	2 809	2 978		
<i>Country Building Suppliers</i>			16	1 050	1 050		
<i>Polorama Wholesalers</i>			368	1 050	1 103		
Total Operating Expenditure Implication		-	1 224	11 399	11 945	-	24 567
Capital Expenditure Obligation By Contract	2						
<i>Lawula Systems</i>		Rates Approved					-
<i>Robotech</i>		Rates Approved					
<i>Syntell</i>		Rates Approved					
<i>TMT Services</i>		Rates Approved					
<i>Strike Technologies</i>			455	750	750		
<i>Eya Bantu Professional Services George</i>		Rates Approved					
<i>Schweitzer Engineering Lab</i>		Rates Approved					
<i>Eya Bantu Professional Services George</i>			956	1 500	1 500		
Total Capital Expenditure Implication		-	1 411	2 250	2 250	-	5 911
Total Parent Expenditure Implication		-	2 635	13 649	14 195	-	30 479

WC024 Stellenbosch - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		46 209	66 035	34 708	47 230	51 122	51 122	128 798	158 639	95 190
Roads Infrastructure		24 820	3 613	(80)	4 280	2 676	2 676	15 342	38 934	12 690
<i>Roads</i>		24 820	3 613	(80)	4 280	2 676	2 676	6 967	18 459	7 970
<i>Road Structures</i>								6 650	19 500	2 900
<i>Road Furniture</i>								1 725	975	1 820
<i>Capital Spares</i>										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
Electrical Infrastructure		28 680	5 196	9 850	16 300	14 748	14 748	17 700	5 750	28 300
<i>Power Plants</i>										
<i>HV Substations</i>					11 300	12 848	12 848			
<i>HV Switching Station</i>										
<i>HV Transmission Conductors</i>		28 509	5 000	7 600	5 000	1 900	1 900			
<i>MV Substations</i>										
<i>MV Switching Stations</i>								2 000	3 000	-
<i>MV Networks</i>		171	196	2 250	-			400	400	18 000
<i>LV Networks</i>								12 900	1 150	8 950
<i>Capital Spares</i>								2 400	1 200	1 350
Water Supply Infrastructure		(10 086)	18 115	32 618	26 000	21 823	21 823	39 200	40 800	28 100
<i>Dams and Weirs</i>										
<i>Boreholes</i>								300	300	-
<i>Reservoirs</i>		926	10 481	400	-			34 400	23 000	20 000
<i>Pump Stations</i>										
<i>Water Treatment Works</i>				2 119	-			500	500	500
<i>Bulk Mains</i>								2 000	15 500	2 500
<i>Distribution</i>		(11 012)	7 634	30 100	26 000	21 823	21 823	2 000	1 500	5 100
<i>Distribution Points</i>										
<i>PRV Stations</i>										
<i>Capital Spares</i>										
Sanitation Infrastructure		11	29 779	(13 642)	250	(2 450)	(2 450)	49 556	58 655	15 000
<i>Pump Station</i>										
<i>Reticulation</i>		-	29 779	(13 642)	-	(2 700)	(2 700)	2 200	9 011	7 000
<i>Waste Water Treatment Works</i>		11			250	250	250			
<i>Outfall Sewers</i>								47 356	49 644	8 000
<i>Toilet Facilities</i>										
<i>Capital Spares</i>										
Solid Waste Infrastructure		2 784	9 320	5 961	400	14 176	14 176	7 000	14 500	11 100
<i>Landfill Sites</i>								3 000	6 000	6 000
<i>Waste Transfer Stations</i>		2 784	9 320	5 961	400	14 176	14 176	500	500	4 000
<i>Waste Processing Facilities</i>										
<i>Waste Drop-off Points</i>								3 000	7 000	100
<i>Waste Separation Facilities</i>								500	1 000	500
<i>Electricity Generation Facilities</i>								-	-	500
<i>Capital Spares</i>										
Rail Infrastructure		-	13	-	-	150	150	-	-	-
<i>Rail Lines</i>										
<i>Rail Structures</i>										
<i>Rail Furniture</i>										
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>			13			150	150			
<i>Attenuation</i>										
<i>MV Substations</i>										
<i>LV Networks</i>										
<i>Capital Spares</i>										
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>										
<i>Piers</i>										

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<i>Revelments</i>										
<i>Promenades</i>										
<i>Capital Spares</i>										
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<i>Data Centres</i>										
<i>Core Layers</i>										
<i>Distribution Layers</i>										
<i>Capital Spares</i>										
Community Assets		9 661	8 578	33 779	5 183	13 924	13 924	23 857	7 700	4 520
Community Facilities		9 051	6 732	34 453	5 183	13 924	13 924	22 507	7 700	4 520
<i>Halls</i>		18	-	8 082	-			9 000	-	-
<i>Centres</i>								550	-	120
<i>Crèches</i>										
<i>Clinics/Care Centres</i>										
<i>Fire/Ambulance Stations</i>		55	203	700	250	5 761	5 761			
<i>Testing Stations</i>								500	-	-
<i>Museums</i>										
<i>Galleries</i>										
<i>Theatres</i>								200	2 000	-
<i>Libraries</i>		82	464	4 300	50	2 774	2 774			
<i>Cemeteries/Crematoria</i>		155	489	1 800	2 050	1 150	1 150	900	-	-
<i>Police</i>				335	-			300	-	-
<i>Parks</i>										
<i>Public Open Space</i>		3 377	1 057	2 250	1 580	1 580	1 580			
<i>Nature Reserves</i>										
<i>Public Ablution Facilities</i>										
<i>Markets</i>						397	397			
<i>Stalls</i>								1 370	1 300	-
<i>Abattoirs</i>										
<i>Airports</i>										
<i>Taxi Ranks/Bus Terminals</i>								5 287	-	-
<i>Capital Spares</i>		5 363	4 520	16 986	1 253	2 263	2 263	4 400	4 400	4 400
Sport and Recreation Facilities		610	1 845	(674)	-	-	-	1 350	-	-
<i>Indoor Facilities</i>										
<i>Outdoor Facilities</i>		610	1 845	(674)	-			1 350	-	-
<i>Capital Spares</i>										
Heritage assets		219	-	-	-	-	-	1 350	1 350	1 350
Monuments										
Historic Buildings		219								
Works of Art										
Conservation Areas								1 350	1 350	1 350
Other Heritage										
Investment properties		-	-	-	-	-	-	6 000	1 400	300
Revenue Generating		-	-	-	-	-	-	100	-	-
<i>Improved Property</i>								100	-	-
<i>Unimproved Property</i>										
Non-revenue Generating		-	-	-	-	-	-	5 900	1 400	300
<i>Improved Property</i>								1 900	1 400	300
<i>Unimproved Property</i>								4 000		
Other assets		3 727	9 914	13 370	6 235	4 072	4 072	18 950	2 130	1 830
Operational Buildings		3 201	9 914	6 722	6 235	3 472	3 472	350	-	-
<i>Municipal Offices</i>		3 201	9 914	6 722	6 235	3 472	3 472	350	-	-
<i>Pay/Enquiry Points</i>										
<i>Building Plan Offices</i>										
<i>Workshops</i>										
<i>Yards</i>										
<i>Stores</i>										
<i>Laboratories</i>										
<i>Training Centres</i>										
<i>Manufacturing Plant</i>										

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<i>Depots</i>										
<i>Capital Spares</i>										
Housing		526	–	6 648	–	600	600	18 600	2 130	1 830
<i>Staff Housing</i>										
<i>Social Housing</i>		526	–	6 648	–	600	600	18 600	2 130	1 830
<i>Capital Spares</i>										
Biological or Cultivated Assets		–	–	–	–	–	–	630	250	200
Biological or Cultivated Assets								630	250	200
Intangible Assets		1 258	2 800	–	500	500	500	100	100	200
Servitudes										
Licences and Rights		1 258	2 800	–	500	500	500	100	100	200
<i>Water Rights</i>										
<i>Effluent Licenses</i>										
<i>Solid Waste Licenses</i>										
<i>Computer Software and Applications</i>		1 258	2 800	–	500	500	500	100	100	200
<i>Load Settlement Software Applications</i>										
<i>Unspecified</i>										
Computer Equipment		3 429	1 515	1 185	–	200	200	1 525	1 330	600
Computer Equipment		3 429	1 515	1 185	–	200	200	1 525	1 330	600
Furniture and Office Equipment		4 063	5 712	10 686	720	624	624	1 671	1 465	1 320
Furniture and Office Equipment		4 063	5 712	10 686	720	624	624	1 671	1 465	1 320
Machinery and Equipment		3 124	4 460	3 425	–	(150)	(150)	14 392	8 670	3 150
Machinery and Equipment		3 124	4 460	3 425	–	(150)	(150)	14 392	8 670	3 150
Transport Assets		4 666	12 843	7 050	4 000	11 029	11 029	720	740	–
Transport Assets		4 666	12 843	7 050	4 000	11 029	11 029	720	740	–
Libraries		–	–	–	–	–	–	2 140	145	–
Libraries								2 140	145	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on new assets	1	76 356	111 856	104 203	63 868	81 320	81 320	200 133	183 919	108 660

WC024 Stellenbosch - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		70 121	95 981	182 897	295 172	317 856	317 856	26 850	17 800	29 850
Roads Infrastructure		1 411	30 611	29 960	36 146	45 162	45 162	11 150	4 000	14 350
Roads		1 411	30 611	29 960	36 146	45 162	45 162	11 150	4 000	14 350
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	31 277	34 830	22 790	31 790	31 790	8 000	6 100	6 800
Power Plants										
HV Substations								400	400	500
HV Switching Station										
HV Transmission Conductors		-	31 277	34 730	19 640	28 640	28 640			
MV Substations										
MV Switching Stations										
MV Networks				100	3 150	3 150	3 150	7 600	5 700	6 300
LV Networks										
Capital Spares										
Water Supply Infrastructure		35 805	32 618	29 729	28 419	30 869	30 869	6 000	6 000	6 000
Dams and Weirs										
Boreholes										
Reservoirs		11 592	11 902	4 137	500	1 238	1 238			
Pump Stations										
Water Treatment Works				2 111	-					
Bulk Mains										
Distribution		24 213	20 716	23 481	27 919	29 631	29 631	6 000	6 000	6 000
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		32 857	1 000	86 025	202 967	192 474	192 474	1 700	1 700	2 700
Pump Station										
Reticulation		32 857	1 000	86 025	202 967	192 474	192 474	-	-	1 000
Waste Water Treatment Works										
Outfall Sewers								1 500	1 500	1 500
Toilet Facilities										
Capital Spares								200	200	200
Solid Waste Infrastructure		48	475	1 903	4 200	16 112	16 112	-	-	-
Landfill Sites										
Waste Transfer Stations		48	475	1 903	4 200	16 112	16 112			
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		-	-	450	650	1 449	1 449	-	-	-
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance				450	650	1 449	1 449			
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres										
Core Layers										

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<i>Distribution Layers</i>										
<i>Capital Spares</i>										
Community Assets		28 264	15 406	12 308	24 109	25 641	25 641	200	200	50
Community Facilities		28 264	13 084	4 707	12 396	13 928	13 928	-	-	50
<i>Halls</i>		-	4 478	2 000	9 360	656	656	-	-	50
<i>Centres</i>										
<i>Crèches</i>										
<i>Clinics/Care Centres</i>										
<i>Fire/Ambulance Stations</i>					450	955	955			
<i>Testing Stations</i>										
<i>Museums</i>										
<i>Galleries</i>										
<i>Theatres</i>										
<i>Libraries</i>					2 000	2 000	2 000			
<i>Cemeteries/Crematoria</i>				150	300	300	300			
<i>Police</i>										
<i>Parks</i>										
<i>Public Open Space</i>		8	567	1 308	300	1 512	1 512			
<i>Nature Reserves</i>										
<i>Public Ablution Facilities</i>										
<i>Markets</i>										
<i>Stalls</i>										
<i>Abattoirs</i>										
<i>Airports</i>										
<i>Taxi Ranks/Bus Terminals</i>										
<i>Capital Spares</i>		28 256	8 038	1 249	(14)	8 504	8 504			
Sport and Recreation Facilities		-	2 323	7 601	11 713	11 713	11 713	200	200	-
<i>Indoor Facilities</i>										
<i>Outdoor Facilities</i>			2 323	7 601	11 713	11 713	11 713	200	200	-
<i>Capital Spares</i>										
Heritage assets		-	491	1 500	600	600	600	-	-	-
Monuments										
Historic Buildings			491	1 500	600	600	600			
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Other assets		-	2 691	34 343	50 300	14 876	14 876	300	500	500
Operational Buildings		-	2 691	31 693	15 950	(998)	(998)	300	500	500
<i>Municipal Offices</i>			2 691	31 693	15 950	(998)	(998)	300	500	500
<i>Pay/Enquiry Points</i>										
<i>Building Plan Offices</i>										
<i>Workshops</i>										
<i>Yards</i>										
<i>Stores</i>										
<i>Laboratories</i>										
<i>Training Centres</i>										
<i>Manufacturing Plant</i>										
<i>Depots</i>										
<i>Capital Spares</i>										
Housing		-	-	2 650	34 350	15 874	15 874	-	-	-
<i>Staff Housing</i>										
<i>Social Housing</i>				2 650	34 350	15 874	15 874			
<i>Capital Spares</i>										
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
Intangible Assets		-	900	3 950	2 450	4 195	4 195	-	-	-
Servitudes										
Licences and Rights		-	900	3 950	2 450	4 195	4 195	-	-	-
<i>Water Rights</i>										
<i>Effluent Licenses</i>										
<i>Solid Waste Licenses</i>										
<i>Computer Software and Applications</i>			900	3 950	2 450	4 195	4 195			

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<i>Load Settlement Software Applications Unspecified</i>										
Computer Equipment		-	245	3 450	6 100	7 300	7 300	-	-	-
Computer Equipment			245	3 450	6 100	7 300	7 300			
Furniture and Office Equipment		-	77	1 380	4 839	5 045	5 045	-	-	-
Furniture and Office Equipment			77	1 380	4 839	5 045	5 045			
Machinery and Equipment		-	1 344	2 250	9 778	(522)	(522)	1 000	-	-
Machinery and Equipment			1 344	2 250	9 778	(522)	(522)	1 000	-	-
Transport Assets		-	950	2 580	6 576	8 419	8 419	-	-	-
Transport Assets			950	2 580	6 576	8 419	8 419			
Libraries		-	-	-	-	-	-	-	-	-
Libraries										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on renewal of existing assets	1	98 385	118 086	244 658	399 924	383 410	383 410	28 350	18 500	30 400
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	51.4%	70.1%	86.2%	82.5%	82.5%	6.8%	5.8%	13.4%
<i>Renewal of Existing Assets as % of deprechn"</i>		71.3%	74.6%	164.1%	242.1%	232.1%	232.1%	16.8%	10.8%	17.3%

WC024 Stellenbosch - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		46 405	53 695	52 621	50 751	50 125	54 792	57 394	60 264	63 277
Roads Infrastructure		6 145	7 333	7 186	8 041	8 341	8 341	9 139	9 596	10 076
Roads		6 145	7 333	7 186	8 041	8 341	8 341	9 139	9 596	10 076
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	3 637	3 637	3 637	3 819	4 010	4 211
Drainage Collection										
Storm water Conveyance					3 637	3 637	3 637	3 819	4 010	4 211
Attenuation										
Electrical Infrastructure		11 939	12 167	11 923	13 491	13 491	13 491	14 291	15 005	15 756
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors		11 939	12 167	11 923	13 491	13 491	13 491	14 291	15 005	15 756
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		7 910	10 115	9 912	11 077	19 878	19 878	11 671	12 255	12 867
Dams and Weirs										
Boreholes										
Reservoirs					3 612	12 413	12 413	3 793	3 983	4 182
Pump Stations										
Water Treatment Works					1 853	1 853	1 853	1 986	2 085	2 189
Bulk Mains										
Distribution		7 910	10 115	9 912	5 612	5 612	5 612	5 892	6 187	6 496
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		10 456	14 678	14 385	11 225	1 499	6 165	14 831	15 573	16 352
Pump Station										
Reticulation		10 456	14 678	14 385	6 559	6 659	6 659	8 338	8 755	9 193
Waste Water Treatment Works					4 667	(5 160)	(493)	6 493	6 818	7 159
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		9 955	9 402	9 214	3 279	3 279	3 279	3 642	3 824	4 015
Landfill Sites										
Waste Transfer Stations		9 955	9 402	9 214	3 279	3 279	3 279	3 642	3 824	4 015
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Community Assets		1 242	3 896	1 192	21 705	30 254	25 587	25 853	27 294	27 704
Community Facilities		1 242	3 896	1 192	19 553	28 103	23 436	23 800	25 138	25 441
Halls					113	99	99	38	40	42
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations					790	990	990	772	811	852
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries					116	116	116	99	104	110
Cemeteries/Crematoria					334	334	334	49	51	54
Police					629	779	779	521	547	575
Purfs										
Public Open Space					8 590	8 590	8 590	20 874	22 066	22 215
Nature Reserves								511	537	564
Public Ablution Facilities										
Markets								55	58	60
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares		1 242	3 896	1 192	8 981	17 195	12 528	880	924	970
Sport and Recreation Facilities		-	-	-	2 151	2 151	2 151	2 053	2 156	2 264
Indoor Facilities										
Outdoor Facilities					2 151	2 151	2 151	2 053	2 156	2 264
Capital Spares										
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Other assets		7 312	796	780	11 024	11 024	11 024	12 212	11 720	12 267
Operational Buildings		7 312	796	780	11 024	11 024	11 024	12 212	11 720	12 267
Municipal Offices					3 850	3 850	3 850	2 670	2 804	2 944
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares		7 312	796	780	7 174	7 174	7 174	9 542	8 916	9 324
Housing		-	-	-	-	-	-	-	-	-
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
Intangible Assets		48	66	65	20	20	20	-	-	-
Servitudes										
Licences and Rights		48	66	65	20	20	20	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		48	66	65	20	20	20			

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<i>Load Settlement Software Applications Unspecified</i>										
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment										
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment										
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment										
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets										
Libraries		-	-	-	-	-	-	-	-	-
Libraries										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Repairs and Maintenance Expenditure	1	55 007	58 453	54 658	83 499	91 423	91 423	95 459	99 278	103 248
<i>R&M as a % of PPE</i>		1.3%	1.5%	1.3%	1.8%	2.0%	2.0%	2.1%	2.0%	2.1%
<i>R&M as % Operating Expenditure</i>		5.2%	5.2%	4.3%	6.1%	6.3%	6.3%	6.6%	6.7%	6.5%

WC024 Stellenbosch - Supporting Table SA34d Depreciation by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		140 347	103 839	105 916	108 158	108 158	108 158	112 690	118 325	124 241
Roads Infrastructure		46 749	45 921	46 840	46 209	46 209	46 209	49 913	52 409	55 029
Roads		46 749	45 921	46 840	46 209	46 209	46 209	49 913	52 409	55 029
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	2 050	2 152	2 260
Drainage Collection								2 050	2 152	2 260
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		31 080	20 762	21 177	21 030	21 030	21 030	19 618	20 599	21 629
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors		19 753	14 119	14 401	14 387	14 387	14 387	13 973	14 672	15 405
MV Substations										
MV Switching Stations										
MV Networks		11 327	6 643	6 776	6 643	6 643	6 643	5 645	5 928	6 224
LV Networks										
Capital Spares										
Water Supply Infrastructure		42 408	18 320	18 686	19 121	19 121	19 121	20 754	21 792	22 882
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution		42 408	18 320	18 686	19 121	19 121	19 121	20 754	21 792	22 882
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		14 776	15 037	15 338	17 370	17 370	17 370	19 890	20 885	21 929
Pump Station										
Reticulation		14 776	15 037	15 338	17 370	17 370	17 370	19 890	20 885	21 929
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		1 099	-	-	-	-	-	-	-	-
Landfill Sites										
Waste Transfer Stations		1 099								
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		4 235	3 799	3 875	4 428	4 428	4 428	-	-	-
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection		1 039	697	710	1 325	1 325	1 325			
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares		3 196	3 102	3 165	3 102	3 102	3 102			
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		-	-	-	-	-	-	464	487	512
Data Centres										
Core Layers										
Distribution Layers								464	487	512
Capital Spares										

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Community Assets		3 136	2 192	2 236	3 591	3 591	3 591	2 959	3 016	3 167
Community Facilities		1 564	965	984	2 103	2 103	2 103	2 085	2 098	2 203
Halls		2	2	3	2	2	2	48	50	52
Centres										
Crèches										
Clinics/Care Centres								13	14	15
Fire/Ambulance Stations								573	601	631
Testing Stations								232	244	256
Museums										
Galleries										
Theatres										
Libraries		7	6	6	6	6	6	135	141	149
Cemeteries/Crematoria								75	79	83
Police		63	-	-	1 138	1 138	1 138	527	553	580
Parks										
Public Open Space		359	91	93	91	91	91	234	246	258
Nature Reserves								162	170	178
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares		1 133	866	883	866	866	866	86		
Sport and Recreation Facilities		1 572	1 228	1 252	1 489	1 489	1 489	875	918	964
Indoor Facilities		75	34	35	295	295	295	-		
Outdoor Facilities		1 497	1 194	1 218	1 194	1 194	1 194	875	918	964
Capital Spares										
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Other assets		(26 054)	41 717	30 063	37 985	37 985	37 985	28 905	27 135	23 610
Operational Buildings		(26 354)	41 380	29 719	37 070	37 070	37 070	28 905	27 135	23 610
Municipal Offices		1 363	833	850	1 183	1 183	1 183	243	255	268
Pay/Enquiry Points										
Building Plan Offices										
Workshops								1	1	1
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares		(27 718)	40 547	28 869	35 887	35 887	35 887	28 661	26 880	23 341
Housing		301	337	344	915	915	915	-	-	-
Staff Housing										
Social Housing		301	337	344	915	915	915			
Capital Spares										
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
Intangible Assets		267	225	230	462	462	462	297	314	329
Servitudes										
Licences and Rights		267	225	230	462	462	462	297	314	329
Water Rights										
Effluent Licences										
Solid Waste Licences										
Computer Software and Applications		267	225	230	462	462	462	297	314	329

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<i>Load Settlement Software Applications Unspecified</i>	1									
Computer Equipment		-	-	-	-	-	-	5 423	5 241	5 503
Computer Equipment								5 423	5 241	5 503
Furniture and Office Equipment		8 043	4 096	4 178	4 382	4 382	4 382	5 972	5 241	5 503
Furniture and Office Equipment		8 043	4 096	4 178	4 382	4 382	4 382	5 972	5 241	5 503
Machinery and Equipment		8 277	2 382	2 429	6 018	6 018	6 018	6 076	6 380	6 699
Machinery and Equipment		8 277	2 382	2 429	6 018	6 018	6 018	6 076	6 380	6 699
Transport Assets		3 883	3 922	4 001	4 603	4 603	4 603	6 016	6 317	6 633
Transport Assets		3 883	3 922	4 001	4 603	4 603	4 603	6 016	6 317	6 633
Libraries		-	-	-	-	-	-	-	-	-
Libraries										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Depreciation	1	137 899	158 374	149 053	165 200	165 200	165 200	168 339	171 970	175 685

WC024 Stellenbosch - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	168 770	98 700	75 000
Roads Infrastructure		-	-	-	-	-	-	23 225	9 150	9 950
<i>Roads</i>								19 750	8 700	9 450
<i>Road Structures</i>								3 000	-	-
<i>Road Furniture</i>								475	450	500
<i>Capital Spares</i>										
Storm water Infrastructure		-	-	-	-	-	-	1 200	500	1 000
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>								1 200	500	1 000
<i>Attenuation</i>										
Electrical Infrastructure		-	-	-	-	-	-	20 468	39 700	24 000
<i>Power Plants</i>										
<i>HV Substations</i>										
<i>HV Switching Station</i>										
<i>HV Transmission Conductors</i>										
<i>MV Substations</i>										
<i>MV Switching Stations</i>										
<i>MV Networks</i>								12 632	28 700	12 000
<i>LV Networks</i>								7 836	11 000	12 000
<i>Capital Spares</i>										
Water Supply Infrastructure		-	-	-	-	-	-	33 850	15 900	10 300
<i>Dams and Weirs</i>								1 000	1 000	1 000
<i>Boreholes</i>										
<i>Reservoirs</i>										
<i>Pump Stations</i>										
<i>Water Treatment Works</i>								26 350	9 250	3 250
<i>Bulk Mains</i>										
<i>Distribution</i>								6 500	5 650	6 050
<i>Distribution Points</i>										
<i>PRV Stations</i>										
<i>Capital Spares</i>										
Sanitation Infrastructure		-	-	-	-	-	-	86 227	30 950	27 750
<i>Pump Station</i>								500	500	500
<i>Reticulation</i>										
<i>Waste Water Treatment Works</i>								85 527	30 250	26 750
<i>Outfall Sewers</i>										
<i>Toilet Facilities</i>								200	200	500
<i>Capital Spares</i>										
Solid Waste Infrastructure		-	-	-	-	-	-	1 500	1 000	1 000
<i>Landfill Sites</i>								1 500	1 000	1 000
<i>Waste Transfer Stations</i>										
<i>Waste Processing Facilities</i>										
<i>Waste Drop-off Points</i>										
<i>Waste Separation Facilities</i>										
<i>Electricity Generation Facilities</i>										
<i>Capital Spares</i>										
Rail Infrastructure		-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>										
<i>Rail Structures</i>										
<i>Rail Furniture</i>										
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
<i>MV Substations</i>										
<i>LV Networks</i>										
<i>Capital Spares</i>										
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>										
<i>Piers</i>										
<i>Revetments</i>										
<i>Promenades</i>										
<i>Capital Spares</i>										
Information and Communication Infrastructure		-	-	-	-	-	-	2 300	1 500	1 000
<i>Data Centres</i>								2 300	1 500	1 000
<i>Core Layers</i>										
<i>Distribution Layers</i>										
<i>Capital Spares</i>										

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Community Assets		-	-	-	-	-	-	8 724	7 015	6 753
Community Facilities		-	-	-	-	-	-	3 170	1 170	600
Halls								-	50	500
Centres								1 000	1 000	100
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations								250	-	-
Testing Stations								750	-	-
Museums										
Galleries										
Theatres										
Libraries								620	120	-
Cemeteries/Crematoria								500	-	-
Police								50	-	-
Puris										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities		-	-	-	-	-	-	5 554	5 845	6 153
Indoor Facilities										
Outdoor Facilities								5 554	5 845	6 153
Capital Spares										
Heritage assets		-	-	-	-	-	-	250	250	250
Monuments										
Historic Buildings								250	250	250
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		-	-	-	-	-	-	1 000	3 250	3 850
Revenue Generating		-	-	-	-	-	-	1 000	3 250	3 850
Improved Property								1 000	3 250	3 850
Unimproved Property										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Other assets		-	-	-	-	-	-	5 900	4 100	200
Operational Buildings		-	-	-	-	-	-	4 400	700	200
Municipal Offices								900	-	-
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards								200	200	200
Stores								1 500	-	-
Laboratories										
Training Centres								800	-	-
Manufacturing Plant								1 000	500	-
Depots										
Capital Spares										
Housing		-	-	-	-	-	-	1 500	3 400	-
Staff Housing										
Social Housing								1 500	3 400	-
Capital Spares										
Biological or Cultivated Assets		-	-	-	-	-	-	700	700	700
Biological or Cultivated Assets								700	700	700
Intangible Assets		-	-	-	-	-	-	550	200	400
Servitudes										
Licences and Rights		-	-	-	-	-	-	550	200	400
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications								550	200	400
Load Settlement Software Applications										
Unspecified										
Computer Equipment		-	-	-	-	-	-	2 000	1 300	1 300
Computer Equipment								2 000	1 300	1 300

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Furniture and Office Equipment		-	-	-	-	-	-	680	830	110
Furniture and Office Equipment		-	-	-	-	-	-	680	830	110
Machinery and Equipment		-	-	-	-	-	-	1 000	-	-
Machinery and Equipment		-	-	-	-	-	-	1 000	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	-	-	-	-	-	-	189 574	116 345	88 563
<i>Upgrading of Existing Assets as % of total capex</i>		<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>45.3%</i>	<i>36.5%</i>	<i>38.9%</i>
<i>Upgrading of Existing Assets as % of deprecn"</i>		<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>112.6%</i>	<i>67.7%</i>	<i>50.4%</i>

WC024 Stellenbosch - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2017/18 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Office of the Municipal Manager		35	35	35				
Vote 2 - Planning and Development		5 393	2 335	250				
Vote 3 - Human Settlements and Property Management		52 872	47 400	25 590				
Vote 4 - Engineering Services		330 898	248 714	184 065				
Vote 5 - Community and Protection Services		21 879	13 780	10 383				
Vote 6 - Strategic and Corporate Services		5 110	7 100	6 400				
Vote 7 - Financial Services		1 870	150	150				
0		-	-	-				
0		-	-	-				
0		-	-	-				
0		-	-	-				
0		-	-	-				
0		-	-	-				
0		-	-	-				
0		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		418 057	319 514	226 873	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Office of the Municipal Manager								
Vote 2 - Planning and Development								
Vote 3 - Human Settlements and Property Management								
Vote 4 - Engineering Services								
Vote 5 - Community and Protection Services								
Vote 6 - Strategic and Corporate Services								
Vote 7 - Financial Services								
0								
0								
0								
0								
0								
0								
0								
0								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		418 057	319 514	226 873	-	-	-	-

WC024 Stellenbosch - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Total Project Estimate	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	4				6				
Parent municipality:									
<i>List all capital projects grouped by Municipal Vote</i>									
Engineering Serv	Electricity	Energy Efficiency and Demand Side Management	712 972 302		Yes	29 236	7 236	10 000	12 000
Engineering Serv	Electricity	Golf - Technopark 11kv cable	712 973 459		Yes	18 000	-	-	18 000
Engineering Serv	Electricity	Integrated National Electrification Programme	712 972 574		Yes	15 000	1 500	4 000	7 000
Engineering Serv	Electricity	Integrated National Electrification Programme	712 972 574		Yes	2 500	2 500	-	-
Engineering Serv	Electricity	Network Cable Replace 11 Kv	712 972 287		Yes	6 000	3 000	1 500	1 500
Engineering Serv	Electricity	General Systems Improvements - Stellenbosch	712 972 285		Yes	10 700	3 200	3 500	4 000
Engineering Serv	Electricity	Electricity Network: Pniel	712 972 310		Yes	10 300	10 300	-	-
Engineering Serv	Electricity	Franshoek - Hugentoe feeder cables	712 973 166		Yes	8 000	-	-	8 000
Engineering Serv	Electricity	Franshoek: New Groendal 2 Sub: Substation	712 973 182		Yes	5 000	2 000	3 000	-
Engineering Serv	Electricity	Specialized Vehicles	712 972 575		Yes	3 000	1 500	1 500	-
Engineering Serv	Electricity	System Control Centre & Upgrade Telemetry	712 972 286		Yes	4 000	1 500	1 500	1 000
Engineering Serv	Electricity	Paradyskloof & Surrounding Area- Switchgear	712 972 314		Yes	4 000	-	-	4 000
Engineering Serv	Electricity	Infrastructure Improvement - Franshoek	712 972 297		Yes	3 500	1 500	2 000	-
Engineering Serv	Electricity	General System Improvements - Franschhoek	712 972 299		Yes	3 400	1 200	1 200	1 000
Engineering Serv	Electricity	Replace Switchgear 66 Kv	712 972 306		Yes	3 000	1 500	1 500	-
Engineering Serv	Electricity	Vehicle Fleet	712 972 303		Yes	1 800	600	600	600
Engineering Serv	Electricity	Upgrade Groendal feeders	712 973 158		Yes	2 700	2 700	-	-
Engineering Serv	Electricity	Franschhoek - Cable Network	712 972 298		Yes	2 100	600	700	800
Engineering Serv	Electricity	DSM Geyser Control	712 972 309		Yes	2 000	750	750	500
Engineering Serv	Electricity	Replace Control Panels 66 Kv	712 972 307		Yes	2 000	1 000	1 000	-
Engineering Serv	Electricity	Replace Switchgear - Franschhoek	712 972 300		Yes	2 000	1 000	1 000	-
Engineering Serv	Electricity	Construction and Maintenance Of Municipal	712 972 294		Yes	1 700	700	500	500
Engineering Serv	Electricity	Replace Ineffective Meters & Energy Balancing	712 972 301		Yes	1 300	400	400	500
Engineering Serv	Electricity	Buildings & Facilities Electrical Supply - Stellenbosch	712 972 282		Yes	1 300	300	500	500
Engineering Serv	Electricity	Meter Panels	712 972 289		Yes	1 200	350	350	500
Engineering Serv	Electricity	Automatic Meter Reader	712 972 290		Yes	1 050	350	350	350
Engineering Serv	Electricity	Streetlighting: Wemmershoek Intersection	712 972 311		Yes	1 000	1 000	-	-
Engineering Serv	Electricity	Beltana Depot	712 972 315		Yes	1 000	-	1 000	-
Engineering Serv	Electricity	Isolators	712 972 313		Yes	800	400	400	-
Engineering Serv	Electricity	Energy Balancing Between Metering and Meters	712 972 288		Yes	750	250	250	250

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Total Project Estimate	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	4				6				
Engineering Serv	Electricity	Upgrade Engineering Fac feeders	712 973 159		Yes	600	600	-	-
Engineering Serv	Electricity	Small Capital: Fte Electrical Engineering Ser	712 972 283		Yes	580	180	200	200
Engineering Serv	Electricity	Replace Busbars 66 Kv	712 972 308		Yes	500	500	-	-
Engineering Serv	Electricity	Streetlighting: Kylemore Entrance	712 972 295		Yes	500	500	-	-
Engineering Serv	Electricity	Ad-Hoc Provision of Streetlighting	712 972 284		Yes	450	100	150	200
Engineering Serv	Electricity	Jan Marais Upgrade Transformers	#N/A		Yes	18 000		18 000	
Engineering Serv	Electricity	Data Network	#N/A		Yes	1 000	1 000	-	-
Engineering Serv	Electricity	Ward 8: Upgrading of streetlights	new		Yes	100	100	-	-
Engineering Serv	Electricity	Ward 15: Upgrading of streetlights	new		Yes	40	40	-	-
Engineering Serv	Electricity	Ward 21: Upgrading of streetlights	new		Yes	60	60	-	-
Engineering Serv	Engineering Services: General	Update of Engineering Infrastructure GIS Da	712 972 380		Yes	600	200	200	200
Engineering Serv	Engineering Services: General	Scanning and georeferencing of As-Built pla	712 972 379		Yes	350	150	-	200
Engineering Serv	Engineering Services: General	Furniture, Tools & Equipment	712 972 378		Yes	330	110	110	110
Engineering Serv	Roads and Stormwater	Longlands Vlotenburg: Infrastructure - Roa	712 973 476		Yes	10 600	600	10 000	-
Engineering Serv	Roads and Stormwater	Reconstruction Of Roads - WC024	712 972 391		Yes	8 000	2 000	2 000	4 000
Engineering Serv	Roads and Stormwater	Reseal Roads- Franschoek CBD	712 972 586		Yes	4 000	2 000	-	2 000
Engineering Serv	Roads and Stormwater	Upgrade Gravel Roads - Klapmuts : Section	712 973 380		Yes	4 000	4 000	-	-
Engineering Serv	Roads and Stormwater	Upgrading Banghoek Street	712 972 396		Yes	1 100	-	100	1 000
Engineering Serv	Roads and Stormwater	Upgrade Gravel Roads - Wemmershoek	712 972 419		Yes	2 500	-	2 500	
Engineering Serv	Roads and Stormwater	Reseal Roads - Kayamandi & Surrounding	712 972 405		Yes	2 500	2 500	-	-
Engineering Serv	Roads and Stormwater	Upgrade Gravel Roads - Johannesburg, Pniel	712 973 379		Yes	2 500	2 500	-	-
Engineering Serv	Roads and Stormwater	Reseal Roads - Groendal & Surrounding	712 972 403		Yes	2 500	2 500	-	-
Engineering Serv	Roads and Stormwater	Reseal Roads - Cloeteville & Surrounding	712 972 398		Yes	2 250	-	-	2 250
Engineering Serv	Roads and Stormwater	Reseal Roads - Onderpapegaaï & Surround	712 972 397		Yes	2 250	-	-	2 250
Engineering Serv	Roads and Stormwater	Upgrade Stormwater	712 972 395		Yes	2 200	700	500	1 000
Engineering Serv	Roads and Stormwater	Reseal Roads - Brandwacht & Surrounding	712 972 402		Yes	2 000	2 000	-	-
Engineering Serv	Roads and Stormwater	Reseal Roads - Idasvalley & Surrounding	712 972 399		Yes	2 000	-	-	2 000
Engineering Serv	Roads and Stormwater	Reseal Roads - Die Boord & Surrounding	712 972 404		Yes	2 000	2 000	-	-
Engineering Serv	Roads and Stormwater	Reseal Roads - Paradyskloof & Surrounding	712 972 400		Yes	2 000	-	-	2 000
Engineering Serv	Roads and Stormwater	Sidewalk Implementation	712 973 404		Yes	1 800	600	600	600
Engineering Serv	Roads and Stormwater	Reseal Roads - Klapmuts, Raithby, Meerlus	712 972 406		Yes	1 750	-	1 750	-
Engineering Serv	Roads and Stormwater	Reseal Roads - Johannesburg, Pniel, Lanque	712 972 409		Yes	1 750	-	1 750	-
Engineering Serv	Roads and Stormwater	Upgrade Gravel Roads- Jamestown	712 972 426		Yes	1 000	300	500	200

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Total Project Estimate	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	4				6				
Engineering Serv	Roads and Stormwater	Furniture, Tools and Equipment : Tr&Stw	712 972 411		Yes	900	300	300	300
Engineering Serv	Roads and Stormwater	Update Pavement Management System	712 972 401		Yes	700	-	-	700
Engineering Serv	Roads and Stormwater	River Rehabilitation	712 972 474		Yes	500	500	-	-
Engineering Serv	Roads and Stormwater	Upgrade Roads - Techno Park Access Road	712 973 385		Yes	400	400	-	-
Engineering Serv	Roads And Stormwater	Lanquedoc Access road and Bridge	#N/A		Yes	3 200	600	600	2 000
Engineering Serv	Roads And Stormwater	Upgrade Gravel Roads Lamotte and Fransc	#N/A		Yes	4 500		2 500	2 000
Engineering Serv	Sanitation	153 Extention Of WWTW: Stellenbosch	712 972 390		Yes	91 277	81 277	10 000	-
Engineering Serv	Sanitation	112 New Plankenburg Main Outfall Sewer	712 972 487		Yes	50 500	23 856	26 644	-
Engineering Serv	Sanitation	150 Upgrade of WWTW: Pniel & Decommis	712 972 388		Yes	36 000	1 000	20 000	15 000
Engineering Serv	Sanitation	110 Bulk Sewer Outfall: Jamestown	712 972 494		Yes	14 223	7 867	6 356	-
Engineering Serv	Sanitation	110 Bulk Sewer Outfall: Jamestown	712 972 494		Yes	16 277	5 633	3 644	7 000
Engineering Serv	Sanitation	115 Idas Valley Merriman Outfall Sewer	712 972 498		Yes	20 000	8 000	12 000	-
Engineering Serv	Sanitation	151 Upgrade of WWTW: Klappmuts	712 972 389		Yes	11 500	-	-	11 500
Engineering Serv	Sanitation	114 Sewerpipe Replacement	712 972 489		Yes	4 500	1 500	1 500	1 500
Engineering Serv	Sanitation	100 New Development Bulk Sewer Supply V	712 972 704		Yes	4 000	2 000	1 000	1 000
Engineering Serv	Sanitation	120 Specialized vehicle: Jet Machine	712 973 371		Yes	3 200	3 200	-	-
Engineering Serv	Sanitation	152 Upgrade of WWTW Wemmershoek	712 972 585		Yes	3 000	3 000	-	-
Engineering Serv	Sanitation	113 Sewer Pumpstation & Telemetry Upgrad	712 972 488		Yes	1 500	500	500	500
Engineering Serv	Sanitation	154 Refurbish Plant & Equipment - Raithby	712 972 384		Yes	1 000	1 000	-	-
Engineering Serv	Sanitation	111 Sewerpipe Replacement: Dorp Straat	712 973 372		Yes	1 000	-	-	1 000
Engineering Serv	Sanitation	131 Update Sewer Masterplan and IMQS	712 973 289		Yes	750	250	250	250
Engineering Serv	Sanitation	160 Furniture, Tools and Equipment	712 973 427		Yes	600	200	200	200
Engineering Serv	Sanitation	162 Upgrade Auto-Samplers	712 972 387		Yes	500	250	250	-
Engineering Serv	Solid Waste Management	Vehicles	712 972 375		Yes	5 400	2 700	2 700	-
Engineering Serv	Solid Waste Management	Major Drop-Offs : Construction - Franschoe	712 972 371		Yes	10 000	3 000	7 000	-
Engineering Serv	Solid Waste Management	Stellenbosch WC024 (MRF/Drop Off) - Cons	712 973 454		Yes	15 000	3 000	6 000	6 000
Engineering Serv	Solid Waste Management	Transfer Station: Stellenbosch Planning and	712 973 451		Yes	5 000	500	500	4 000
Engineering Serv	Solid Waste Management	Upgrade Refuse disposal site (Existing Cell)	712 972 579		Yes	3 500	1 500	1 000	1 000
Engineering Serv	Solid Waste Management	Waste Minimization Projects	712 972 367		Yes	2 000	500	1 000	500
Engineering Serv	Solid Waste Management	Landfill Gas To Energy	712 972 377		Yes	500		-	500
Engineering Serv	Solid Waste Management	Waste to Food	712 972 382		Yes	400	400	-	-
Engineering Serv	Solid Waste Management	Skips (5,5Kl)	712 972 369		Yes	350	200	150	-
Engineering Serv	Solid Waste Management	Waste Management Software	712 972 383		Yes	200	-	-	200

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Total Project Estimate	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	4				6				
Engineering Serv	Solid Waste Management	Furniture, Tools and Equipment : Solid Was	712 972 370		Yes	105	35	35	35
Engineering Serv	Solid Waste Management	Mini Waste drop-off facilities at inf. Settleme	712 973 449		Yes	100	-	-	100
Engineering Serv	Solid Waste Management	Waste Biofuels	712 972 376		Yes	50	-	-	50
Engineering Serv	Traffic Engineering	Main Road Intersection Improvements: Fran	712 972 472		Yes	4 330	930	1 700	1 700
Engineering Serv	Traffic Engineering	Main Road Intersection Improvements: R44	712 972 453		Yes	2 370	2 120	250	-
Engineering Serv	Traffic Engineering	Traffic Calming Master Plan: Design - WC02	712 972 469		Yes	750	250	250	250
Engineering Serv	Traffic Engineering	Traffic Management Improvement Programr	712 972 460		Yes	1 500	500	500	500
Engineering Serv	Traffic Engineering	Traffic Signal Control: Upgrading of Traffic S	712 972 393		Yes	1 425	475	450	500
Engineering Serv	Traffic Engineering	Pedestrian Crossing Implementation	-		Yes	1 250	150	100	1 000
Engineering Serv	Traffic Engineering	Main Road Intersection Improvements: Fran	712 972 449		Yes	376	376	-	-
Engineering Serv	Traffic Engineering	Main Road Intersection Improvements: Fran	712 972 449		Yes	824	324	200	300
Engineering Serv	Traffic Engineering	Traffic Calming Projects: Implementation	712 972 433		Yes	1 150	150	500	500
Engineering Serv	Traffic Engineering	Directional Information Signage	712 972 392		Yes	845	750	75	20
Engineering Serv	Traffic Engineering	Specialized Vehicle	712 972 435		Yes	650	650	-	-
Engineering Serv	Traffic Engineering	Signalisation implementation	712 973 397		Yes	625	225	200	200
Engineering Serv	Traffic Engineering	Road Transport Safety Master Plan - WC02	712 972 448		Yes	600	200	150	250
Engineering Serv	Traffic Engineering	Universal Access Implementation	712 973 403		Yes	600	500	50	50
Engineering Serv	Traffic Engineering	Main Road Intersection Improvements Helst	712 972 434		Yes	1 500	1 500	-	-
Engineering Serv	Traffic Engineering	Helshoogte Road/ Cluver Road/ Rustenburg	new		Yes	2 500	2 500	-	-
Engineering Serv	Traffic Engineering	Main Road Intersection Improvements:Pniel	712 972 454		Yes	400	-	400	-
Engineering Serv	Traffic Engineering	Specialised Equipment: Roadmarking Mach	712 972 457		Yes	300	300	-	-
Engineering Serv	Traffic Engineering	Furniture, Tools and Equipment : Traffic Eng	712 972 456		Yes	300	100	100	100
Engineering Serv	Traffic Engineering	Asset Management - Implement Traffic Calm	712 972 459		Yes	200	200	-	-
Engineering Serv	Traffic Engineering	Asset Management - Update Roads Signs N	712 972 458		Yes	200	100	100	-
Engineering Serv	Traffic Engineering	Ward 1: Infrastructure Improvement Program	new		Yes	40	40	-	-
Engineering Serv	Traffic Engineering	Ward 1: Infrastructure Improvement Program	new		Yes	40	40	-	-
Engineering Serv	Traffic Engineering	Ward 1: Infrastructure Improvement Program	new		Yes	40	40	-	-
Engineering Serv	Traffic Engineering	Ward 6: Infrastructure Improvement Program	new		Yes	100	100	-	-
Engineering Serv	Traffic Engineering	Ward 7: Infrastructure Improvement Program	new		Yes	60	60	-	-
Engineering Serv	Traffic Engineering	Ward 11: Infrastructure Improvement Progra	new		Yes	100	100	-	-
Engineering Serv	Traffic Engineering	Ward 12: Infrastructure Improvement Progra	new		Yes	30	30	-	-
Engineering Serv	Traffic Engineering	Ward 12: Infrastructure Improvement Progra	new		Yes	30	30	-	-
Engineering Serv	Traffic Engineering	Ward 13: Infrastructure Improvement Progra	new		Yes	40	40	-	-

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Total Project Estimate	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	4				6				
Engineering Serv	Traffic Engineering	Ward 17: Infrastructure Improvement Progra	new		Yes	25	25	-	-
Engineering Serv	Traffic Engineering	Ward 18: Infrastructure Improvement Progra	new		Yes	10	10	-	-
Engineering Serv	Transport Planning	Klapmuts Public Transport Interchange	712 972 416		Yes	5 287	5 287	-	-
Engineering Serv	Transport Planning	Khayamandi Pedestrian Crossing (R304, Ri	712 972 431		Yes	5 000	1 000	4 000	-
Engineering Serv	Transport Planning	Pedestrian and Cycle Paths	712 972 447		Yes	4 000	2 000	1 000	1 000
Engineering Serv	Transport Planning	Taxi Rank - Franschhoek	712 972 415		Yes	3 500	1 000	2 500	-
Engineering Serv	Transport Planning	Add Bays To Bergzicht Taxi Rank and Holdi	712 972 468		Yes	3 000	3 000	-	-
Engineering Serv	Transport Planning	Taxi Rank - Kayamandi	712 972 414		Yes	1 500	500	500	500
Engineering Serv	Transport Planning	Update Roads Master Plan for WC024	712 973 412		Yes	700	700	-	-
Engineering Serv	Transport Planning	Comprehensive Intergrated Transport Maste	712 972 412		Yes	1 800	600	600	600
Engineering Serv	Transport Planning	Tour Bus Parking Study	712 972 438		Yes	1 000	700	150	150
Engineering Serv	Transport Planning	Bus and Taxi Shelters	712 972 417		Yes	700	200	250	250
Engineering Serv	Transport Planning	Bicycle Lockup Facilities	712 972 422		Yes	500	200	200	100
Engineering Serv	Transport Planning	Annual OLS Revision	712 972 413		Yes	500	150	150	200
Engineering Serv	Water	106 Bulk Water Supply Pipe Reservoir: Dwa	712 972 480		Yes	38 000	19 000	19 000	-
Engineering Serv	Water	103 Bulk Water Supply Pipeline & Reservoir	712 972 478		Yes	21 500	1 500	1 000	19 000
Engineering Serv	Water	120 Waterpipe Replacement	712 972 477		Yes	18 000	6 000	6 000	6 000
Engineering Serv	Water	109 Water Treatment Works: Paradyskloof	712 972 481		Yes	26 000	20 000	6 000	-
Engineering Serv	Water	112 New 5 MI Reservoir: Cloetesville	712 972 482		Yes	1 500	500	1 000	-
Engineering Serv	Water	117 Water Conservation & Demand Manag	712 972 484		Yes	6 000	2 000	2 000	2 000
Engineering Serv	Water	104 Bulk water supply pipe and Reservoir: K	712 972 594		Yes	1 000	-	1 000	-
Engineering Serv	Water	119 New Developments Bulk Water Supply	712 972 479		Yes	6 000	2 000	2 000	2 000
Engineering Serv	Water	105 Bulk water supply Klapmuts	712 973 356		Yes	9 000	1 000	8 000	-
Engineering Serv	Water	107 Bulk Water Supply Pipe: Idas Valley/Pa	712 972 492		Yes	6 000	-	1 000	5 000
Engineering Serv	Water	118 Reservoirs and Dam Safety	712 972 485		Yes	4 500	1 500	1 500	1 500
Engineering Serv	Water	123 Upgrade and Replace Water Meters	712 972 486		Yes	4 500	1 500	1 500	1 500
Engineering Serv	Water	108 Water Treatment Works: Idasvalley	712 972 497		Yes	3 000	1 000	1 000	1 000
Engineering Serv	Water	124 Vehicles	712 972 495		Yes	3 000	1 000	1 000	1 000
Engineering Serv	Water	115 Storage Dam and Reservoir Upgrade	712 972 493		Yes	3 000	1 000	1 000	1 000
Engineering Serv	Water	116 Chlorination Installation: Upgrade	712 972 483		Yes	1 500	500	500	500
Engineering Serv	Water	121 Water Telemetry Upgrade	712 972 476		Yes	1 500	500	500	500
Engineering Serv	Water	New Reservoir: Polkadraai	712 973 442		Yes	1 000	1 000	-	-
Engineering Serv	Water	Provision of Services Jonkershoek: Planning	-		Yes	1 000	1 000	-	-

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Total Project Estimate	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	4				6				
Engineering Serv	Water	125 Update Water Masterplan and IMQS	712 972 496		Yes	750	250	250	250
Engineering Serv	Water	113 New 1 ML Raithby Reservoir Planning &	712 973 384		Yes	400	400	-	-
Engineering Serv	Water	122 Furniture, Tools and Equipment : Reticu	712 972 490		Yes	300	100	100	100
Engineering Serv	Water	Relocation/Upgrading main water supply line	712 972 594		Yes	15 100	15 100	-	-
Community & Protection Serv	Cemeteries	Extension of Cemetery Infrastructure	712 972 247		Yes	500	500	-	-
Community & Protection Serv	Cemeteries	Cemeteries: Purchase of Specialised Equipm	712 972 248		Yes	40	20	20	-
Community & Protection Serv	Events & Fleet	Events & Fleet: Furniture Tools and Equipm	712 972 343		Yes	70	50	20	-
Community & Protection Serv	Fire and Rescue Services	Upgrading of Stellenbosch Fire Station	712 973 306		Yes	1 500	1 000	500	-
Community & Protection Serv	Fire and Rescue Services	Upgrading and or Replacement of Fire Alarm	712 973 310		Yes	1 000	1 000	-	-
Community & Protection Serv	Fire and Rescue Services	Rescue equipment	712 973 300		Yes	500	100	100	300
Community & Protection Serv	Fire and Rescue Services	Safeguarding of premises	712 973 303		Yes	300	100	100	100
Community & Protection Serv	Fire and Rescue Services	Replacement of Extention Ladders	712 972 322		Yes	250	250	-	-
Community & Protection Serv	Fire and Rescue Services	Fire Services JoC	712 973 304		Yes	-	800	-	-
Community & Protection Serv	Fire and Rescue Services	Rescue Equipment	712 972 319		Yes	300	100	100	100
Community & Protection Serv	Fire and Rescue Services	Safeguarding of Premises	712 972 320		Yes	200	100	100	-
Community & Protection Serv	Fire and Rescue Services	Ward 12: Fire Equipment	new		Yes	30	30	-	-
Community & Protection Serv	Fire and Rescue Services	Ward 13: Fire Equipment	new		Yes	10	10	-	-
Community & Protection Serv	Law Enforcement and Security	Law Enforcement Tools and Equipment	712 972 336		Yes	1 350	500	500	350
Community & Protection Serv	Law Enforcement and Security	Install and Upgrade CCTV Cameras In WCO	712 972 316		Yes	1 500	1 000	500	500
Community & Protection Serv	Law Enforcement and Security	Law Enforcement: Vehicle Fleet	712 972 344		Yes	1 000	500	500	-
Community & Protection Serv	Law Enforcement and Security	Install Computerized Access Security System	712 972 335		Yes	900	300	300	300
Community & Protection Serv	Law Enforcement and Security	Security Upgrades	712 972 341		Yes	600	200	200	200
Community & Protection Serv	Law Enforcement and Security	Furniture Tools and Equipment	712 972 338		Yes	150	75	75	-
Community & Protection Serv	Law Enforcement and Security	Ward 8: Safety and Security Improvement P	new		Yes	100	100	-	-
Community & Protection Serv	Law Enforcement and Security	Ward 12: Safety and Security Improvement	new		Yes	30	30	-	-
Community & Protection Serv	Law Enforcement and Security	Ward 15: Safety and Security Improvement	new		Yes	50	50	-	-
Community & Protection Serv	Law Enforcement and Security	Ward 16: Safety and Security Improvement	new		Yes	20	20	-	-
Community & Protection Serv	Law Enforcement and Security	Ward 19: Safety and Security Improvement	new		Yes	60	60	-	-
Community & Protection Serv	Law Enforcement and Security	Ward 22: Safety and Security Improvement	new		Yes	120	120	-	-
Community & Protection Serv	Libraries	Upgrading: Pniel Library	712 972 263		Yes	400	400	-	-
Community & Protection Serv	Libraries	Library Books	712 972 250		Yes	285	140	145	-

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Total Project Estimate	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	4				6				
Community & Protection Serv	Libraries	Franschhoek: Furniture Tools and Equipmen	712 972 264		Yes	140	80	60	-
Community & Protection Serv	Libraries	Upgrading: Kayamandi Library	712 972 261		Yes	120	60	60	-
Community & Protection Serv	Libraries	Upgrading: Cloetesville Library	712 972 259		Yes	120	60	60	-
Community & Protection Serv	Libraries	Upgrading: Idas Valley Library	712 972 257		Yes	100	100	-	-
Community & Protection Serv	Libraries	Cloetesville: Furniture, Tools and Equipmen	712 972 260		Yes	35	20	15	-
Community & Protection Serv	Libraries	Pniel: Furniture, Tools and Equipment	712 972 262		Yes	5	5	-	-
Community & Protection Serv	Halls	Ward 9: Upgrading of halls	new		Yes	200	200	-	-
Community & Protection Serv	Nature Conservation	Papegaaiberg Nature Reserve	712 973 490		Yes	1 350	450	450	450
Community & Protection Serv	Nature Conservation	Idas Valley Dam: Adventure Tourism	712 973 487		Yes	1 350	450	450	450
Community & Protection Serv	Nature Conservation	Berg River Dam: Adventure Tourism	712 973 489		Yes	1 350	450	450	450
Community & Protection Serv	Parks, Rivers & Area Cleaning	Purchase of Specialised Equipment	712 972 209		Yes	100	50	50	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Furniture, Tools and Equipment	712 972 210		Yes	100	50	50	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Ward 3: Upgrading of Parks and Open Area	new		Yes	40	40	-	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Ward 5: Upgrading of Parks and Open Area	new		Yes	120	120	-	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Ward 7: Upgrading of Parks and Open Area	new		Yes	20	20	-	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Ward 7: Upgrading of Parks and Open Area	new		Yes	20	20	-	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Ward 7: Upgrading of Parks and Open Area	new		Yes	20	20	-	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Ward 11: Upgrading of Parks and Open Area	new		Yes	80	80	-	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Ward 13: Upgrading of Parks and Open Area	new		Yes	60	60	-	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Ward 16: Upgrading of Parks and Open Area	new		Yes	100	100	-	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Ward 17: Upgrading of Parks and Open Area	new		Yes	75	75	-	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Ward 20: Upgrading of Parks and Open Area	new		Yes	60	60	-	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Upgrade of Sport Facilities	712 972 227		Yes	17 252	5 454	5 745	6 053
Community & Protection Serv	Sports Grounds and Picnic Sites	Skate Board Park: CBD	712 973 497		Yes	750	750	-	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Building Ablution Facilities: Lanquedoc Spor	712 972 230		Yes	350	350	-	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Sight Screens/Pitch Covers Sports Grounds	712 972 224		Yes	300	150	150	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Borehole: Rural Sportsgrounds	712 972 221		Yes	600	300	300	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Re-Surface of Netball/Tennis Courts	712 972 223		Yes	400	200	200	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Sport: Community Services Special Equipm	712 972 205		Yes	350	150	200	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Recreational Equipment Sport	712 972 241		Yes	90	30	30	30
Community & Protection Serv	Sports Grounds and Picnic Sites	Upgrade of Irrigation System	712 972 225		Yes	300	100	100	100
Community & Protection Serv	Sports Grounds and Picnic Sites	Ward 2: Upgrading of Sports Facilities	new		Yes	80	80	-	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Ward 3: Upgrading of Sports Facilities	new		Yes	40	40	-	-

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Total Project Estimate	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	4				6				
Community & Protection Serv	Sports Grounds and Picnic Sites	Ward 4: Upgrading of Sports Facilities	new		Yes	120	120	-	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Ward 18: Upgrading of Sports Facilities	new		Yes	90	90	-	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Ward 19: Upgrading of Sports Facilities	new		Yes	60	60	-	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Ward 20: Upgrading of Sports Facilities	new		Yes	60	60	-	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Ward 21: Upgrading of Sports Facilities	new		Yes	20	20	-	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Ward 21: Upgrading of Sports Facilities	new		Yes	20	20	-	-
Community & Protection Serv	Sports Grounds and Picnic Sites	Ward 21: Upgrading of Sports Facilities	new		Yes	20	20	-	-
Community & Protection Serv	Traffic Services	Replacement of Patrol Vehicles	712 972 327		Yes	1 100	500	600	-
Community & Protection Serv	Traffic Services	Upgrading Drivers License Testing Centre	712 972 328		Yes	300	300	-	-
Community & Protection Serv	Traffic Services	Furniture, Tools & Equipment	712 972 325		Yes	360	120	120	120
Community & Protection Serv	Traffic Services	Mobile Radios	712 972 330		Yes	100	-	100	-
Community & Protection Serv	Traffic Services	Alcohol Screeners	712 972 332		Yes	90	30	30	30
Community & Protection Serv	Traffic Services	Upgrading Traffic Parking Area			Yes	400	400	-	-
Community & Protection Serv	Traffic Services	Upgrading Traffi Building			Yes	350	350	-	-
Community & Protection Serv	Traffic Services	New Learner's Class			Yes	500	500	-	-
Community & Protection Serv	Urban Greening	Urban Greening: Beautification: Main Routes	712 972 217		Yes	450	150	150	150
Community & Protection Serv	Urban Greening	Nature Conservation and Environmental: FT	712 973 256		Yes	100	50	50	-
Community & Protection Serv	Urban Greening	Furniture, Tools and Equipment	712 973 237		Yes	130	80	50	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Purchase of Specialised Vehicles	712 972 208		Yes	1 150	700	450	-
Community & Protection Serv	Parks, Rivers & Area Cleaning	Upgrading of Parks (CP3 create project)	712 972 213		Yes	2 100	700	700	700
Planning and Development	Community Development	Night Shelter Facilities	712 973 365		Yes	120	-	-	120
Planning and Development	Community Development	Furniture Tools and Equipment	712 972 188		Yes	108	63	15	30
Planning and Development	Community Development	ECD Facilities	712 973 364		Yes	100	-	-	100
Planning and Development	Local Economic Development	Local Economic Development Hubs	712 973 246		Yes	2 000	1 000	1 000	-
Planning and Development	Local Economic Development	Upgrading of the Kayamandi Economic Tou	712 973 363		Yes	1 500	1 500	-	-
Planning and Development	Local Economic Development	Establishment of Informal Trading Sites: Kla	712 973 274		Yes	900	100	800	-
Planning and Development	Local Economic Development	Establishment of informal trading markets C	712 972 563		Yes	700	700	-	-
Planning and Development	Local Economic Development	Establishment of Informal Trading Sites: Gro	712 973 275		Yes	570	70	500	-
Planning and Development	Local Economic Development	Establishment of Informal Trading Sites: Ge	712 973 272		Yes	500	500	-	-
Planning and Development	Local Economic Development	Vehicles	712 972 190		Yes	250	250	-	-
Planning and Development	Local Economic Development	Furniture tools and equipment	712 973 243		Yes	73	73	-	-
Planning and Development	Planning and Development	eBikes for EDP	712 973 287		Yes	112	112	-	-

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Total Project Estimate	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	4				6				
Planning and Development	Planning and Development	Furniture, Tools and Equipment	712 972 187		Yes	40	20	20	-
Planning and Development	Spatial Planning, Heritage & Environment	Purchase of Land- Cemeteries	712 972 189		Yes	900	900	-	-
Planning and Development	Spatial Planning, Heritage & Environment	Sound Level Meter and Calibrator	712 973 253		Yes	105	105	-	-
Financial Services	Financial Services: General	Furniture, Tools & Equipment	712 972 505		Yes	450	150	150	150
Financial Services	Financial Services: General	Upgrading of Municipal Stores	712 972 508		Yes	1 500	1 500	-	-
Financial Services	Financial Services: General	Vehicle Fleet	712 972 506		Yes	220	220	-	-
Strategic and Corporate Services	Information and Communication Technology	Upgrade and Expansion of IT Infrastructure	712 972 509		Yes	4 700	2 800	1 300	1 300
Strategic and Corporate Services	Information and Communication Technology	Purchase and Replacement of Computer/software	712 972 510		Yes	1 800	800	600	600
Strategic and Corporate Services	Information and Communication Technology	Public WI-FI Network	712 972 511		Yes	1 400	700	700	-
Strategic and Corporate Services	Municipal Court	Establishment of Holding Cells			Yes	300	300	-	-
Strategic and Corporate Services	Municipal Court	Fireproofing of record room			Yes	50	50	-	-
Strategic and Corporate Services	Strategic and Corporate Services: General	Furniture Tools and Equipment	712 972 499		Yes	300	100	100	100
Strategic and Corporate Services	Strategic and Corporate Services: General	Ward 2: Billboards	New		Yes	40	40	-	-
Strategic and Corporate Services	Strategic and Corporate Services: General	Ward 3: Mobile container	New		Yes	40	40	-	-
Strategic and Corporate Services	Strategic and Corporate Services: General	Ward 6: FTE	New		Yes	20	20	-	-
Strategic and Corporate Services	Strategic and Corporate Services: General	Ward 10: Office Equipment	New		Yes	120	120	-	-
Strategic and Corporate Services	Strategic and Corporate Services: General	Ward 14: Resource Centre	New		Yes	90	90	-	-
Strategic and Corporate Services	Strategic and Corporate Services: General	Ward 14: Resource Centre	New		Yes	20	20	-	-
Strategic and Corporate Services	Strategic and Corporate Services: General	Ward 15: Computer Equipment	New		Yes	30	30	-	-
Human Settlements	Property Management	Flats: Terrain Improvements Kayamandi	712 973 325		Yes	600	-	-	600
Human Settlements	Housing Admin	Furniture, Tools and Equipment: Housing Admin	712 972 272		Yes	50	30	20	-
Human Settlements	Human Settlements	Computer - Hardware/Equipment: Human Settlements	712 972 271		Yes	55	25	30	-
Human Settlements	Human Settlements	Furniture, Tools and Equipment: Human Settlements	712 972 569		Yes	40	20	20	-
Human Settlements	Informal Settlements	Basic Improvements: Langrug	712 972 572		Yes	6 200	1 900	3 500	800
Human Settlements	Informal Settlements	Mountainview - Installation of water and sewerage	712 973 344		Yes	2 600	2 000	500	100
Human Settlements	Informal Settlements	Enkanini subdivision, consolidation and rezoning	712 973 342		Yes	2 000	2 000	-	-
Human Settlements	Informal Settlements	Enkanini ABS	712 973 221		Yes	750	250	250	250
Human Settlements	Informal Settlements	Langrug ABS	712 973 222		Yes	750	250	250	250
Human Settlements	Informal Settlements	Furniture, Tools and Equipment	712 973 352		Yes	100	60	20	20
Human Settlements	New Housing	Kylemore	New		Yes	948	-	509	440

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Total Project Estimate	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	4				6				
Human Settlements	Informal Settlements	Klapmuts ABS	New		Yes	500	100	300	100
Human Settlements	New Housing	Town Centre Stellenbosch (Social Housing)	712 972 275		Yes	500	-	500	-
Human Settlements	New Housing	Jamestown: Housing	712 973 470		Yes	1 061	-	530	530
Human Settlements	New Housing	Kayamandi: Watergang and Zone O	712 972 268		Yes	19 747	7 767	9 450	2 530
Human Settlements	New Housing	Kayamandi: Watergang and Zone O	712 972 268		Yes	2 000	-	-	2 000
Human Settlements	New Housing	Klapmuts: Erf 2181 (298 serviced sites)	712 972 270		Yes	7 500	-	5 000	2 500
Human Settlements	New Housing	Klapmuts: Erf 2181 (298 serviced sites)	712 972 270		Yes	2 500	-	2 500	-
Human Settlements	New Housing	Idas Valley (440) IRDP / FLISP	712 972 280		Yes	14 011	-	9 011	5 000
Human Settlements	New Housing	Idas Valley (11330)			Yes	16 000	16 000	-	-
Human Settlements	New Housing	Longlands Vlotenburg: Housing Internal Ser	712 972 266		Yes	4 000	-	2 000	2 000
Human Settlements	New Housing	La Motte Old Forest Station (329 Bng & 122	712 972 274		Yes	200	200	-	-
Human Settlements	New Housing	La Motte Old Forest Station (329 Bng & 122	712 972 274		Yes	2 000	-	-	2 000
Human Settlements	New Housing	Smartie Town, Cloetesville	712 972 267		Yes	4 900	1 500	3 400	-
Human Settlements	New Housing	Cloetesville IRDP	712 972 276		Yes	1 000	-	300	700
Human Settlements	New Housing	Northern Extension: Feasibility	712 972 277		Yes	2 000	-	1 000	1 000
Human Settlements	New Housing	Housing Projects: General (NEW)	712 972 278		Yes	900	200	200	500
Human Settlements	New Housing	Furniture, Tools and Equipment	712 972 279		Yes	60	20	20	20
Human Settlements	Property Management	New Community Hall Klapmuts	712 972 358		Yes	9 000	9 000	-	-
Human Settlements	Property Management	La Motte Clubhouse	712 972 361		Yes	100	100	-	-
Human Settlements	Property Management	Structural Improvement: General	712 972 195		Yes	2 500	1 500	1 000	-
Human Settlements	Property Management	Groendal Library	712 973 323		Yes	2 000	2 000	-	-
Human Settlements	Property Management	Kleine Libertas	712 972 365		Yes	2 200	200	2 000	-
Human Settlements	Property Management	Structural Upgrade: Heritage Building	712 972 357		Yes	750	250	250	250
Human Settlements	Property Management	Structural Improvement: Beltana	712 972 362		Yes	1 500	500	500	500
Human Settlements	Property Management	Upgrading of Lapland: Pipe Works	712 973 321		Yes	650	-	150	500
Human Settlements	Property Management	Universal Access: Plein Street Library	712 973 316		Yes	100	100	-	-
Human Settlements	Property Management	Revamp: Office Space Main Building	712 972 202		Yes	500	500	-	-
Human Settlements	Property Management	Van Der Stel Roof Replacement	712 972 364		Yes	600	600	-	-
Human Settlements	Property Management	Upgrading Fencing	712 972 363		Yes	600	200	200	200
Human Settlements	Property Management	Flats: Interior Upgrading	712 973 320		Yes	6 000	500	2 750	2 750
Human Settlements	Property Management	Flats: Cloetesville Fencing	712 973 319		Yes	550	550	-	-
Human Settlements	Property Management	Structural Upgrading: Community Hall La M	712 972 198		Yes	550	-	50	500
Human Settlements	Property Management	Vehicle Fleet	712 972 359		Yes	240	-	240	-

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Total Project Estimate	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	4				6				
Human Settlements	Property Management	Fire Department-Complex	712 972 273		Yes	250	250	-	-
Human Settlements	Property Management	Furniture Tools and Equipment: Property M	712 973 285		Yes	600	200	200	200
Human Settlements	Property Management	Van der Stel: Upgrading of water reticulation	712 973 314		Yes	50	-	-	50
Human Settlements	Property Management	Upgrading of Franschoek Municipal Offices	712 973 318		Yes	100	100	-	-
Human Settlements	Property Management	Beltana: Replacement of Roof - Community	712 973 311		Yes	50	-	-	50
Human Settlements	Property Management	Purchase of land	new		Yes	4 000	4 000	-	-
Municipal Manager	Municipal Manager	Furniture, tools & equip			Yes	105	35	35	35
Parent Capital expenditure	1						418 024	314 364	223 223

WC024 Stellenbosch - Supporting Table SA37 Projects delayed from previous financial year/s

Municipal Vote/Capital project	Ref.	Project name	Project number	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
	1,2			Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand							
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>							
Entities: <i>List all capital projects grouped by Municipal Entity</i>							
Entity Name <i>Project name</i>							

WC024 Stellenbosch - Supporting Table SA38 Consolidated detailed operational projects

Municipal Vote/Operational project	Ref	Program/Project description	2017/18 Medium Term Revenue & Expenditure Framework			Project information
			Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location
R thousand	4					
Parent municipality: <i>List all operational projects grouped by Municipal Vote</i>						
Operational:Typical Work Streams:NERSA: Custe		This project category record all costs related to work on customer applications, contracts, orders, credit investigations, billing and accounting, collections and complaints. These costs should include salaries and wages, stationery, postage, delivery expense and the charges for contract work performed by other parties engaged in these functions.	1 560	1 623	1 688	14f61e3b-23f9-49c3-88e2-02893d72085e
Operational:Maintenance:Non-infrastructure:Corre		Corrective Maintenance - emergency based for Machinery and Equipment.	8	8	9	408b0305-e4a6-452b-ad08-7199552afdb2
Operational:Municipal Running Cost		Any other expenditure not relating to a specific project for example general expenses relating to the daily running and operation of the municipality.	1 375 499	1 473 821	1 568 401	53d432c7-5d06-4d53-a785-f29995840060
Operational:Maintenance:Non-infrastructure:Preve		Preventative Maintenance - Interval based for Transport Assets.	300	312	325	8ddc6f45-4dde-4193-a410-f4849c293467
Operational:Maintenance:Non-infrastructure:Preve		Preventative Maintenance - Interval based for Machinery and Equipment.	26	27	29	9d6079f6-7c7f-41cb-ba33-a8b2b610ba03
Operational:Maintenance		All actions intender to ensure that an asset performs a required function to a specific performance standard(s) overs its expected useful life by keeping it in as near as practicable to its original condition, including regular recurring activities to keep the asset operating, but specifically excluding renewal. Maintenance also specifically excludes restoring the condition or performance of an asset following a recognised impairment event, which would be classified as either renewal or upgrading, depending on the circumstances.	99 766	103 757	107 907	b837bd18-2d0b-4b0e-a86c-267433dd7147
Operational:Maintenance:Non-infrastructure:Corre		Corrective Maintenance - emergency based for Furniture and Office Equipment.	580	604	628	cd143464-c4da-448d-9302-e7663bb655e8
Parent operational expenditure	1		1 477 741	1 580 152	1 678 986	

Q: QUALITY CERTIFICATE

I, Geraldine Mettler, Municipal Manager of the Stellenbosch Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

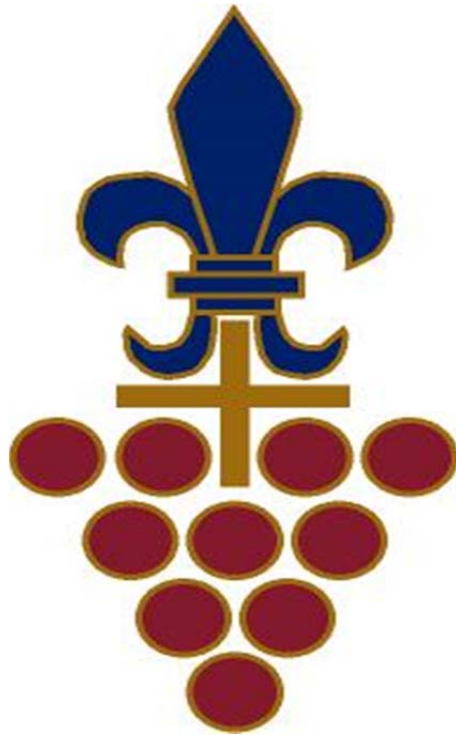
Name: Geraldine Mettler

Municipal Manager of Stellenbosch Municipality

Signature _____

Date _____

STELLENBOSCH MUNICIPALITY



**MONTHLY HOUSEHOLD AND
BUSINESS ACCOUNTS SCENARIOS**

2017/2018

MONTHLY HOUSEHOLD AND BUSINESS ACCOUNTS SCENARIOS BY MEANS OF RANDOM SAMPLE

SMALL HOUSEHOLD (NON- INDIGENT)		600202000	Erf 36	Monthly Account	Exc Vat 2015/2016	Exc Vat 2016/2017	Exc Vat 2017/2018
	Stand - sq.m	416		Property Rates	23.11	24.46	-
	Buildings - sq.m	57		Electricity - Units	266.93	286.83	296.60
	Elec. - Kwh/pm (Dom 2)	237		Water	99.72	106.68	114.20
	Electricity-Basic	Dom 2		Water Basic	49.35	52.81	56.50
	Water - Kl./pm	18		Sewerage	115.42	121.22	132.13
	Water-Basic	Domestic		Refuse Removal	119.76	127.20	138.65
R 144 000	Valuation	180 000.00		A/c Excluding VAT	674.29	719.20	738.08
	Free Water	0		% Increase		6.66%	2.63%
	Free Elec.	0		Effect on Municipal account		R 44.91	18.88

MEDIUM HOUSEHOLD		373420016	Erf 7018	Monthly Account	Exc Vat 2015/2016	Exc Vat 2016/2017	Exc Vat 2017/2018
	Stand - sq.m	626		Property Rates	264.84	280.28	249.66
	Buildings - sq.m (Dom 2)	189		Electricity - Units	772.17	844.97	873.73
	Elec. - Kwh/pm	598		Water	122.40	131.04	140.18
	Electricity-Basic	Dom 2		Water Basic	49.35	52.81	56.50
	Water - Kl./pm	21		Sewerage	144.33	151.58	165.23
	Water-Basic	Domestic		Refuse Removal	119.76	127.20	138.65
R 656 500	Valuation	864 000.00		A/c Excluding VAT	1 472.85	1 587.88	1 623.95
	Free Water	0		% Increase		7.81%	2.27%
	Free Elec.	0		Effect on Municipal account		R 115.03	36.07

MONTHLY HOUSEHOLD AND BUSINESS ACCOUNTS SCENARIOS BY MEANS OF RANDOM SAMPLE

LARGE HOUSEHOLD		70270004	Erf 1480	Monthly Account	Exc Vat 2015/2016	Exc Vat 2016/2017	Exc Vat 2017/2018
R 4 012 000	Stand - sq.m	1255		Property Rates	1 847.52	1 955.24	2 118.76
	Buildings - sq.m	293		Electricity - Basic	132.00	143.00	146.93
	Elec. - Kwh/pm	791		Electricity - Units	1 009.30	1 108.35	1 146.08
	Electricity-Basic	Regular Dom 4		Electricity Demand Levy			
	Water - Kl./pm	94		Water	1 381.02	1 508.36	1 613.70
	Water-Basic	Domestic		Water Basic	49.35	52.81	56.50
	Valuation	5 635 000.00		Sewerage	205.63	215.97	235.41
	Free Water	0		Refuse Removal	119.76	127.20	138.65
	Free Elec.	0		A/c Excluding VAT	4 744.58	5 110.93	5 456.03
				% Increase		7.72%	6.75%
				Effect on Municipal account		R 366.35	345.10

SMALL BUSINESS		441930003	Erf 8721	Monthly Account	Exc Vat 2015/2016	Exc Vat 2016/2017	Exc Vat 2017/2018
R 1 185 000	Stand - sq.m	500		Property Rates	1 118.84	1 185.00	1 552.59
	Buildings - sq.m	411		Electricity - Basic	225.00	243.00	251.27
	Elec. - Kwh/pm	783		Electricity - Units	1 256.32	1 352.32	1 398.36
	Electricity-Basic	Regular PP Com 3		Electricity Demand Levy			
	Water - Kl./pm	9		Water	122.94	131.49	140.76
	Water-Basic	Other		Water Basic	56.53	60.49	64.72
	Valuation	1 877 000.00		Sewerage	501.60	548.29	597.64
	Free Water	0		Refuse Removal	424.94	451.33	491.95
	Free Elec.	0		A/c Excluding VAT	3 706.17	3 971.92	4 497.29
				% Increase		7.17%	13.23%
				Effect on Municipal account		R 265.75	525.37

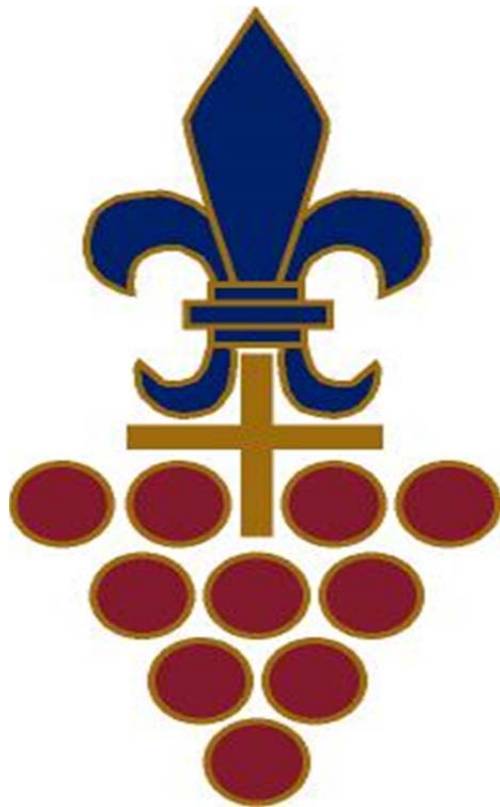
MONTHLY HOUSEHOLD AND BUSINESS ACCOUNTS SCENARIOS BY MEANS OF RANDOM SAMPLE

		Exc Vat	Exc Vat	Exc Vat		
INDUSTRIAL	341000004/107	Erf 6284	Monthly Account	2015/2016	2016/2017	2017/2018
	Stand - sq.m	252 802	Property Rates	158 808.83	168 200.00	149 569.10
	Buildings - sq.m	76 054	Electricity - Basic	2 735.00	2 945.00	3 045.13
	Elec. - Kwh/pm	664319	Electricity - Units	504 284.55	542 815.05	561 216.69
	Electricity-Basic	IND 2 /2581/2581	Electricity Demand Levy	596 211.00	642 669.00	657 148.41
	Water - Kl./pm	12453	Water	170 107.98	181 938.33	194 764.92
	Water-Basic	Other	Water Basic	56.53	60.49	62.72
R 168 200 000	Valuation	180 821 000.00	Sewerage	19 131.14	21 014.52	37 583.26
	Free Water	0	Refuse Removal	2 124.70	2 256.65	2 459.75
	Free Elec.	0	A/c Excluding VAT	1 453 459.73	1 561 899.04	1 605 849.98
			% Increase		7.46%	2.81%
			Effect on Municipal account		R 108 439.31	43 950.94

		Exc Vat	Exc Vat	Exc Vat		
Time of Use (Medium Voltage)	341000004/107	Erf 6284	Monthly Account	2015/2016	2016/2017	2017/2018
	Stand - sq.m	252 802	Property Rates	158 808.83	168 200.00	145 696.52
	Buildings - sq.m	76 054	Electricity Units	198 887.11	214 083.53	221 353.01
	Peak	187842	Electricity Units	347 817.48	374 383.39	387 088.82
	Standard	502191	Electricity Units	227 798.21	245 219.88	253 557.71
	Off-Peak	438833	Electricity Demand Max	99 033.00	108 036.00	114 038.00
	Demand	3001	Electricity Demand Access	108 500.00	119 000.00	126 000.00
	Access	3500	Electricity - Basic	4 659.00	5 016.00	5 187.00
	Electricity-Basic		Water	170 107.98	181 938.33	194 764.92
	Water - Kl./pm	12453	Water Basic	56.53	60.49	64.72
	Water-Basic	Other	Sewerage	19 131.14	21 014.52	37 583.26
R 168 200 000	Valuation	180 821 000.00	Refuse Removal	2 124.70	2 256.65	2 459.75
	Free Water	0	A/c Excluding VAT	1 336 923.98	1 439 208.79	1 487 793.71
	Free Elec.	0	% Increase		7.65%	3.38%
			Effect on Municipal account		R 102 284.81	48 584.92

APPENDIX 3

STELLENBOSCH MUNICIPALITY



TARIFFS

2017/2018

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STELLENBOSCH MUNICIPALITY

PROPERTY TAX RATES FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

For the applicable provisions refer to the approved Rates Policy and Special Rating Areas Policy of the Municipality

PROPERTY RATES:

Property rates are levied in terms of Section 14(1) of the Local Government : Municipal Property Rates Act 6 of 2004 (the MPRA)

Category of Property	Tariff
Residential	R 0.004512
Industrial	R 0.009926
Busines and Commercial	R 0.009926
Agricultural	R 0.001128
Mining	R 0.009926
Public Service Purposes	R 0.009926
Public Service Infrastructure	R 0.001128
Public Benefit Organisation	R 0.001128
Heritage	R 0.009926
Vacant Residential	R 0.009024
Vacant Other (not Residential nor Agricultural)	R 0.018048
Multiple Use Purpose (Each Component is categorised and rated as per above)	Multi Tariff

SPECIAL RATING AREAS (SRA):

Additional rates, for each SRA as approved by Council, are levied in terms of Section 22(1) of the MPRA

Special Rating Area	Tariff (Excl VAT)	Tariff (Incl VAT)
Jonkershoek	R 0.000783	R 0.000892
Technopark	R 0.000929	R 0.001059

Relief measures for Special Rating Areas may be granted according to the approved Special Rating Area Policy

RELIEF MEASURES:

Relief Measures are generally described in paragraph 8 of approved Rates Policy, and will be granted according to the approved Rates Policy. This includes the specific undermentioned relief measures:

1. Gross Monthly Household Income (Qualifying Senior Citizens & Disabled Persons)

A rebate as per the table below may be granted as per paragraph 8.3 of the approved Rates Policy

Gross Monthly Household Income (Income bands)				% Rebate
Up to			R 8 000	100%
From	R 8 001	To	R 10 000	75%
From	R 10 001	To	R 12 000	50%
From	R 12 001	To	R 15 000	25%

2. Municipal Valuation Threshold

On qualifying residential properties, up to a maximum valuation of R200 000, which amount includes the R15 000 as per Section 17(1)(h) of the MPRA and the R185 000 Reduction granted as per paragraph 8.2.1(ii) of the approved Rates Policy

3. Stellenbosch Special Rebates

A rebate of 20% may be granted as per paragraph 8.6 of the approved Rates Policy

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
<p>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.</p>		
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/kVArh)	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/kVArh)	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/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

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)
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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.

11. Availability Fees (Per Annum)

Availability	R 2 982.46
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ALL TARIFFS EXCLUSIVE OF VAT

STELLENBOSCH MUNICIPALITY

WATER TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

	2017/2018							
	Level 1 10% restriction periods		Level 2 20% restriction periods		Level 3 30% restriction periods		Level 4 40% restriction periods	
	Amount Excl VAT		Amount Excl VAT		Amount Excl VAT		Amount Excl VAT	
Monthly consumption								
DOMESTIC Includes single residential erven as well as single residential erven managed by body corporates.								
0 kiloliters to 6 kiloliters	R 4.90	per kl.	R 4.90	per kl.	R 4.90	per kl.	R 4.90	per kl.
7 kiloliters to 20 kiloliters	R 7.06	per kl.	R 7.91	per kl.	R 8.86	per kl.	R 10.00	per kl.
21 kiloliters to 40 kiloliters	R 11.94	per kl.	R 14.83	per kl.	R 18.42	per kl.	R 38.00	per kl.
41 kiloliters to 60 kiloliters	R 18.83	per kl.	R 27.70	per kl.	R 40.00	per kl.	R 100.00	per kl.
61 kiloliters to 80 kilolitres	R 25.59	per kl.	R 39.77	per kl.	R 185.00	per kl.	R 215.00	per kl.
80 kiloliters and above	R 40.00	per kl.	R 175.00	per kl.	R 210.00	per kl.	R 250.00	per kl.
DOMESTIC CLUSTER Refers to a cluster (block of flats) served by a single water connections								
0 kiloliters to 6 kiloliters	R 4.90	per kl.	R 5.02	per kl.	R 5.02	per kl.	R 5.02	per kl.
7 kiloliters to 10 kiloliters	R 11.82	per kl.	R 15.90	per kl.	R 19.98	per kl.	R 38.00	per kl.
10 kiloliters and above	R 11.82	per kl.	R 15.90	per kl.	R 19.98	per kl.	R 100.00	per kl.
BUSINESS, COMMERCIAL AND INDUSTRIAL	R 15.64	per kl.	R 26.30	per kl.	R 36.97	per kl.	R 50.00	per kl.
MUNICIPAL TARIFF AND DOMESTIC, BUSINESS & COMMERCIAL LEAKAGES								
0 kiloliters to 20 kiloliters	R 7.84	per kl.	R 8.62	per kl.	R 10.00	per kl.	R 30.00	per kl.
21 kiloliters to 50 kiloliters	R 7.84	per kl.	R 8.62	per kl.	R 10.00	per kl.	R 50.00	per kl.
50 kiloliters and above	R 7.84	per kl.	R 8.62	per kl.	R 10.00	per kl.	R 100.00	per kl.
MISCELLANEOUS AND ALL OTHER USERS	R 14.68	per kl.	R 16.14	per kl.	R 17.75	per kl.	R 38.00	per kl.
BASIC CHARGE								
Domestic (per erven)	R 56.50							
Domestic cluster (per flat)	R 6.87							
All other (per erven)	R 64.72							
MASO								
0 kiloliters to 24 kiloliters per household	R 1.11	per kl.	R 2.14	per kl.	R 3.17	per kl.	R 15.00	per kl.
25 kiloliters to 40 kiloliters per household	R 14.54	per kl.	R 20.35	per kl.	R 30.00	per kl.	R 40.00	per kl.
Above 40 kiloliters per household	R 14.54	per kl.	R 20.35	per kl.	R 30.00	per kl.	R 72.00	per kl.
BULK USERS								
Water consumption for irrigation of sportsgrounds of schools, irrigation of Council property by sports clubs, as well as irrigation of parks and other grounds by Council's Dept's. of Parks and Recreation:								
To 2000 kiloliters	R 8.31	per kl.	R 11.77	per kl.	R 20.00	per kl.	R 50.00	per kl.
Above 2000 kiloliters	R 9.67	per kl.	R 14.98	per kl.	R 30.00	per kl.	R 100.00	per kl.
WATER AVAILABILITY FEE	R 1 218.42	per annum						

STELLENBOSCH MUNICIPALITY

SOLID WASTE TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

	SERVICES RENDERED	UNIT	COMMENTS	Tariff 2016/2017 (VAT Excl)	Tariff 2017/2018 (VAT Excl)
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 valuation value of R200 000	per month	Account payable by property owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.	R 98.25	R 107.09
	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 127.20	R 138.65
	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 127.20	R 138.65
	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 127.20	R 138.65
Mobile bins (240ℓ Wheelie bin)					
	Black Bin (Black lid Black bin)			2016/2017	2017/2018
	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 127.20	R 138.65
	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 127.20	R 138.65
	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 127.20	R 138.65
	Blue Bin (Blue lid Black bin)			2016/2017	2017/2018
	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 451.33	R 491.95

STELLENBOSCH MUNICIPALITY

SOLID WASTE TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

	SERVICES RENDERED	UNIT	COMMENTS	Tariff 2016/2017 (VAT Excl)	Tariff 2017/2018 (VAT Excl)
Non Residential Waste Collections (Business and Commercial)					
Definition: 1 refuse unit = 240ℓ = 3 standard refuse bags					
Black bags (Only were Wheelie bins have not been introduced)				2016/2017	2017/2018
	Collection based on three (3) standard refuse bags once (x1) per week	per month	Account payable by business owner. Max 3 closed bags. No other extras. `Black BAG Service will cancel when 240ℓ bin is issued.	R 150.44	R 163.98
	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 451.33	R 491.95
	Additional collection based on additional refuse bags, once (x1) 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 240 ℓ bin is issued.	R 150.44	R 163.98
	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 240 ℓ bin is issued.	R 451.33	R 491.95
Mobile bins (240ℓ Wheelie bin)					
Blue Bin (Blue lid Black bin)				2016/2017	2017/2018
	Collection based on 1 X 240ℓ once (x1) per week measured as one blue bin.	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.	R 150.44	R 163.98
	Additional 240ℓ removal/s once 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 150.44	R 163.98
	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 451.33	R 491.95
	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 451.33	R 491.95
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	R 819.90
	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	R 819.90
Charges and Levies					
				2016/2017	2017/2018
	Solid Waste availability charge	per annum	Vacant erven and to all households, businesses, flats, developments not making use of municipal collection services	R 798.00	R 869.82
Collection of food waste					
	Restaurant Food Waste only	per month	Limited to maximum 20 restaurant in WCO24 for pilot project for 5 day/ week	R 370.00	R 403.30
			Full load	N/A	N/A

STELLENBOSCH MUNICIPALITY

SEWERAGE TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

A. PROPERTIES UTILISED FOR DWELLING PURPOSES ONLY : (Residential Tariff)

Size of erf in m ²		Sewerage levy (Per annum)	
		2016/17 (Excl VAT)	2017/18 (Excl VAT)
0	- 250	R 1 133.78	R 1 235.82
251	- 500	R 1 454.67	R 1 585.59
501	- 600	R 1 638.72	R 1 786.20
601	- 700	R 1 819.06	R 1 982.78
701	- 800	R 2 001.23	R 2 181.34
801	- 900	R 2 183.24	R 2 379.73
901	- 1 000	R 2 363.83	R 2 576.58
Above	- 1 000	R 2 363.83	R 2 576.58
for each additional 500m ² or part thereof		R 227.81	R 248.31

Should there be more than one dwelling unit on a property, the area is divided equally by the number of dwellings and a levy is calculated for each such portion as if it constitutes a separate erf. The above formula is applied i.r.o. each portion.

B. ALL VACANT ERVEN : (Availability Tariff)

Size of erf in m ²		Sewerage availability levy (Per annum)	
		2016/17 (Excl VAT)	2017/18 (Excl VAT)
To	- 1 000	R 1 417.89	R 1 545.50
Above	- 1 000	R 1 834.49	R 1 999.59

C. ALL OTHER DEVELOPED ERVEN : (Non-residential Tariff)

Size of erf in m ²		Sewerage levy (Per annum)	
		2016/17 (Excl VAT)	2017/18 (Excl VAT)
0	- 500	R 1 482.01	R 1 615.40
501	- 1 000	R 1 714.54	R 1 868.85
1 001	- 1 500	R 1 917.45	R 2 090.02
1 501	- 2 000	R 2 351.71	R 2 563.36
2 001	- 3 000	R 3 049.76	R 3 324.24
3 001	- 4 000	R 3 659.33	R 3 988.67
4 001	- 5 000	R 4 095.62	R 4 464.22
5 001	- 7 500	R 5 011.42	R 5 462.45
7 501	- 10 000	R 5 838.63	R 6 364.11
10 001	- 15 000	R 7 186.95	R 7 833.77
15 001	- 20 000	R 8 276.70	R 9 021.61
Above	- 20 000	R 9 493.39	R 10 347.79

In addition to the above charges, the following fees, based on the area and usage of the buildings are payable

STELLENBOSCH MUNICIPALITY

SEWERAGE TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

LEVIES BASED ON USAGE AND FLOOR AREAS OF BUILDINGS (Per annum)

DESCRIPTION	AREA	Code	SEWERAGE TARIFFS			REMARKS
			2016/2017	2017/2018		
	Intervals (m ²)		per m ²	Amount Excl VAT		
Use of buildings						
a) Offices, Consulting rooms, Power-station, Ambulance station, Fire-station	To - 2 500 2 501 - 5 000 Above 5 000	ADD02	R 11.85 R 11.74 R 11.63	R 12.92 R 12.80 R 12.68	per m ² per m ² per m ²	
b) Halls for the purposes of letting, Cinemas, Theatres, Venues for Meetings	To - 2 500 2 501 - 5 000 5 001 - 10 000 Above 10 000	ADD03	R 11.85 R 11.74 R 11.63 R 11.53	R 12.92 R 12.80 R 12.68 R 12.56	per m ² per m ² per m ² per m ²	
c) Shops not included under (d)		ADD04	R 11.74	R 12.80	per m ²	
d) Fish shops, Greengrocer shops, Butcheries		ADD06	R 29.83	R 32.51	per m ²	Only applicable in absence of industrial effluent agreement.
e) Cafe's, Restaurants		ADD05	R 11.74	R 12.80	per m ²	Only applicable in absence of industrial effluent agreement.
f) Educational & Research buildings,		ADD07	R 11.74	R 12.80	per m ²	
g) Private hostels, Boarding homes, Hostels		ADD08	R 19.28	R 21.02	per m ²	
h) Licenced hotels, Guest-houses		ADD10	R 14.87	R 16.21	per m ²	
i) Hospitals, Prisons, Clinics, Old age and other homes, Hospices, Shelters		ADD09	R 19.28	R 21.02	per m ²	
j) Religious institutions, Sports clubs, Youth organisations, Libraries, Museums, Halls not for letting, Physical fitness centres, Health centres, Messes, Under cover parking		ADD12 ADD11	R 529.47 R 290.86	R 577.13 R 317.04	per unit per unit	Per water closet, or per urinal, or 0.5m of urinal wall or part thereof, whichever is the greatest.
k) Garages, Dry cleaners, Laundries, Workshops,		ADD18	R 851.45	R 928.08	per unit	Only applicable in absence of industrial effluent agreement.
l) Factories, Warehouses,		ADD17	R 1 699.17	R 1 852.10	per unit	Per water closet, or per urinal, or 0.5m of urinal wall or part thereof, whichever is the greatest.
m) Dwelling units that are part of buildings described under (a) to (l)		ADD20	R 1 653.11	R 1 801.89	per unit	
n) Rooms used for dwelling purposes, forming part of buildings under (a) to (l)		ADD13	R 290.86	R 317.04	per m ²	

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

DIRECTORATE: FINANCIAL SERVICES

	Tariff 2016/17 (Incl VAT)	Excl VAT 2016/17	VAT 14%	Tariff 2017/18 (Incl VAT)
ALGEMEEN/GENERAL				
Belastinguitklaringsfooi(waardasiesertifikaat ingesluit) / Rates clearance fee(valuation certificate included)	R 180.00	R 163.40	R 26.60	R 190.00
Not rated clearance (Sectional title units)	R 180.00	R 163.40	R 26.60	R 190.00
Administrasiekoste Onteerde betaling/Admin Fee for dishonoured payment	R 180.00	R 163.40	R 26.60	R 190.00
Spesiale meterlesings per verbruikersrekening (per geleentheid) / occasion	R 114.00	R 103.20	R 16.80	R 120.00
Afsluitingsfooi vir wanbetalings/ Disconnection fee for non payments: Conventional meters	R 330.00	R 301.00	R 49.00	R 350.00
Afsluitingsfooi vir wanbetalings/ Disconnection fee for non payments: Pre-paid meters	R 130.00	R 129.00	R 21.00	R 150.00
Afsluitingsfooi vir wanbetalings/ Disconnection fee for non payments: Bulk meters	R -	R 1 720.00	R 280.00	R 2 000.00
Ongeïdentifiseerde/foutiewe deposito's op bankstaat / Unidentified/incorrect deposits on bank statement	R 75.00	R 86.00	R 14.00	R 100.00
Administratiewe fooi vir Aanmanings SMS'e en Kennisgewings / Administration fee for "Reminder" SMS's and Notices	R 15.00	R 12.90	R 2.10	R 15.00
Heruitreiking Belastinguitklarings sertifikaat / Re-issue Rates clearance certificate	R 60.00	R 60.20	R 9.80	R 70.00
VERSKAFFING VAN INLIGTING/PROVISION OF INFORMATION				
Gemagtigde rekenaarsverslae per bladsy / Authorized computer printouts per page	R 10.00	R -	R -	R -
Uitreik van waardasiesertifikaat / Issue of valuation certificate	R 90.00	R 81.70	R 13.30	R 95.00
Uittreksels uit rekeninge - per maandstaat	R 30.00	R 43.00	R 7.00	R 50.00
Extracts from accounts - per monthly statement				
Uittreksels uit rekords : uurtarif	R -	R -	R -	
Extracts from records : rate per hour				
Fotostate / Copies : per A4 - bladsy / page	R 6.00	R 2.58	R 0.42	R 3.00
Fotostate / Copies : per A3 - bladsy / page	R 11.00	R 12.90	R 2.10	R 15.00
Waardasie Inligting / Valuation Information	R 16.00	R 17.20	R 2.80	R 20.00
DEPOSITO'S VIR DIENSTE/DEPOSIT FOR SERVICES				
Water/Water	R 750.00	R 750.00	R -	R 750.00
Elektrisiteit (huishoudelik) / Electricity (domestic)	R 1 500.00	R 1 500.00	R -	R 1 500.00
Elektrisiteit (ander): Grootmaat verbruikers bereken met minimum van/ Electricity (other): Bulkusers calculate with a minimum of	R 7 500.00	R 8 000.00	R -	R 8 000.00
Indigent Household/Low cost Housing Deernis Huishouding/Lae Koste Behuising	R 300.00	R 300.00	R -	R 300.00
Electricity (other) excluding Bulkusers Elektrisiteit (ander) uitgesluit Grootmaatverbruikers	R 3 500.00	R 4 000.00	R -	R 4 000.00
Aanpassing van deposito's as gevolg van wanbetaling : Ingevolge Kredietbeheer Beleid Adjustment of deposits due to non payment : In terms of Credit Control and Debt Collection Policy				** 2 times and more on cut-off list; deposit may be adjusted to minimum deposit, *** 3 times and more on cut-off list, deposit may be adjusted to cover increased risk.
Objection fee (Refer to Section 53(2) of the Municipal Property Rates Act	R 250.00	R 258.00	R 42.00	R 300.00

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

DIREKTORAAT: GEMEENSAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES	Tariff 2016/17 (Incl VAT)	Excl VAT 2017/18	VAT 14%	Tariff 2017/18 (Incl VAT)
Director: Community and Protection Services has the delegation to authorise tariff discounts on any park or public open spaces for events, to the maximum of 30% off the firm tariff after receiving a recommendation from the Manager: Community Services.				
TOEGANGSGELDE / ENTRANCE FEES:				
JONKERSHOEK PIEKNIKTERREIN / PICNIC SITE				
Persone / Persons	24.00	21.50	3.50	25.00
Voertuie / Vehicles	19.00	17.20	2.80	20.00
Kinders onder 5 jaar oud/ Children below 5 years of age	Free			Free
Official year end function for Council employees (by prior arrangement only)	Free			Free
Pensioners	30% discount	15.05	2.45	17.50
CLOETESVILLE SWEMBAD / SWIMMING POOL				
Kinders onder die ouderdom van 5 jaar vergesel deur volwassenes. Children under the age of 5 years accompanied by adults.	Gratis/ Free			Gratis/ Free
Kinders 6 tot 17 jaar / Children 6-17 years	5.00	4.30	0.70	5.00
Volwassenes / Adults	10.00	8.60	1.40	10.00
Pensioners (less 30%)	0.00	6.02	0.98	7.00
Group bookings must be pre-arranged at (021) 808 8295				
30 - 40 persons	320.00	291.54	47.46	339.00
41 - 60 persons	425.00	387.43	63.07	450.50
61 - 80 persons	635.00	578.78	94.22	673.00
81 - maximum 100	850.00	774.86	126.14	901.00
Group bookings only within official hours.				
Braai facility coupon	35.00	31.82	5.18	37.00
BEGRAAFPLAASDIENSTE / CEMETERY SERVICES: WC024				
Waar 'n familie as behoeftige geregistreer is by die Munisipaliteit, kan die familie (slegs naaste familie) kwalifiseer vir 50% afslag, na goedkeuring van die relevante Direkteur, op die tarief vir 'n grafperseel. Die familie of delegasie moet skriftelik aansoek doen en rig aan die betrokke Direkteur. Hierdie vergunning is slegs van toepassing Maandae tot Saterdag- Vakansiedae uitgesluit. Plaaswerkers: brief ter bevestiging van				
When a family has been registered as an indigent beneficiary at the Municipality, the members of the family (not including extended members) qualifies for 50% discount, after approval by the relevant Director, on the tariff of a gravesite. The family or a delegate must apply in writing to the relevant Director. This concession is only applicable Mondays to Saturdays, excluding Public Holidays. Farm workers: must provide written confirmation from the farm owner.				
1. Grafperseel : kinders onder 12 jaar oud / Grave site children under the age of 12 years	555.00	559.00	91.00	650.00
2. Grafperseel : persone 12 jaar en ouer / Grave site persons 12 years and older	680.00	688.00	112.00	800.00
3. Teraardebestelling : kinders onder 12 / Burial : children under 12 years	320.00	291.54	47.46	339.00
4. Teraardebestelling : persone bo 12 jaar en ouer / Burial : Persons 12 years and older	660.00	602.00	98.00	700.00
5. Ekstra grafwydte per 100mm of gedeelte daarvan: tot maks 2.4m (standaardwydte = 550mm onder 12 jaar / 750mm bo 12 jaar) Additional excavation of grave width per 100mm or part thereof: to a max. of 2.4m Standard width = 550mm under 12 years / 750mm over 12 years)	115.00	104.92	17.08	122.00
6. Opgrawings / Disinterments (Exhumation)	850.00	774.86	126.14	901.00
7. Begrawe van veraste oorblyfsels in bestaande grafte / Burial of ashes in existing grave	105.00	95.46	15.54	111.00
8. Herbevestiging van grafpersele / Reconfirmation of grave site (Papegaaiberg)	170.00	154.80	25.20	180.00
9. Wysiging of oordrag van eienskaps van grafperseel / Change in ownership of gravesite	55.00	49.88	8.12	58.00
10. Addisionele heffing vir dienste aangevra vir Sondae / Additional levy for services on Sundays:				
10a. Groepe vrygestel deur Munisipale Verordening/Groups exempted by Municipal By-Law	0.00	0.00	0.00	0.00
10b. Groepe nie vrygestel deur Munisipale Verordening / Groups not exempted by Municipal By-Law	3 800.00	3 464.08	563.92	4 028.00
11. Addisionele heffing vir dienste aangevra vir Saterdag / Additional levy for services on Saturdays (weekly tariff to apply if no municipal services are rendered)	1 220.00	1 111.98	181.02	1 293.00
12. Nisse/ Niches				
12a. Verkoop van losstaande nisse / Sale of free-standing niches	2 175.00	1 982.73	322.77	2 305.50
12b. Ingeboude nisse / Built-in niches	530.00	483.32	78.68	562.00
13. Nuwe Grafsteenpermit (Messelwerk) / New Permit for gravestone (Masonry)	220.00	200.38	32.62	233.00
14. Opsporings fooi/ Research fee	445.00	414.52	67.48	482.00
BEGRAAFPLAASDIENSTE / CEMETERY SERVICES: OUTSIDE WC024				
Tariewe vir persone wat buite die munisipale grense gewoon het by oorlye = 4 maal die tariewe hierbo, behalwe die verkoop van nisse, waarop 'n 50% belading geld. Indien sulke persone reeds 'n graf besit, geld hierdie belading steeds op die maak van grafte. / Tariffs for persons residing outside of the municipal area at the time of death = 4 times the tariffs above, with the exception of the sale of niches, to which a 50% surcharge applies. Should such a person already possess a grave site, the excess still applies to the digging of the grave and other related charges.				
Normale tariewe geld ten opsigte van begravinge op Sondae en Openbare Vakansiedae vir geloofsgroepe soos vervat in die Verordening/ Normal tariffs will apply for burials on Sundays and public holidays for certain religious groups as determined by the By-Law.				

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

DIREKTORAAT: GEMEENSAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES	Tariff 2016/17 (Incl VAT)	Excl VAT 2017/18	VAT 14%	Tariff 2017/18 (Incl VAT)
TARIFFS FOR ANY PARK OR PUBLIC OPEN SPACE FOR EVENTS:				
<i>Birthday parties, creches & school events, religious events, festivals, markets, cycling events</i>				
<i>Event = one (1) day or if otherwise stated. All applications in writing.</i>				
Lessees are not entitled to exclusive rights of the venue at a time				
TARIFFS FOR THE BRAAK				
Tariff for non profitable organisations per day.	635.00	578.78	94.22	673.00
Tariff for religious events per day (maximum of 7 days)	635.00	547.82	89.18	637.00
Tariff for profitable organisations within WC024 per day	2 970.00	2 707.28	440.72	3 148.00
Tariff for profitable organisations outside WC024 per day	6 360.00	5 798.12	943.88	6 742.00
TARIFFS FOR ALL OTHER PUBLIC OPEN SPACES/ GARDENS/ NATURE RESERVES/ PLANTATIONS				
Tariff for non profitable organisations -religious events per day and maximum 7 days	275.00	251.12	40.88	292.00
Tariff for profitable organisations WITHIN WC024 per day	2970.00	2 707.28	440.72	3148.00
Tariff for profitable organisations OUTSIDE WC024 per day	6360.00	5 798.12	943.88	6742.00
Wedding ceremony 2hours and a maximum of 100 pax	1220.00	1 111.98	181.02	1293.00
Initiations in plantations (tariff as per Council decision)	1695.00	1 544.56	251.44	1796.00
Rastafarian	NEW	1 544.56	251.44	1796.00
Eco Centre Rental - per day (max 25 people)	600.00	546.96	89.04	636.00
Eco Centre Rental - per day- (max 25 people) per hour R150.00				Hours x R150
RENTAL OF DECORATIVE PLANTS				
** All plant rentals subject to a refundable deposit of R 500.00 on condition that plants are returned in the same condition per event.				
2 Kg / per unit	5.00	5.16	0.84	6.00
4 Kg / per unit	10.00	9.46	1.54	11.00
20Kg / per unit	20.00	18.06	2.94	21.00
40 Kg / per unit	40.00	36.98	6.02	43.00
50 Kg / per unit	100.00	91.16	14.84	106.00
SALE OF PLANTS				
2kg/ per unit	NEW	10.32	1.68	12.00
4kg/ per unit	NEW	12.04	1.96	14.00
6 Pack/ per unit	NEW	12.04	1.96	14.00
10kg per unit	NEW			
20kg per unit	NEW			
REMOVAL OF DEAD AND DANGEROUS TREES				
Removal of trees on private property and land that pose risk to property and possible loss of life. Only applicable to registered indigent households. (WORK WILL BE SUBCONTRACTED)				
	NEW	0.00	0.00	0.00
STILL/ FILM SHOOTS:				
Event= Per day. Includes all parks, public open spaces, sportsgrounds, nature reserves/ plantations and gardens.				
Non-commercial shoots	NEW	645.00	105.00	750.00
Commercial	6 360.00	5 798.12	943.88	6 742.00
Other				
Base camp parking only (when using an area for parking of vehicles but no filming.	NEW	2 451.00	399.00	2 850.00
Helipad Parking per day	NEW	2 451.00	399.00	2 850.00
Access through Forestry or Conservation Areas for when filming at a nearby farms: plus permit fee (passing through our Nature Stellenbosch Municipality ECO OFFICER per hour	NEW	735.30	119.70	855.00
	NEW	735.30	119.70	855.00
Forestry Products				
All wattles/ tonne (per bakkie load)	NEW	313.90	51.10	365.00
Eucalyptus Species/ tonne (per bakkie load)	NEW	258.00	42.00	300.00
Fire Wood per tonne Self cut/ tonne (per bakkie load)	NEW	258.00	42.00	300.00
Fire Wood per tonne cut by municipality/ tonne (per bakkie load)	NEW	258.00	42.00	300.00
Latte for screens/ tonne self cut. (per a bakkie load)	NEW	344.00	56.00	400.00
Mushrooms per 5 litre container.	NEW	43.00	7.00	50.00
Medicinal herbs or plant material per 5 litre container.	NEW	43.00	7.00	50.00
Protea flowers per head.	NEW	8.60	1.40	10.00
Softwood Sawlogs				
Poplars poles 80mm- 100mm diamtre at thin end/ tonne (per bakkie load)	NEW	215.00	35.00	250.00
INDUSTRIAL ROUNDWOOD				
includes all commercial wood in situ small volumes up to R200 000.00 (pine sawlogs, woodchips, and wood residues.)				
Class A= 13,5cm-17cm diametre at thin end/ m3	NEW	270.04	43.96	314.00
Class B= 19cm-25cm diametre at thin end/ m3	NEW	370.66	60.34	431.00
Class C= 27cm-33cm diametre at thin end/m3	NEW	525.46	85.54	611.00
Class D= 35cm> diametre at thin end/m3	NEW	578.78	94.22	673.00

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

DIREKTORAAT: GEMEENSKAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES	Tariff 2016/17 (Incl VAT)	Excl VAT 2017/18	VAT 14%	Tariff 2017/18 (Incl VAT)
LIBRARY SERVICES				
Printing Services				
Printing fee for a A4 black and white page	1.00	0.90	0.15	1.05
Faxes				
Fee for receiving a fax - per page	2.00	1.85	0.25	2.10
Photostats				
1 X A4 black and white copy	0.50	0.48	0.07	0.55
1 X A3 black and white copy	1.00	0.90	0.15	1.05
1 X A4 colour copy	6.00	5.46	0.89	6.35
Penalties				
Fine for late books, magazines and CD's: Fee for first two weeks - per week	1.00	0.90	0.15	1.05
Fine for late books, magazines and CD's: Fee from third week - per week	1.50	1.38	0.22	1.60
Maximum fine to be charged for late books, magazines and CD's	37.00	33.54	5.46	39.00
Fine for late video's and DVD's per day	6.00	5.46	0.89	6.35
Maximum fine to be charged for late video's and DVD's	64.00	58.48	9.52	68.00
<i>No fines will be charged for one month in the year during National Library Week</i>				
Damaged or lost library items:				
1st and 2nd replacement of computerised membership card	16.00	14.62	2.38	17.00
3rd and thereafter, replacement of computerised membership card	32.00	29.24	4.76	34.00
Cost to replace a plastic sleeve	5.00	4.73	0.77	5.30
Replacement of a CD's and DVD case	6.00	5.46	0.89	6.35
Replacement of plastic video holder	10.00	10.32	1.68	10.60
Replacement cost of a damaged and lost library item	As specified on item.			
Minor damages to any library item	11.00	11.18	1.82	11.70
General				
Reservation of library material	4.00	3.65	0.60	4.25
Inter Library Loan reservation fee	4.00	3.65	0.60	4.25
Annual membership fee for users residing outside municipality boundaries	68.00	61.92	10.08	72.00
Visitors fees for users that will be residing in the municipal area for less than 3 months	105.00	96.32	15.68	112.00
LIBRARY HALL RENTALS				
CONDITIONS FOR USAGE OF A LIBRARY HALL				
Not available for the following: weddings, birthdays, christening and parties				
Library halls only available during library hours				
No equipment and catering supplies are available at the halls				
Plein Street, Idas Valley & Cloeteville Library Hall				
Rental charged - per session	265.00	240.80	39.20	280.00
Rental charged for a Non Profitable Organisation - per session	105.00	94.60	15.40	110.00
Rental of kitchen facility per session	105.00	94.60	15.40	110.00
Kayamandi Library Hall				
Rental charged - per session	180.00	163.40	26.60	190.00
Rental charged for a Non Profitable Organisation - per session	105.00	94.60	15.40	110.00
Rental of kitchen facility per session	105.00	94.60	15.40	110.00

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
Applicable to services rendered from 1 July 2017

DIREKTORAAT: GEMEENSKAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES

	Full Tariff 2016/2017			Full Tariff 2017/2018			Discounted Tariff 2017/18			Additional levy: consumers outside WC024	
	Deposit	Week	Weekend	Deposit	Week	Weekend	Deposit	Week	Weekend	Week	Weekend
	Town Halls										
Stellenbosch	Foyer not available on its own										
Hall and Foyer	R 2 330.00	R 3 890.00	R 4 780.00	R 2 465.00	R 4 123.00	R 5 066.00				x2 of tariff	x 2 of tariff
Kitchen (including all appliances), Bar	R 1 525.00	R 1 165.00	R 1 550.00	R 1 616.00	R 1 234.00	R 1 643.00					
Franschhoek	Foyer not available on its own										
Hall	R 2 440.00	R 2 600.00	R 3 340.00	R 2 586.00	R 2 756.00	R 3 540.00	R 1 700.00	R 1 910.00	R 2 650.00	x2 of tariff	x2 of tariff
Facilities: Kitchen (including all appliances)	R 765.00	R 850.00	R 1 350.00	R 810.00	R 900.00	R 1 431.00					
	Full Tariff 2016/17			Full Tariff 2017/18			Discounted Tariff 2017/18			Additional levy: consumers outside WC024	
Community Halls	Deposit	Week	Weekend	Deposit	Week	Weekend	Deposit	Week	Weekend	Week	Weekend
Community Hall, Kylemore											
Hall	R 350.00	R 350.00	R 500.00	R 371.00	R 371.00	R 530.00	R 370.70	R 370.70	R 529.70	Not applicable	Not applicable
Eikestad Hall, Cloetesville											
Hall	R 350.00	R 350.00	R 500.00	R 371.00	R 371.00	R 530.00	R 370.70	R 370.70	R 529.70	Not applicable	Not applicable
Admin Hall, Kayamandi											
Hall (As per Council Decision)	R 100.00	R 100.00	R 100.00	R 106.00	R 106.00	R 106.00	R 105.70	R 105.70	R 105.70	Not applicable	Not applicable
Community Hall, Kayamandi											
Hall (As per Council Decision)	R 100.00	R 100.00	R 100.00	R 106.00	R 106.00	R 106.00	R 105.70	R 105.70	R 105.70	Not applicable	Not applicable
Pniel Banquet Hall											
Hall	R 350.00	R 350.00	R 500.00	R 371.00	R 371.00	R 530.00	R 370.70	R 370.70	R 529.70	Not applicable	Not applicable
Community Hall, La Motte											
Hall	R 200.00	R 200.00	R 300.00	R 212.00	R 212.00	R 318.00	R 211.70	R 211.70	R 317.70	Not applicable	Not applicable
Community Hall, Wemmershoek											
Hall	R 200.00	R 200.00	R 300.00	R 212.00	R 212.00	R 318.00	R 211.70	R 211.70	R 317.70	Not applicable	Not applicable
Community Hall, Groendal											
Hall	R 350.00	R 350.00	R 350.00	R 371.00	R 371.00	R 403.00	R 370.70	R 370.70	R 402.70	Not applicable	Not applicable
Pniel Millinium Hall											
Hall	R 350.00	R 350.00	R 500.00	R 371.00	R 371.00	R 530.00	R 370.70	R 370.70	R 529.70	Not applicable	Not applicable
	Full Tariff 2016/17			Full Tariff 2017/18			Discounted Tariff 2016/17			Additional levy: consumers outside WC024	
Other facilities	Deposit	Week	Weekend	Deposit	Week	Weekend	Deposit	Week	Weekend	Week	Weekend
Old Age Facility Kayamandi	Free of charge			Free of charge			Free of charge			R150 per day	
Banquet Hall, Cloetesville	No social events			R150/per day			No discounts apply.			R150 per day	

The following groups have been identified for the discounted tariffs:

- (i) Schools located within the WC024 for an official school function: discounted tariff of 30% on the rental of a hall for the function to a maximum of one (1) function per financial year. Deposit fees must be paid in full.
- (ii) Churches located within WC024 for an official church function: discounted tariff of 30% on the rental of a hall for the function to a maximum of one (1) function per financial year. Deposit fees must be paid in full. Proof of location/residence will be required.
- (iii) Churches using a hall on a regular basis:
 - a Sermons are limited to 2 (two) hours per Sunday to accommodate other denominations/religious groups at the venue.
 - b The two Town Halls (Stellenbosch and Franschoek), are excluded.
 - c The grant is subject to availability of the hall.
 - d A formal agreement will be entered into between the parties.
A once-off deposit fee per financial year applies as per the approved tariffs. If forfeited due to damage, etc, this will have to be repaid before access for the next event/ service will be granted.
 - e In addition, a rental fee equivalent to the tariff for 1 day applies as a monthly fee. The fee specific to the specific hall will apply.
To accommodate churches during the week, the halls may be used for a maximum of two (2) additional bookings during the week over and above the Sunday sermon. This will be at no additional charge (included in e) above).
 - f Furniture will be free of charge, but must be arranged and put back after the sermon by the hirer.
 - g
 - h Due to the constraints on municipal overtime, no municipal officials will be available on weekdays or weekends to perform any supervisory functions or assistance.
- (iv) Non Governmental Organisations: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge.
- (v) Government Departments in other spheres of Government: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge.
- (vi) The six recognised vulnerable groups namely Aged, Disabled, Children, Youth, Women and People living on the Streets: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge. This discount is not available to individuals but is focused on interest groups representing the vulnerable groups.

- (vii) Individual families registered as indigent at the Municipality will be entitled to a 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full): Furniture, kitchen and utensils are free of charge. This rebate is for a maximum of one (1) booking per financial year per indigent family and the two Town Halls (Stellenbosch and Franschoek are excluded).
- (viii) Organisations promoting the Greater Stellenbosch: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge. The following are examples of rebates that will be approved:
 - Van Der Stel Festival
 - Wine Festival (Previously Food and Wine Festival)
 - Flower Show (Stellenbosch and Pniel)
 - Stellenbosch Festival
 - Bastille Festival
 - CANSA sub-organizations within the WC024.
- (ix) Free access to municipal halls for youth activities. Provided that prior arrangement is made with the relevant staff.
- (x) Free access to municipal halls for Ward Councillors for functions such as: Meetings, Workshops or any other Ward-related activities. This access will only be granted to a maximum of 2 (two) events per month. This is not transferable for any other festivals, parties, dances, fund raisers, etc.
- (xi) The rebates mentioned in paragraphs i), ii), iv), v), vi) and vii) will only be considered for weekdays. All applications must be in writing and submitted to the Director: Community and Protection Services.
- (xii) The Director: Community and Protection Services may consider motivated applications for discount in line with the abovementioned and approve rebates.

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
Applicable to service rendered from 1 July 2017

DIREKTORAAT: GEMEENSKAPSDIENSTE
DIRECTORATE: COMMUNITY SERVICES

	2016/17			Rental of Facilities 2017/18			Additional Levy: Consumers outside of WC024; Sports Unions and Private Companies.		
	Deposit	Week	Weekend	Deposit	Week	Weekend	Deposit	Week	Weekend
Sports Fields									
Category A	Market Related as per contract			Market Related as per contract			Market Related as per contract		
Van der Stel									
Category B	Market Related as per contract			Market Related as per contract			Market Related as per contract		
Kylemore, Pniel, Idas Valley, Raithby, Klapmuts, Jamestown and Cloetesville									
Category C	Deposit	Week	Weekend	Deposit	Week	Weekend	Deposit	Week	Weekend
Wemmershoek	R 0.00	R 795.00	R 1 380.00	Market Related as per contract			Market Related as per contract		
Groendal	R 0.00	R 795.00	R 1 380.00	Market Related as per contract			Market Related as per contract		
Kayamandi	R 0.00	R 795.00	R 1 380.00	Market Related as per contract			Market Related as per contract		
Category D	Deposit	Week	Weekend	Deposit	Week	Weekend	Deposit	Week	Weekend
Nietvoorbij	R 0.00	R 230.00	R 450.00	Market Related as per contract			Category D fields not available for consumers outside WCO24, sport unions or private companies		
La Motte	R 0.00	R 230.00	R 450.00	Market Related as per contract					
Jonkershoek	R 0.00	R 230.00	R 450.00	Market Related as per contract					
Papplaas	R 0.00	R 230.00	R 450.00	Market Related as per contract					
Koelenhof	R 0.00	R 230.00	R 450.00	Market Related as per contract					
Lanquedoc	R 0.00	R 230.00	R 450.00	Market Related as per contract					

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 - 30 JUNE 2018

DIREKTORAAT: GEMEENSKAP & VEILIGHEIDS DIENSTE
DIRECTORATE: COMMUNITY & PROTECTION SERVICES

VERKEERSDIENSTE/TRAFFIC SERVICES	Tariff 2016/17 (Incl VAT)	Excl VAT 2017/18	VAT 14%	Tariff 2017/18 (Incl VAT)
Spesiale verkeersbystanddienste / Traffic Assistance at special occasions				
Uitreiking van Permit / Issue of Permit	180.00	172.00	28.00	200.00
Uurtarief : Maandag - Saterdag / Hourly tariff : Monday - Saturday	285.00	258.00	42.00	300.00
Uurtarief: Sondae en openbare vakansiedae/Hourly tariff: Sunday and public holidays	480.00	430.00	70.00	500.00
Verfilming of video- advertensies / Filming or video- commercials (public roads)				
Uitreiking van Permit / Issue of Permit - Stillshoot	1 400.00	1 204.00	196.00	1 400.00
Minimum: Residential / Industrial up to 3 hours	2 800.00	2 408.00	392.00	2 800.00
Maximum: Residential / industrial more than 3 hours	11 200.00	9 632.00	1 568.00	11 200.00
Minimum:Rural up to 3 hours	3 300.00	2 838.00	462.00	3 300.00
Maximum:Rural more than 3 hours	11 500.00	9 890.00	1 610.00	11 500.00
Minimum High Risk Areas (eg, Franschoek Pass + CBD areas) up to 3 hours	12 000.00	10 320.00	1 680.00	12 000.00
Maximum High Risk Areas (eg, Franschoek Pass + CBD areas) more than 3 hours	20 500.00	17 630.00	2 870.00	20 500.00
Die Direkteur: Gemeenskaps en Beskermingsdienste mag gemotiveerde aansoeke vir afslag tot 50% oorweeg vir die verfilming van video-advertensies. The Director: Community and Protection Services may consider motivated applications for a discount up to 50% for filming or video-commercials (public roads).				
Verwydering van verlate voertuie : Insleepgelde Removal of abandoned vehicles : Tow-in charges				
Binne Stellenbosch / In Stellenbosch	800.00	1 118.00	182.00	1 300.00
Buite Stellenbosch / Outside Stellenbosch	900.00	1 290.00	210.00	1 500.00
Skutgeld per dag / Impoundment fee per day	100.00	103.20	16.80	120.00
<u>PARKING</u>				
Parking Areas Zone 1 (CBD):				
Tol Parking area				
Stelmark Parking area 1 & 2				
Midmar Parking area				
Operating hours: 07:00 - 19:00 (Mon - Fri) ; 07:00 - 14:00 (Sat) & Sunday/Public Holiday - Free				
0-30min	free		0.56	4.00
31- 59 min	5.00	6.88	1.12	8.00
1-2 hours	10.00	13.76	2.24	16.00
2-3 hours	15.00	20.64	3.36	24.00
3-4 hours	20.00	27.52	4.48	32.00
4-5 hours	25.00	34.40	5.60	40.00
5-6 hours	30.00	43.00	7.00	50.00
6-7 hours	35.00	51.60	8.40	60.00
7-8 hours	40.00	64.50	10.50	75.00
8-9 hours	50.00	68.80	11.20	80.00
9-12 hours	new	86.00	14.00	100.00
Lost Ticket	60.00	86.00	14.00	100.00
Maandelikse permit / Month permit	900.00	774.00	126.00	900.00

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 - 30 JUNE 2018

DIREKTORAAT: GEMEENSAP & VEILIGHEIDS DIENSTE
DIRECTORATE: COMMUNITY & PROTECTION SERVICES

VERKEERSDIENSTE/TRAFFIC SERVICES	Tariff 2016/17 (Incl VAT)	Excl VAT 2017/18	VAT 14%	Tariff 2017/18 (Incl VAT)
Parking Areas Zone 2 (Adjacent to CBD):				
Checkers Parking area				
Stelkor				
Operating hours: 07:00 - 19:00 (Mon - Fri); 07:00 - 14:00 (Sat) & Sunday/Public Holiday - Free				
0-30min	free			free
31- 59 min	5.00	4.30	0.70	5.00
1-2 hours	10.00	8.60	1.40	10.00
2-3 hours	15.00	12.90	2.10	15.00
3-4 hours	20.00	17.20	2.80	20.00
4-5 hours	25.00	21.50	3.50	25.00
5-6 hours	30.00	25.80	4.20	30.00
6-7 hours	35.00	30.10	4.90	35.00
7-8 hours	40.00	34.40	5.60	40.00
8-9 hours	50.00	43.00	7.00	50.00
9-12 hours	new	51.60	8.40	60.00
Lost Ticket	60.00	51.60	8.40	60.00
Maandelikse permit / Month permit	900.00	774.00	126.00	900.00
On Street Parking (Handheld meter / parking meter) per hour				
Operating hours: 07:00 - 19:00 (Mon.- Fri.) and 07:00 - 14:00 (Sat.) - Sunday/Public Holidays - Free				
Kerk Street/Church Street	7.50	7.31	1.19	8.50
Plein Street	7.50	7.31	1.19	8.50
Bloem Street	7.50	7.31	1.19	8.50
Bird Street (Braak)	7.50	7.31	1.19	8.50
Ryneveldt Street	7.50	7.31	1.19	8.50
Andringa	7.50	7.31	1.19	8.50
Bird	7.50	7.31	1.19	8.50
Alexander Dienspad	7.50	7.31	1.19	8.50
Alexander Street	7.50	7.31	1.19	8.50
Meul (Dorp/Plein)	7.50	7.31	1.19	8.50
Dorp Street (West)	7.50	7.31	1.19	8.50
Crozier Street	7.50	7.31	1.19	8.50
Piet Retief	7.50	7.31	1.19	8.50
Banghoek (Andringa/Bird)	7.50	7.31	1.19	8.50

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 - 30 JUNE 2018

DIREKTORAAT: GEMEENSAP & VEILIGHEIDS DIENSTE
DIRECTORATE: COMMUNITY & PROTECTION SERVICES

VERKEERSDIENSTE/TRAFFIC SERVICES	Tariff 2016/17 (Incl VAT)	Excl VAT 2017/18	VAT 14%	Tariff 2017/18 (Incl (VAT)
Bloemhof Parking Area (Coupon system)				
Operating hours: 07:00 - 19:00 (Mon.- Fri.) and 07:00 - 14:00 (Sat.), Sunday/Public Holidays - Free				
Daaglikse permit / Day permit	40.00	34.40	5.60	40.00
Maandelikse permit / Month permit	480.00	412.80	67.20	480.00
Wiel vasklem / Wheel clamping				
Vrylatingsfoo / Release fee	170.00	154.80	25.20	180.00
Algemeen / General				
Voertuigongeluk inligting / Vehicle accident information (i.t.o. PN5867/10-5-2002)	150.00	129.00	21.00	150.00
Gestremde parkeer disket/ Disabled Parking Disc	60.00	55.90	9.10	65.00
Huur van parkeervakke per dag / Hiring of Parking Bays per day	190.00	172.00	28.00	200.00
Parking Disc - Medical Practitioners per year	180.00	163.40	26.60	190.00
Resident Parking Permit per year	180.00	172.00	28.00	200.00
Temporary Parking Permit per application	130.00	129.00	21.00	150.00
Engineering Function				
Work Zone Permit per application				200.00
Taxi rank permit (WCO24 area) per jaar/year	320.00	301.00	49.00	350.00

The Manager Traffic Services in consultation with the Director Community & Protection Services may agree not to charge tariffs and fees in cases where charges have been levied erroneously. Criteria for exemptions/concession: Parties must make written applications to the Director Community & Protection Services, outlining the reasons why charges were levied incorrectly and why exemptions/concessions should be considered.

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

DIREKTORAAT: GEMEENSAP & VEILIGHEIDSDIENSTE
DIRECTORATE: COMMUNITY & PROTECTION SERVICES

BRANDWEER DIENSTE / FIRE SERVICES	Tariff 2016/17 (Incl VAT)	Excl VAT 2017/18	VAT 14%	Tariff 2017/18 (Incl VAT)
Brandweerwaens / Fire Engine Per uur of gedeelte daarvan / Per hour or part thereof	800.00	722.40	117.60	840.00
Hidroliese Platform / Hydraulic Platforms Per uur of gedeelte daarvan / Per hour or part thereof	2000.00	1 720.00	280.00	2000.00
Reddingsvoertuig / Emergency Vehicle (excluding Accidents/Rescue) Per uur of gedeelte daarvan / Per hour or part thereof	700.00	632.10	102.90	735.00
Diensvoertuie / Service Vehicle Per uur of gedeelte daarvan / Per hour or part thereof	550.00	473.00	77.00	550.00
Draagbare Pompe & Kragopwekker / Portable pumps & Generators Per uur of gedeelte daarvan / Per hour or part thereof	400.00	361.20	58.80	420.00
Sleepwaens / Trailers Per uur of gedeelte daarvan / Per hour or part thereof	650.00	559.00	91.00	650.00
Bergingseile / Storage Covers Per uur of gedeelte daarvan / Per hour or part thereof	250.00	215.00	35.00	250.00
Bos , veld , rommel (Boseenhede) / Bush , field , rubble (Bush units) Per uur of gedeelte daarvan / Per hour or part thereof	500.00	451.50	73.50	525.00
Personeel / Personnel Per uur of gedeelte daarvan / Per hour or part thereof	350.00	301.00	49.00	350.00
Instandhouding en Brandslanherstel / Maintenance & Fire-Hose Repair Skrop , toets & droog / Scrub , test & dry	200.00	172.00	28.00	200.00
Herstel / Repair	100.00	86.00	14.00	100.00
Koppelingbinding : Brandslang / Linkage : Fire-Hose	100.00	86.00	14.00	100.00
Koppelingbinding : Suigslang / Linkage : Suction hose	200.00	172.00	28.00	200.00
Koppelingbinding : Hoë druk / Linkage : High Pressure				
Brandvoorkomingsinspeksies / Fire prevention inspection Tenkinstallasies -Per tenk / Tank installation	350.00	309.60	50.40	360.00
VP Gas -Per installasie / Per installation	350.00	309.60	50.40	360.00
Sprinklaar ens : per jaar / Sprinkler ect per annum	350.00	309.60	50.40	360.00
Patrolliedienste & Ander / Patrol Services & Other Nie Operasionele dienste/ Non Operational Services				
Per Brandbestryder / Per Firefighter	350.00	301.00	49.00	350.00
Per Offisier / Per Officer	350.00	301.00	49.00	350.00
Kinder partytjies/Kiddies parties	1000.00	946.00	154.00	1100.00
Fire and life safety education programs (Educational visits to and from schools)	FREE			
Planne of Ontwikkeling Konsultasiefooie (per uur) / or Development Consultation fee (per hour)				
Plans	450.00	430.00	70.00	500.00

STELLENBOSCH MUNICIPALITY

BY LAW	OFFENCE	FINE 2016/2017	FINE Excl. VAT 2017/2018	No VAT applicable	FINE 2017/2018
Failure to comply with provisions					
6(1) read with 62(1)	Failure to comply with written notice	1 590.00	1 600.00		R 1 600.00
Reporting a fire hazard and other threatening danger					
10 read with 62(1)	Failure to report a fire hazard or other threatening danger	1 590.00	1 600.00		R 1 600.00
Access for emergency vehicles					
12(1)(a) read with 62(1)	Failure to provide emergency vehicle access where premises are not readily accessible from public roads	1 060.00	1 100.00		R 1 100.00
Division and occupancy separating elements					
13 read with 62(1)	Altering a division or occupancy separating element in such a way that it renders less effective or allow to flame, heat or combustion products from penetrating into adjacent compartment or structure	1 590.00	1 600.00		R 1 600.00
Fire doors and assemblies					
14(1) read with 62(1)	Failure to maintain a fire door in a manner that it will retain integrity, insulation and stability in the event of a fire	1 590.00	1 600.00		R 1 600.00
14(2) read with 62(1)	Keeping a fire door open other than with an automatic releasing hold-open device	1 590.00	1 600.00		R 1 600.00
14(3) read with 62(1)	Rendering a fire door an assembly less effective	1 590.00	1 600.00		R 1 600.00
Escape Routes					
15(1) read with 62(1)	Obstruction of or rendering component of escape route less effective	1 590.00	1 600.00		R 1 600.00
15(2) read with 62(1)	Non approved locking device fitted to access door	1 590.00	1 600.00		R 1 600.00
15(3) read with 62(1)	Failure to required signage on an escape route	1 590.00	1 600.00		R 1 600.00
Tents					
16(1)(a)	Failure to submit an application for the erection and usage of a tent in terms of the National Building Regulations to the Municipality for approval	1 590.00	1 600.00		R 1 600.00
16(1)(b) read with 62(1)	Failure to submit an application for temporary population certificate prior to erection and usage of a tent	1 060.00	1 100.00		R 1 100.00
16(1)	Erecting a tent without first obtaining a temporary Population certificate	1 060.00	1 100.00		R 1 100.00
16(2)(a) read with 62(1)	Failure to maintain/provide sufficient safety distances between a tent, and any building or boundary	R1 590.00	1 600.00		R 1 600.00
16(2)(b) read with 62(1)	Failure to erect a tent 4,5m from any combustible material or dangerous goods	1 590.00	1 600.00		R 1 600.00
16(2)(d) read with 62(1)	Failure to comply with the National Building Regulations where the population exceeds 25 people, occupied during night time, seating arrangements, aisle widths or fire extinguishers	1 060.00	1 100.00		R 1 100.00
16(2)(d) read with 62(1)	Exceeding allowable population density	1 060.00	1 100.00		R 1 100.00
16(2)(e) read with 62(1)	Cooking inside a tent occupied by the public	1 590.00	1 600.00		R 1 600.00
16(2)(f) read with 62(1)	Allowing an open fire in a tent/failure to obtain permission for flame emitting devices	1 590.00	1 600.00		R 1 600.00
16(2)(g) read with 62(1)	Making an open fire within 5 metres of a tent, stake or guideline	1 590.00	1 600.00		R 1 600.00
16(2)(c) read with 62(1)	Smoking in a tent/failure to display "No Smoking" sign	1 590.00	1 600.00		R 1 600.00
16(2)(i) read with 62(1)	Lighting and wiring not complying with SABS 0142	1 060.00	1 100.00		R 1 100.00
16(3) read with 62(1)	Failure to comply with additional requirements as per controlling authority	1 590.00	1 600.00		R 1 600.00
Fire Extinguishers					
17(1) read with 62(1)4	Failure to provide and/or install required fire extinguishers	R1 060.00	1 100.00		R 1 100.00
17(2) read with 62(1)	Failure to maintain fire extinguishers in accordance with requirements	R1 060.00	1 100.00		R 1 100.00
17(3) read with 62(1)	Filling, recharging, reconditioning, modifying, repairing, inspecting or testing a fire extinguisher without the necessary permit	R1 060.00	1 100.00		R 1 100.00
17(4) read with 62(1)	Owner or person in charge of premises permitting filling, recharging, reconditioning, modifying, repairing, inspecting or testing a fire extinguisher by a person not in possession of the necessary permit	R1 060.00	1 100.00		R 1 100.00
17(7) read with 62(1)	Removal of fire extinguisher from premises for filling etc. without replacing it without temporarily replacing it with a similar device in good working order	R1 060.00	1 100.00		R 1 100.00
17(8) read with 62(1)	Installation, dismantling, recharging, disconnection, servicing, modifying, repair or testing of a fire extinguisher in area where such action would create danger/hazard	R1 060.00	1 100.00		R 1 100.00
Testing and maintenance of fire protection systems					
18(1) read with 62(1)	Failure to test and maintain fire protection system on a regular basis	R1 060.00	1 100.00		R 1 100.00
18(1) read with 62(1)	Failure to keep detailed record of test and maintenance of fire protection system	R1 060.00	1 100.00		R 1 100.00
18(2) read with 62(1)	Failure to notify occupants of premises and/or monitoring parties of the fire protection system test	R1 060.00	1 100.00		R 1 100.00
18(3) read with 62(1)	Failure to maintain fire protection system	R1 060.00	1 100.00		R 1 100.00
18(4) read with 62(1)	Installing, dismantling, recharging, disconnecting, servicing, repairing or testing a fire protection system in areas where such an action would create a danger or hazard	R1 060.00	1 100.00		R 1 100.00
18(5) read with 62(1)	Failure to notify controlling authority where fire protection system or component thereof is inoperable or taken out of service	R1 060.00	1 100.00		R 1 100.00
18(7) read with 62(1)	Failure by owner/person in charge to take all the steps necessary to provide alternative equipment	R1 060.00	1 100.00		R 1 100.00
19 read with 62(1)	Render less effective, inoperative, inaccessible, or tamper or interfere with a fire protection system except as necessary in emergency/maintenance/drills or prescribed testing	R1 590.00	1 600.00		R 1 600.00
Fire alarms and fire hydrants					
20(4) read with 62(1)	Unauthorised person remove, defacing, altering, tampering or damaging a fire alarm, transmission instrument, board, decal, metal plate or painted market	R1 590.00	1 600.00		R 1 600.00
20(5) read with 62(1)	Rendering less effective, inoperative, inaccessible, or tampering or interfere with a fire hydrant	R1 590.00	1 600.00		R 1 600.00
Prevention and control of overcrowding					
21(1) read with 62(1)	Failure to apply for population certificate prior to usage of premises for entertainment or public assembly (owner/person in charge)	R1 590.00	1 600.00		R 1 600.00
21(1) read with 62(1)	Utilization of premises for which a population certificate is required and a population certificate has not been issued by the Controlling Authority	R1 590.00	1 600.00		R 1 600.00
21(3) read with 62(1)	Failure to comply with instruction to apply for temporary/permanent population certificate (owner/person in charge)	R1 590.00	1 600.00		R 1 600.00
21(7) read with 62(1)	Failure to apply for occupation certificate when change of occupancy or alterations to the premises for which the population certificate exists	R1 590.00	1 600.00		R 1 600.00
21(8) read with 62(1)	Failure to display population certificate in clearly visible position in or on premises for which it was issued.	R1 590.00	1 600.00		R 1 600.00
21(9) read with 62(1)	Failure to limit maximum population to that specified on population certificate	R1 590.00	1 600.00		R 1 600.00
21(10)	Failure to vacate overcrowded premises when instructed to do so by the controlling authority	R1 590.00	1 600.00		R 1 600.00

BY LAW	OFFENCE	FINE 2016/2017	FINE Excl. VAT 2017/2018	No VAT applicable	FINE 2017/2018
Failure to comply with provisions					
6(1) read with 62(1)	Failure to comply with written notice	1 590.00	1 600.00		R 1 600.00
Reporting a fire hazard and other threatening danger					
10 read with 62(1)	Failure to report a fire hazard or other threatening danger	1 590.00	1 600.00		R 1 600.00
Access for emergency vehicles					
12(1)(a) read with 62(1)	Failure to provide emergency vehicle access where premises are not readily accessible from public roads	1 060.00	1 100.00		R 1 100.00
Formulation of an emergency evacuation plan					
23(1) read with 62(1)	Failure by owner/person in charge of school/hospital/residential institution/guest house/hotel or similar occupancy with population in excess of 25 persons to formulate emergency evacuation plan	R1 060.00	1 100.00		R 1 100.00
23(2) read with 62(1)	Failure to comply with an order to formulate an emergency evacuation plan (premises other than listed in 23(1))	R1 060.00	1 100.00		R 1 100.00
23(3) read with 62(1)	Failure to revise emergency evacuation plan when aspect no longer applicable or building changed	R1 060.00	1 100.00		R 1 100.00
23(4) read with 62(1)	Failure to test emergency evacuation plan six monthly/upon revisions	R1 060.00	1 100.00		R 1 100.00
23(6) read with 62(1)	Failure to keep register of testing and emergency evacuation plan available on the premises for inspection	R1 060.00	1 100.00		R 1 100.00
Displaying of escape route plans					
24(1) read with 62(1)	Failure to display emergency evacuation plan in room designed for sleeping purposes in following hospitals, residential institutions, hotels or similar occupancy designed for use by patients, residents or transient persons (irrespective of population)	R1 590.00	1 600.00		R 1 600.00
Barricading of vacant buildings					
25 read with 62(1)	Failure by owner/person in charge to of building or portion thereof which is vacant to remove all combustible waste or refuse therefrom and lock/barricade/secure to satisfaction of municipality	R1 590.00	1 600.00		R 1 600.00
CHAPTER 6: HOUSEKEEPING					
Combustible waste and refuse					
26(1) read with 62(1)	Allowing accumulation of waste or refuse in any area or any manner so as to create a fire hazard or any other threatening danger	R1 590.00	1 600.00		R 1 600.00
26(2) read with 62(1)	Failure to store combustible waste and refuse in manner determined by controlling authority	R1 590.00	1 600.00		R 1 600.00
27 read with 62(1)	Allowing accumulation of dust in quantities sufficient to create a fire or threatening danger	R1 590.00	1 600.00		R 1 600.00
Accumulations in chimneys, flues and ducts					
29 read with 62(1)	Allowing soot or other combustible substance to accumulate in a chimney, flue or duct in quantities/manner as to constitute a fire hazard or threatening danger	R1 590.00	1 600.00		R 1 600.00
Sources of ignition					
30(1) read with 62(1)	Smoking/carrying of matches/use of flame emitting devices or spark producing equipment in area containing combustible or flammable substances	R1 060.00	1 100.00		R 1 100.00
30(2) read with 62(1)	Failure to place hot ashes, cinders or smouldering coals in a non-combustible container	R1 060.00	1 100.00		R 1 100.00
30(3) read with 62(1)	Failure to ensure adequate distance between combustible substances and or flammable substances	R1 060.00	1 100.00		R 1 100.00
30(4) read with 62(1)	Use of portable heaters where prohibited by the controlling authority	R1 590.00	1 600.00		R 1 600.00
Smoking					
31(1) read with 62(1)	Failure to display a No Smoking sign/s as directed by the controlling authority	R1 590.00	1 600.00		R 1 600.00
31(2) read with 62(1)	Removal of a No Smoking sign	R1 590.00	1 600.00		R 1 600.00
31(3) read with 62(1)	Light of smoke of a cigar, cigarette, pipe, tobacco or other substance or ignite or set fire to hold, possess, throw or deposit any lighted or smouldering substance in any place where expressly prohibited	R1 590.00	1 600.00		R 1 600.00
31(3A) read with 62(1)	Owner or person in charge allow or permit lighting or smoke a cigar, cigarette, pipe, tobacco or other substance or ignite or set fire to other material in any place where expressly prohibited.	R1 590.00	1 600.00		R 1 600.00
31(4) read with 62(1)	Failure to provide for safe disposal of smoking materials where smoking is allowed.	R1 060.00			
31(5) read with 62(1)	Throwing/dropping/putting down burning match/cigarette/material/or material capable of spontaneous combustion or self-ignition in a road or other place.	R1 590.00	1 600.00		R 1 600.00
Electrical fittings, equipment and appliances					
32(1) read with 62(1)	Cause or permit an electrical supply outlet to be overloaded.	R1 590.00	1 600.00		R 1 600.00
32(2) read with 62(1)	Cause or permit electrical appliance or extension lead to be used in manner likely to create a fire hazard or other threatening danger	R1 590.00	1 600.00		R 1 600.00
Flame-emitting device					
33 read with 62(1)	Cause or permit flame-emitting device (eg candle/lantern/torch/etc.) to be used in a manner likely to create a fire hazard or other threatening danger	R1 590.00	1 600.00		R 1 600.00
CHAPTER 7:					
Combustible Material					
34(1) read with 62(1)	Storage/transport/use/display or permission thereof inside or outside any premises of combustible material or flammable substances in quantities or positions or manner likely to cause a fire hazard or other threatening danger.	R1 590.00	1 600.00		R 1 600.00
34(2) read with 62(1)	Permit vegetation to grow/accumulate or other combustible material to accumulate on a premise in a manner likely to cause fire hazard or other threatening danger (owner/person in charge).	R1 590.00	1 600.00		R 1 600.00
Lighting of fires and burning of combustible material					
35(1) read with 62(1)	Lighting of fires/disposal of combustible material by burning.	R1 590.00	1 600.00		R 1 600.00
35(3) read with 62(1)	Failure to ensure that a cooking fire or flame-emitting device is placed in designated areas in places of entertainment/public assembly so as to prevent a fire hazard or other threatening danger by the owner/person in charge	R1 590.00	1 600.00		R 1 600.00
35(4) read with 62(1)	Allowing burning to take place on state land, a farm, a small holding, or land within a proclaimed township that is not utilised for residential purposes, provided that the prior approval is obtained from the controlling authority by the owner/person in charge	R1 590.00	1 600.00		R 1 600.00
35(5) read with 62(1)	Entering a municipal nature reserve area, whilst in possession of any flammable substances, fireworks, lighters or matches	R1 590.00	1 600.00		R 1 600.00
Dealing in Fireworks					
38(1)(a) read with 62(1)	Dealing in fireworks without possessing the required fireworks license and written authority from the South African Police Services and the Chief Fire Officer.	1 590.00	1 600.00		R 1 600.00

BY LAW	OFFENCE	FINE 2016/2017	FINE Excl. VAT 2017/2018	No VAT applicable	FINE 2017/2018
Failure to comply with provisions					
6(1) read with 62(1)	Failure to comply with written notice	1 590.00	1 600.00		R 1 600.00
Reporting a fire hazard and other threatening danger					
10 read with 62(1)	Failure to report a fire hazard or other threatening danger	1 590.00	1 600.00		R 1 600.00
Access for emergency vehicles					
12(1)(a) read with 62(1)	Failure to provide emergency vehicle access where premises are not readily accessible from public roads	1 060.00	1 100.00		R 1 100.00
Approval of Fireworks Displays					
40(a) read with 62(1)	Presenting any fireworks display without written authorisation from the Fire Chief	1 590.00	1 600.00		R 1 600.00
40(c) read with 62(1)	Presenting any fireworks display without supervision and control of person in charge at all times	1 590.00	1 600.00		R 1 600.00
40(d) read with 62(1)	Presenting any fireworks display without attendance of suitably qualified explosives expert from the South African Police Services during its entire duration	1 590.00	1 600.00		R 1 600.00
40(e) read with 62(1)	Presenting a fireworks out of a clearly demarcated area of a of at least 50 metres radius for the launching of fireworks, measures been taken to prevent any person not involved in the presentation of the display from entering such launching area and the presence of a pyro technician at all times and is responsible for the discharge of fireworks at such display.	1 590.00	1 600.00		R 1 600.00
CHAPTER 9: FIRE SUBSTANCES					
Storage and use of a flammable substance					
44(1) read with 62(1)	Failure of the owner or person in charge to submit a building plan in accordance with the National Building Regulations to the municipality, prior to the construction of a new installation/alteration of an existing installation either temporary or permanent for the storage of a flammable substance	1 590.00	1 600.00		R 1 600.00
44(1)A read with 62(1)	Failure of the owner or person in charge of an installation for the storage of a flammable substance to produce a copy of the municipal approved plan available at the site where the installation is being constructed	1 590.00	1 600.00		R 1 600.00
44(3) read with 62(1)	Failure to pressure test storage tank/liquid petroleum gas installations/ associated pipework on request from the municipality prior to commissioning (owner/person in charge).	R1 590.00	1 600.00		R 1 600.00
44(5) read with 62(1)	Failure to notify controlling authority of alteration that impacts on fire safety of storage tank installation.	R1 590.00	1 600.00		R 1 600.00
44(6)(i)	Storage/use of flammable gas in excess of 19kg flammable gas of a danger group without obtaining flammable substance certificate.	R1 590.00	1 600.00		R 1 600.00
Flammable substance certificate					
45(1) read with 62(1)	Failure to submit application for flammable substance certificate	R1 590.00	1 600.00		R 1 600.00
45(4) read with 62(1)	Failure to renew flammable substance certificate (annual/quantity or class of substance changed)	R1 590.00	1 600.00		R 1 600.00
45(7) read with 62(1)	Supply of flammable substance in respect of premises which is not in possession of a valid flammable substance certificate	R1 590.00	1 600.00		R 1 600.00
45(9) read with 62(1)	Failure to have flammable substance certificate available on premises for inspection.	R1 590.00	1 600.00		R 1 600.00
Permanent or temporary above ground storage tank for a flammable liquid					
46(2)(a) read with 62(1)	Temporary above ground storage tank in excess of 9000 litres/ on premises for period exceeding 6 months/without submitting necessary written application.	R1 590.00	1 600.00		R 1 600.00
46(3) read with 62(1)	Failure to submit rational design for above ground storage tank in excess of 9000 litres	R1 590.00	1 600.00		R 1 600.00
46(5) read with 62(1)	Permanent/temporary tank with insufficient ullage to permit expansion by reason of temperature rise during storage.	R1 590.00	1 600.00		R 1 600.00
46(6) read with 62(1)	Erection of permanent/temporary tank less than 3,5 metres from boundaries/buildings/other flammable substances/combustible materials.	R1 590.00	1 600.00		R 1 600.00
46(7) read with 62(1)	Permanent/temporary tank not located on firm ground level/ground not adequate strength to support mass of tank and contents	R1 590.00	1 600.00		R 1 600.00
46(8) read with 62(1)	No bund wall or permanent/temporary tank.	R1 590.00	1 600.00		R 1 600.00
46(9) read with 62(1)	Inadequate precautions to prevent spillage during filling of tank.	R1 590.00	1 600.00		R 1 600.00
46(10) read with 62(1)	Failure to provide sufficient fire extinguishers in weather proof boxes	1 590.00	1 600.00		R 1 600.00
46(11) read with 62(1)	Failure to provide necessary symbolic safety (above ground tanks)	1 590.00	1 600.00		R 1 600.00
46(12) read with 62(1)	Failure to clearly identify flammable liquid contents with Hazchem placards (above ground tanks).	1 590.00	1 600.00		R 1 600.00
46(13) read with 62(1)	Electrical/internal combustion-driven pump not equipped/positioned to eliminate danger of flammable liquid igniting	1 590.00	1 600.00		R 1 600.00
46(14) read with 62(1)	Electrical installation associated with the above ground storage tank not complying with SABS 0108 and SABS 089: Part 2.	1 590.00	1 600.00		R 1 600.00
Underground Storage Tank					
47 read with 62(1)	Installation does not comply with NBR, SABS 089: Part 3, SABS 0131: Part 3.	1 590.00	1 600.00		R 1 600.00
Bulk storage depot for flammable substances					
48 read with 62(1)	The handling, storage and distribution of flammable substances at bulk depot fails to comply with NBR, SABS 089: Part 1.	1 590.00	1 600.00		R 1 600.00
Small installations for liquefied petroleum gas					
49 read with 62(1)	Liquefied petroleum gas installations involving gas storage combined capacity not exceeding 3 000 litres per installation not installed in accordance with SABS 087: Part 1.	1 590.00	1 600.00		R 1 600.00
Liquid petroleum gas installation in mobile units and small non-permanent buildings					
50 read with 62(1)	Liquid petroleum gas installation in mobile unit/small non-permanent building not in accordance with SABS 087: Part 2.	1 590.00	1 600.00		R 1 600.00
The fuelling of forklift trucks and other LP gas operated vehicles					
51 read with 62(1)	The fuelling of forklift trucks and other LP gas operated vehicles not in accordance with SABS 087: Part 8	1 590.00	1 600.00		R 1 600.00
The storage and filling of refillable liquid petroleum gas containers					
52 read with 62(1)	Storage and filling site for refillable liquid petroleum gas containers of capacity not exceeding 9kg not in accordance with SABS 10087 Part 8				
Bulk storage vessel for liquid petroleum gas					
53 read with 62(1)	The layout, design and operation of installations for the storage of a bulk liquid petroleum vessel and allied facilities not in accordance with the National Building Regulations (T1), read in conjunction with SABS 087: Part 3.				

BY LAW	OFFENCE	FINE 2016/2017	FINE Excl. VAT 2017/2018	No VAT applicable	FINE 2017/2018
Failure to comply with provisions					
6(1) read with 62(1)	Failure to comply with written notice	1 590.00	1 600.00		R 1 600.00
Reporting a fire hazard and other threatening danger					
10 read with 62(1)	Failure to report a fire hazard or other threatening danger	1 590.00	1 600.00		R 1 600.00
Access for emergency vehicles					
12(1)(a) read with 62(1)	Failure to provide emergency vehicle access where premises are not readily accessible from public roads	1 060.00	1 100.00		R 1 100.00
Termination of the storage and use of flammable substances					
54(1) read with 62(1)	Failure to take prescribed steps when above ground or underground tank installation, liquid petroleum gas installation or associated pipework no longer required.	R1 060.00			
54(2) read with 62(1)	Failure to apply in writing to fill unstable installation with liquid cement slurry.	R1 060.00			
Reporting accidents					
55 read with 62(1)	Failure to notify controlling authority of accident involving flammable substance.	R1 060.00			
Flammable stores					
56 read with 62(1)	Flammable store not conforming to requirements (specify exactly).	R1 590.00			
Container handling and storage					
57(1) read with 62(1)	Failure to keep flammable substance closed when not in use. 1500 1,590 0 1,590	R1 590.00	1 600.00		R 1 600.00
57(2) read with 62(1)	Extracting flammable liquids from container exceeding 20 litre capacity which does not have adequately sealed pump/ tap.	R1 590.00	1 600.00		R 1 600.00
57(3) read with 62(1)	Failure to label flammable liquid containers properly.	R1 590.00	1 600.00		R 1 600.00
57(5) read with 62(1)	Inadequate manufacture/maintenance of flammable substance containers allowing leakage of flammable substances or vapours.	R1 590.00	1 600.00		R 1 600.00
57(6) read with 62(1)	Failure to place empty flammable liquid container in a flammable store. 1500 1,590 0 1,590	R1 590.00	1 600.00		R 1 600.00
57(8) read with 62(1)	Failure to securely close empty flammable liquid container	R1 590.00	1 600.00		R 1 600.00
Spray rooms and booths					
58 read with 62(1)	A spray room, booth or area designated for the application of a flammable liquid not constructed compliance with the General Safety Regulations promulgated in terms of the Occupational Health and Safety Act.	R1 590.00	1 600.00		R 1 600.00
Liquid petroleum gas containers					
59(1) read with 62(1)	Manufacture/maintenance/testing of liquid petroleum gas container not in accordance with SABS 087: Part 1 and SABS 019.	R1 590.00	1 600.00		R 1 600.00
59(2) read with 62(1)	Liquid petroleum gas container used/stored in such a manner that damage or leakage of liquid or vapour is possible.	R1 590.00	1 600.00		R 1 600.00
59(3) read with 62(1)	Filling of liquid petroleum gas container not exceeding 9 kilograms not in accordance with SABS 087: Part 7. 1500	R1 590.00	1 600.00		R 1 600.00
CHAPTER 10: TRANSPORTATION OF DANGEROUS GOODS					
Dangerous goods certificate					
60(1) read with 62(1)	Operation of vehicle designated for the transportation of flammable material without a dangerous goods certificate. 1500 1,590 0 1,590	1 590.00	1 600.00		R 1 600.00
60(2) read with 62(1)	Failure to submit it application for dangerous goods certificate in prescribed form to controlling authority.	1 060.00	1 100.00		R 1 100.00
60(5) read with 62(1)	Failure to renew dangerous goods certificate annually/when major maintenance or repairs made on vehicle.	1 060.00	1 100.00		R 1 100.00
60(10) read with 62(1)	Failure to keep dangerous goods certificate available in vehicle for inspection.	1 060.00	1 100.00		R 1 100.00

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
Applicable to services rendered from 1 July 2017

DIREKTORAAT: GEMEENSKAP & VEILIGHEIDSDIENSTE
DIRECTORATE: COMMUNITY & PROTECTION SERVICES

	Tariff 2016/17 (Incl VAT)	Excl VAT 2017/18	VAT 14%	Tariff 2017/18 (Incl VAT)
LAW ENFORCEMENT/ WETSTOEPASSING				
Skut van goedere gekonfiskeer / Inpoundment of goods confiscated	675.00	627.63	87.87	715.50
<u>Provision of CCTV video footage information/ Voorsiening van CCTV video inligting</u>				
Aansoekfooi/ Application Fee	170.00	149.12	20.88	170.00
Beeldmateriaal opsporingsfooi / Video footage tracing fee	225.00	197.37	27.63	225.00
Voorsiening van bewysmateriaal (CCTV video) per CD/ Provision of evidentiary evidence (CCTV video footage) per CD	360.00	315.79	44.21	360.00
<u>Animal Impoundment costs:</u>				
Impoundmet of animals				
Horses, cattle and pigs (per head)	250.00	219.30	30.70	250.00
Goats and Sheep (per head)	150.00	131.58	18.42	150.00
<u>Pound Fees (includes sustenance)</u>				
Horses, cattle and pigs (per head per day)	150.00	131.58	18.42	150.00
Goats and Sheep (per head per day)	150.00	131.58	18.42	150.00
<u>Fees for animals to be seperately herded</u>				
For every stallion and bull (per head per day)	250.00	219.30	30.70	250.00
For every Sheep ram, goat ram or other separate animal (per head per day)	150.00	131.58	18.42	150.00
<u>Transport costs</u>				
All animals delivered to the pound per km (to a max of R500.00) per single trip (No sharing of costs for multiple owners)	15.00	131.58	18.42	16.50
EVENTS				
<u>Events Application Fee:</u> Non-refundable				
Youth Development	100.00	87.72	12.28	100.00
Schools and educational institutions	100.00	87.72	12.28	100.00
Welfare Organizations	100.00	87.72	12.28	100.00
Churches	100.00	87.72	12.28	100.00
Elderly	100.00	87.72	12.28	100.00
Inter-Governmental departments	100.00	87.72	12.28	100.00
<u>All other applications:</u>	750.00	697.37	97.63	795.00

STELLENBOSCH MUNICIPALITY

Applicable to services rendered from 1 July 2017

DIREKTORAAT INGENIEURS DIENSTE DIRECTORATE ENGINEERING SERVICES

Electrical Engineering Services	Unit	Tariff 2016/17 (Incl VAT)	Tariff 2017/18 (Incl VAT)	VAT
MISCELLANEOUS				
Special meter reading				
Office hours (till 15:00)	per occasion	R 193.00	R 210.00	Included
After Hours (After 15:00)	per occasion	R 299.00	R 320.00	Included
Sunday and Public Holidays	per occasion	R 603.00	R 650.00	Included
Disconnection or Reconnection of Low Voltage supply:				
Office hours (till 15:00)	per occasion	R 193.00	R 210.00	Included
After Hours (After 15:00)	per occasion	R 299.00	R 320.00	Included
Sunday and Public Holidays	per occasion	R 603.00	R 650.00	Included
1st Call to fault on consumer's installation :				
Office hours (till 15:00)	per occasion	R 310.00	R 330.00	Included
After Hours (after 15:00)	per occasion	R 545.00	R 580.00	Included
Sunday's and Public Holidays	per occasion	R 635.00	R 670.00	Included
2nd Call to fault on consumer's installation :				
Office hours (till 15:00)	per visit	R 435.00	R 460.00	Included
After Hours (after 15:00)	per visit	R 580.00	R 615.00	Included
Sunday's and Public Holidays	per visit	R 875.00	R 930.00	Included
Service not ready for connection	per visit	R 600.00	R 650.00	Included
Temporary supply at public venue:				
Existing kiosk with single phase plug point (where available)	per day	R 515.00	R 590.00	Included
Existing kiosk with three phase plug point (where available)	per day	R 720.00	R 830.00	Included
Supply temporary kiosk with single/three phase plug points where supply in close vicinity (Plus day tariff)	per occasion	R 2 200.00	R 2 860.00	Included
Temporary supply at public venue: (Non-profit organisations only)				
Existing kiosk with single phase plug point (where available)	per day	R 130.00	R 137.00	Included
Existing kiosk with three phase plug point (where available)	per day	R 210.00	R 225.00	Included
Supply temporary kiosk with single/three phase plug points where supply in close vicinity (Plus day tariff)	per occasion	R 2 200.00	R 2 340.00	Included
MV switching on Council's equipment :				
Office hours	per occasion	R 2 755.00	R 2 920.00	Included
After Hours	per occasion	R 3 855.00	R 4 100.00	Included
Sundays & Public Holidays	per occasion	R 5 760.00	R 6 100.00	Included
Installation of banners	per banner	R 2 000.00	R 2 600.00	Included
Load control equipment:				
Refusal of installation	per month	R 665.00	R 705.00	Included
Penalty for the illegal disconnection of load control equipment	per occasion	R 1 570.00	R 1 665.00	Included
NEW SUPPLIES WHERE MUNICIPAL CABLE IS AT ERF BOUNDARY (INCLUDES ENERGY DISPENSER AND EXCLUDE CABLE JOINT ON PROPERTY BOUNDARY)				
60 A single phase energy dispenser	each	R 2 290.00	R 2 500.00	Included
Three phase energy dispenser	each	R 3 815.00	R 4 197.00	Included
User interface Unit (wired)	each	R 150.00	R 400.00	Included
User interface Unit (wireless)	each	R 450.00	R 600.00	Included
Single Phase Connection Informal Settlement (Energy Dispenser + Ready Board + Cable - max distance 30meter)	each	R 3 750.00	R 3 980.00	Included
60 A single phase service connection installed to Non-Serviced Property from overhead line to erf boundary with a 60 A single phase energy dispenser distribution board	each	R 5 775.00	R 6 120.00	Included
All other new installations or upgrades as per quotation supplied by the Electrical Engineering Services Directorate		Quotation	Quotation	

STELLENBOSCH MUNICIPALITY

Applicable to services rendered from 1 July 2017

DIREKTORAAT INGENIEURS DIENSTE DIRECTORATE ENGINEERING SERVICES

Electrical Engineering Services	Unit	Tariff 2016/17 (Incl VAT)	Tariff 2017/18 (Incl VAT)	VAT
INSTALLATION OF ENERGY DISPENSERS				
Replacement of existing single phase credit meter with single phase energy dispenser	each	No Cost	No cost	Included
Replacement of existing three phase credit meter with a three phase electricity dispenser	each	No Cost	No Cost	Included
Replacement of broken/removed seals	each	R 310.00	R 330.00	Included
Tampered single phase meter or supply : First offence (Tampering Fee + meter cost) + (Estimated value of Illegal Consumption not Registered)	per occasion	R 4 850.00	R 5 141.00	Included
Second and more offences (Tampering Fee x 2 plus meter cost)+ (Estimated value of Illegal Consumption not Registered)	per occasion	R 7 775.00	R 8 242.00	Included
Third offence (Single phase)	Supply Removed	To re-instate R7775.00+Cost of new single phase installation (R2290.00)	To re-instate R8242.00+Cost of new single phase installation (R2500.00)	Included
Tampered three phase meter or supply : First offence (Tampering Fee + meter cost) + (Estimated value of Illegal Consumption not Registered)	per occasion	R 5 200.00	R 5 512.00	Included
Second and more offences (Tampering Fee x 2 plus meter cost)+ (Estimated value of Illegal Consumption not Registered)	per occasion	R 10 030.00	R 10 632.00	Included
Third offence (Three phase)	Supply Removed	To re-instate R10030.00+Cost of new three phase installation (R3815.00)	To re-instate R10632.00+Cost of new three phase installation (R4197.00)	Included
Tampered programmeble meter or supply : First offence (Tampering Fee + meter cost) + (Estimated value of Illegal Consumption not Registered)	per occasion	R 5 800.00	R 6 670.00	Included
Second and more offences (Tampering Fee x 2 plus meter cost)+ (Estimated value of Illegal Consumption not Registered)	per occasion	R 11 600.00	R 13 340.00	Included
Third offence	Supply removed	To re-instate R11600.00+Cost of new promable meter (R12485.00)	To re-instate R13340.00+Cost of new promable meter (R13300.00)	Included

STELLENBOSCH MUNICIPALITY

Applicable to services rendered from 1 July 2017

DIREKTORAAT INGENIEURS DIENSTE DIRECTORATE ENGINEERING SERVICES

Electrical Engineering Services	Unit	Tariff 2016/17 (Incl VAT)	Tariff 2017/18 (Incl VAT)	VAT
Metering General				
Testing of single phase meter (on site verification)	each	R 655.00	R 694.00	Included
Testing of three phase meters (on site verification)	each	R 1 175.00	R 1 246.00	Included
Testing of three phase bulk meters (New Audit)	each	R 2 460.00	R 2 608.00	Included
Tariff investigation - based on existing consumption data	each	R 1 500.00	R 1 590.00	
Tariff or load profile investigation - requiring equipment and personnel/site visit's	each	R 2 935.00	R 3 111.00	Included
Quality of supply investigation - requiring equipment and personnel/site visit's	each	R 3 430.00	R 3 636.00	Included
Bulk metering (Ct's, Test Block, Fuses Complete and Modem) and site certification	each	R 12 485.00	R 13 300.00	Included
Meter Credit three Phase Max 120A	each	R 5 970.00	R 6 330.00	Included
Smart Metering Single phase when available max 80A	each	R 3 700.00	R 3 920.00	Included
Smart Metering Three phase when available max 80A	each	R 4 720.00	R 5 000.00	Included
DEVELOPMENT BULK LEVY CONTRIBUTIONS				
<i>Please Note: Any additional costs to make the supply available to the users are for the developers account</i>				
Developer Provides Minisub				
Cluster housing, Semi-detached townhouses & flats	3 kVA	R 7 100.00	R 7 526.00	Excluded
Urban Residential, Freestanding homes or townhouses (LSM 7-10)	4 kVA	R 9 460.00	R 10 028.00	Excluded
Luxury Class Homes >250m ² (Airconditioning, underfloor heating, more than one electrical hot water cylinder etc) max 60Amp Single Phase	6 kVA	R 14 190.00	R 15 042.00	Excluded
Non Residential	per kVA	R 1 975.00	R 2 094.00	Excluded
Residential > 60Amp Single Phase to max 60 Amp Three Phase	per kVA	R 1 975.00	R 2 094.00	Excluded
Existing Municipal Minisub or Transformer				
Cluster housing, Semi-detached townhouses & flats	3 kVA	R 9 100.00	R 9 646.00	Excluded
Urban Residential, Freestanding homes or townhouses (LSM 7-10)	4 kVA	R 12 140.00	R 12 869.00	Excluded
Luxury Class Homes >250m ² (Airconditioning, underfloor heating, more than one electrical hot water cylinder etc) max 60Amp Single Phase	6 kVA	R 17 875.00	R 18 948.00	Excluded
Non Residential per kVA	per kVA	R 2 635.00	R 2 794.00	Excluded
Residential > 60Amp Single Phase to max 60 Amp Three Phase	per kVA	R 2 635.00	R 2 794.00	Excluded

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
Applicable to services rendered from 1 July 2017

DIREKTORAAT INGENIEURS DIENSTE DIRECTORATE ENGINEERING SERVICES

SECTION	ELECTRICITY PENALTIES	Tariff 2016/17 (Incl VAT)	Tariff 2017/18 (Incl VAT)
		(including VAT)	
13	REFUSAL OF ADMITTANCE		
13	Wilfully hindering, obstructing/interfering with or refusing access to the engineer/duly authorised official in the performance of his/her duties.	R 1 860	R 1 972.00
14	IMPROPER USE		
14	Using electricity in a way that interferes in an improper or unsafe manner, or is calculated to interfere in a improper or unsafe manner, with the efficient supply of electricity to any other consumer.	R 1 870	R 1 982.00
20	RESALE OF ELECTRICITY		
20 (1)	Selling/supplying or allowing/permitting the selling/supplying of electricity to any other person/persons without permission.	R 1 870	R 1 982.00
20 (2) (a)	Rendering of a monthly account reflecting tariffs/charges not approved by the municipality.	R 1 525	R 1 617.00
25	SEALS AND LOCKS OF THE MUNICIPALITY		
25	Removing/breaking/defacing/tampering/interfering with seals/locks or any part of the electricity Distribution Equipment ; or Storing of Goods obstructing access to equipment; or being in possession of the security lock keys without authorisation.	R 2 505	R 2 655.00
27	PROTECTION OF ELECTRICITY DISTRIBUTION SYSTEM		
27 (1) (a)	Without consent or Way Leave - Constructing/erecting or permitting the erection of any building/structure/other object, or plant trees/vegetation, over or in a position/manner that interferes with or endangers the electricity system.	R 1 785	R 1 892.00
27 (1) (b)	Without consent - Excavating/opening up/removing the ground above/next to/under any part of the electricity system; or dumping anything onto/next to/under electricity distribution system.	R 2 640	R 2 798.00
27 (1) (c)	Without consent - Damaging/endangering/removing/destroying any part of the electricity system.	R 2 640	R 2 798.00
27 (1) (d)	Without consent - Abstracting/ branching off/diverting any electricity current or causing any electric current to be abstracted/branched off/diverted or consuming/using any abstracted/branched off/diverted electricity current.	R 2 085	R 2 210.00
27 (1) (e)	Without consent - installing any paving over the Municipality's cables without adequate sleeves having been installed.	R 2 185	R 2 316.00
27 (1) (f)	Excavating over the Municipality's cables without a permit.	R 2 640	R 2 798.00
27 (1) (g)	Excavating over the Municipality's cables with excavating or related machines.	R 2 640	R 2 798.00
27 (1) h	Refusing or restricting an engineer/duly authorised official from operating or maintaining equipment in the performance of his duties.	R 2 640	R 2 798.00
27 (1) i	Failing to limit the height of trees or vegetation or the length of projecting branches in the proximity of overhead lines or provide a means of protection.	R 2 085	R 2 210.00

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
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DIREKTORAAT INGENIEURS DIENSTE DIRECTORATE ENGINEERING SERVICES

SECTION	ELECTRICITY PENALTIES	Tariff 2016/17 (Incl VAT)	Tariff 2017/18 (Incl VAT)
		(including VAT)	
29	UNAUTHORISED CONNECTIONS		
29	Directly or indirectly connect, attempt to connect or cause or permit the connection of a new electrical installation or part of a new electrical installation to the supply mains or service connection.	R 3 050	R 3 233.00
30	UNAUTHORISED RECONNECTIONS		
30 (1)	Reconnecting, attempting to reconnect or causing or permitting the reconnection of the supply mains or service connection of an electrical installation that has been disconnected by the Municipality.	R 3 050	R 3 233.00
36	MV AND LV SWITCHGEAR AND EQUIPMENT		
36 (3)	Operating MV switchgear at the points of supply without the written authorisation of the engineer.	R 6 800	R 7 208.00
37	TRANSFORMER SUBSTATION ACCOMMODATION		
37 (2)	Refusing or restricting an engineer/duly authorised official from operating or maintaining equipment in the performance of his duties.	R 2 245	R 2 380.00
40	CONSUMER'S EMERGENCY STANDBY SUPPLY EQUIPMENT		
40	Connecting emergency standby supply equipment provided by a consumer to an installation without the prior written approval of the engineer.	R 4 720	R 5 003.00
51	INTERFERENCE WITH OTHER CONSUMERS		
51 (1)	Operating electrical equipment having characteristics which give rise to voltage variations, harmonic currents/voltages or unbalanced phase currents that fall outside the standards determined by NRS 048.	R 2 285	R 2 422.00

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

DIREKTORAAT : INGENIEURS DIENSTE /
DIRECTORATE: ENGINEERING SERVICES

Water Services	Tarief/ Tariff 2016/17 (Incl. VAT)	Tarief/ Tariff 2017/18 (Excl. VAT)	BTW/ VAT	Tarief/ Tariff 2017/18 (Incl. VAT)
DIVERSE DIENSTE / SUNDRY SERVICES				
Water connections complete				
Contractor provided leading				
22 mm Water connections (coupling and meter only)	3 513.08	3 297.36	461.63	3 758.99
Complete connection :				
15mm complete (stopcock + watermeter + box)	5 055.86	4 745.42	664.36	5 409.77
20mm complete (stopcock + watermeter + box)	5 264.84	4 941.56	691.82	5 633.38
25mm complete (stopcock + watermeter + box)	7 607.28	7 140.17	999.62	8 139.79
40mm complete (stopcock + watermeter + box)	14 033.01	13 171.33	1 843.99	15 015.32
Complete connection : Including road crossing				
15mm complete (stopcock + watermeter + box)	19 298.40	17 774.85	2 488.48	20 263.32
20mm complete (stopcock + watermeter + box)	19 529.40	17 987.60	2 518.26	20 505.87
25mm complete (stopcock + watermeter + box)	21 660.83	19 950.76	2 793.11	22 743.87
40mm complete (stopcock + watermeter + box)	27 548.15	25 373.29	3 552.26	28 925.56
Inspection fee on all connections done by Private Contractors (excluding water deposit)	1 780.74	1 671.40	234.00	1 905.40
Water Management Device				
22 mm Water connection (stopcock + watermeter + box)		4 156.78	581.95	4 738.73
Water miscellaneous tariffs				
Moving of watermeter sizes up to 25mm diam. Max distance 2m.	1 504.93	1 386.12	194.06	1 580.18
Moving of watermeter size 40mm diam. Max distance 2m.	3 780.96	3 482.47	487.55	3 970.01
(Does not include reinstatement of paved areas - reinstatement of paved areas actual cost)				
Test of all water meters. Actual cost.	Actual cost			
Hydrants Standpipes				
15mm-50mm hydrants standpipes rental/month or part of month	941.31	867.00	121.38	988.38
Refundable deposit per hydrant standpipe	10 779.44	9 928.43	1 389.98	11 318.41
Analysis of water sample				
Reconnection after disconnection due to non-payment:				
Normal hours	376.15	346.46	48.50	394.96
After hours	577.35	531.77	74.45	606.22
Tampering and damaging of water installations:				
First offence	2 064.36	1 901.39	266.19	2 167.58
Second offence	2 516.90	2 318.19	324.55	2 642.74
PLUS : If water installation was removed - Full connection fee is payable for reconnection.				
Replacement of damaged water meters:				
20 mm.	3 513.08	3 235.73	453.00	3 688.73
> 20 mm.	Actual cost			
Sewer Connections(Installed by Developer as development requirement)				
Applicant connects to existing connection.				
100mm connection by Developer (first connection)	1 417.46	1 305.55	182.78	1 488.33
150mm connection by Developer (first connection)	1 699.33	1 565.17	219.12	1 784.29
All new sewer connections (due to subdivision/developments)				
	Actual cost	Actual cost		Actual cost
Clearing of block sewer:				
Owner responsible to clear private blockage by making use of private contractor				
Blockage teams only responsible for clearing municipal main sewer blockages				
Private blockages only to be cleared if health hazard occurs and clear instruction is given by Management				
Normal hours	599.15	551.85	77.26	629.11
After hours	830.81	765.22	107.13	872.35
Deliberate call out to private blockage (call out fee only)	774.77	713.61	99.90	813.51

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
Applicable to services rendered from 1 July 2017

DIREKTORAAT : INGENIEURS DIENSTE /
DIRECTORATE: ENGINEERING SERVICES

SERVICES RENDERED	UNIT	COMMENTS	2016/17	2017/18
Solid Waste Management Services			R VAT excl	
Stellenbosch Landfill Site (Devon Valley Site)(General Waste only - NO Medical or Hazardous Waste)				
Residents or Garden Services working within WC024				
Disposal of clean garden waste (grass cuttings, leaves etc.) NO OTHER WASTE * contaminated garden waste will be classified as general waste	Per metric ton or part thereof	Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done	Free	Free
Disposal of clean builder's rubble * contaminated builder's rubble will be classified as general waste	Per metric ton or part thereof	No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood).	Free	Free
Disposal of bulky domestic waste	Per metric ton or part thereof	These are limited to items that cannot fit into a 240l wheelie bin. Proof of the latest account that reflects payment for refuse removal needs to be shown. Limited to one load per month.	Free	Free
Contractors within WC024				
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per metric ton or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 421.06	R 438.60
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per 500 kg or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 210.53	R 219.30
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per 250 kg or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 105.27	R 109.65
Disposal of soil	Per metric ton or part thereof	Only soil from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 421.06	R 438.60
Disposal of soil	Per 500 kg or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 210.53	R 219.30
Disposal of soil	Per 250 kg or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 105.27	R 109.65
Interdepartmental Municipal Charges				
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per metric ton or part thereof	All Departments within Stellenbosch Municipality must pay for the disposal of refuse.	421.06	R 438.60
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per 500 kg or part thereof	All Departments within Stellenbosch Municipality must pay for the disposal of refuse.	210.53	R 219.30
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per 250 kg or part thereof	All Departments within Stellenbosch Municipality must pay for the disposal of refuse.	105.27	R 109.65
Klapmuts Transfer Station				
Disposal of general waste	Per metric ton or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 421.06	R 438.60
Disposal of general waste	Per 500 kg or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 210.53	R 219.30
Disposal of general waste	Per 250 kg or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 105.27	R 109.65

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

DIREKTORAAT : INGENIEURS DIENSTE /
DIRECTORATE: ENGINEERING SERVICES

SERVICES RENDERED	UNIT	COMMENTS	2016/17	2017/18
Solid Waste Management Services			R VAT excl	
Franschoek Drop-off				
Residential properties ONLY				
Disposal of bulky domestic waste	Car, trailer, LDV	These are limited to items that cannot fit into a 240ℓ wheelie bin. Proof of the latest account that reflects payment for refuse removal needs to be shown.	Free	Free
Disposal of small quantities of clean builder's rubble contaminated builder's rubble will be allowed	*no Car, trailer, LDV	Only waste from within Franschoek boundaries allowed. Proof of origin of waste to be declared by user at drop-off facility (written proof if requested).	Free	Free
Disposal of clean garden waste (Grass cuttings, leaves, etc.) contaminated garden waste will be allowed	*no Car, trailer, LDV	Only waste from within Franschoek boundaries allowed. Proof of origin of waste to be declared by user at drop-off facility (written proof if requested).	Free	Free
WASTE IN EXCESS OF 1 TON AND ALL OTHER WASTE MUST BE DISPOSED OF AT THE SETTLENBOSCH LANDFILL SITE				
Replacement of bin or lid or wheel or axel				
For bin age up to 5 years		For malicious damage where there is negligence on the part of the owner.		
For the replacement of a complete bin	Replacement	Applicable to malicious damage Lost or stolen bin must be reported to the nearest Police Station and a case number be presented to Council before replacement commences. The replacement due to theft on refuse removal day will be excluded from this arrangement. Client still to obtain a case number from the SAPS and present it to Council before replacement will take effect. Maximum of twice per year.	Cost + 15% applicable to malicious damage, lost or theft. Must be reported to the SAPS and a case number and payment to be presented to Council before replacement. The replacement due to theft on refuse removal day will be excluded from this arrangement (Maximum two replacement allowed during the financial year, thereafter payment to be presented before replacement). Client still to obtain a case number from the SAPS and present it to Council before replacement will take effect.	Cost + 15% applicable to malicious damage, lost or theft. Must be reported to the SAPS and a case number and payment to be presented to Council before replacement. The replacement due to theft on refuse removal day will be excluded from this arrangement (Maximum two replacement allowed during the financial year, thereafter payment to be presented before replacement). Client still to obtain a case number from the SAPS and present it to Council before replacement will take effect.
Hiring and servicing of 240ℓ bins				
Hiring of 240ℓ wheelie bin	Per bin per day	For the hiring of 240ℓ bins to a third party within WC024 (includes delivery, collection and servicing of the bin). Subject to prior approval and availability.	R 42.11	R 42.11
Hiring of 240ℓ wheelie bins: Basic charge for collection and/or delivery on Saturday	Once-off per event	Compulsory fee to be paid when hiring municipal wheelie bins for events taking place over a weekend in WC024	R 2 200.00	R 2 200.00
Hiring of 240ℓ wheelie bins: Basic charge for collection and/or delivery on Sunday	Once-off per event	Compulsory fee to be paid when hiring municipal wheelie bins for events taking place over a weekend in WC024	R 2 900.00	R 2 900.00

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
Applicable to services rendered from 1 July 2017

DIREKTORAAT : INGENIEURS DIENSTE
DIRECTORATE: ENGINEERING SERVICES

	TOTAL TARIFF/TARIEF 2016/17 (Incl. VAT)	TARIFF/TARIEF 2017/18 (Excl VAT)	BTW/VAT	TOTAL TARIFF/TARIEF 2017/18 (Incl VAT)
Industrial Effluent per R/kg COD excluding penalties and contract arrangements.	R 10.23	R 9.60	R 1.34	R 10.94
Clearance of septic tanks: per 5 000 liter of part thereof	R 1 485.00	R 1 302.63	R 182.37	R 1 485.00
Waste Water disposal at designated facility per kl	R 78.21	R 78.90	R 11.05	R 89.94
Chemical toilet disposal at designated facility per toi kl	R 76.34	R 77.01	R 10.78	R 87.80
Illegal and unauthorised dumping of waste water (spot fine per incident.)	R 11 400.00	R 10 700.00	R 1 498.00	R 12 198.00

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

DIREKTORAAT: INGENIEURS DIENSTE
DIRECTORATE : ENGINEERING SERVICES

	Tariff 2016/17 (Incl VAT)	Tariff 2017/18 (Excl. VAT)	VAT	Tariff 2017/18 (Incl VAT)
SCIENTIFIC SERVICES/WETENSKAPLIKE DIENSTE				
PARAMETERS				
PHYSICAL ANALYSIS				
Temperature	31.92	31.92	4.47	36.39
Ph @ 25°C	31.92	31.92	4.47	36.39
Electrical conductivity @ 25°Cms ⁻¹	31.92	31.92	4.47	36.39
Turbidity (NTU)	28.50	28.50	3.99	32.49
Total suspended solids (TSS) 105°C mg/1	85.50	85.50	11.97	97.47
Total dissolved solids (TDS) mg/1	85.50	85.50	11.97	97.47
Inorganic dissolved solids (VSS) @600°Cmg/1	119.70	119.70	16.76	136.46
Settleable solids@ 30min in ml	85.50	85.50	11.97	97.47
Volatile organic matter percentage (%)	119.70	119.70	16.76	136.46
CHEMICAL ANALYSIS				
NITRATE (NO ⁻³) mg/1	109.44	109.44	15.32	124.76
NITRITE (NO ⁻²) mg/1	109.44	109.44	15.32	124.76
ORTHO PHOSPHATE (PO ⁻³ 4) mg/1	59.28	59.28	8.30	67.58
TOTAL PHOSPHATE (PO ⁻³ 4) mg/1	228.00	228.00	31.92	259.92
AMMONIA as N (NH3) mg/1	59.28	59.28	8.30	67.58
SULPHIDES (S) mg/1	153.90	153.90	21.55	175.45
SULPHATE (SO ⁻² 4) (total) mg/1	59.28	59.28	8.30	67.58
FREE & TOTAL residual chlorine (CL ⁻²)	39.90	39.90	5.59	45.49
CHLORIDE as C1 mg/1	59.28	59.28	8.30	67.58
PHENOLIS (C6H5OH)	285.00	285.00	39.90	324.90
COD unfiltered mg/1	114.00	114.00	15.96	129.96
COD filtered mg/1	114.00	114.00	15.96	129.96
COD dilution mg/1	114.00	114.00	15.96	129.96
PHENOLIS C6H5OH (total) mg/1	285.00	285.00	39.90	324.90
CHROMATE TEST (CHROMIUM cr6+) as Cr mg/1	399.00	399.00	55.86	454.86
CYANIDE as CN	285.00	285.00	39.90	324.90
SULPHIDES (SO ⁻² 3) mg/1	285.00	285.00	39.90	324.90
MICROBIOLOGICAL & BACTERIOLOGICAL ANALYSIS				
FAECAL COLIFORMS COUNT/100ml	228.00	228.00	31.92	259.92
E.COLI COUNT/100ml	228.00	228.00	31.92	259.92

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018 Applicable to services rendered from 1 July 2017

DIREKTORAAT: INGENIEURS DIENSTE DIRECTORATE : ENGINEERING SERVICES

	Tariff 2016/2017 (Excl VAT)	2016/2017 VAT	Tariff 2016/2017 (Incl VAT)	Tariff 2017/2018 (Excl VAT)	2017/2018 VAT	Tariff 2017/2018 Incl VAT
ROADS & STORMWATER						
Versak randsteen (plat en skuins) per randsteen / Lowering of kerbs	480.00	67.20	547.20	508.80	71.23	580.03
Inspeksiefooi vir die oprigting van fasiliteit tekens / Inspection fee for the construction of facility signs	225.00	31.50	256.50	238.50	33.39	271.89
Oprigting van fasiliteit tekens / Construction of facility signs	800.00	112.00	912.00	848.00	118.72	966.72
Konstruksie van bruggies oor leiwater/stormwater kanale Construction of vehicle access over stormwater/irrigation channels	Actual Cost/Werklike koste + 10%					
Padsluitings/Road closures(Fee applicable when the closure is not advertised or advertised in the electronic media)	100.00	14.00	114.00	106.00	14.84	120.84
Padsluitings/Road closures(Fee applicable when the closure is advertised in the printed media / electronic media)	4150.00	581.00	4731.00	4399.00	615.86	5014.86

STELLENBOSCH MUNICIPALITY
ENGINEERING SERVICES

DEVELOPMENT CONTRIBUTIONS IN RESPECT OF CIVIL ENGINEERING SERVICES FOR GREATER STELLENBOSCH (WC024)

DC per land-use: Stellenbosch Town 2017

Usage Codes														
Land Use	Unit	Water		Sewer		Stormwater		Solid Waste		Roads		Community Facilities		Total (excl Vat)
		kl/day	Cost	kl/day	Cost	ha*C	Cost	t/week	Cost	trips/day	Cost	person	Cost	
		factor	R	factor	R	factor	R	factor	R	factor	R	factor	R	
			23,822		22,847		149,510		46,623		5,740		2,944	
Single Residential >1000m2	dwelling unit	1.200	R 28,586	0.700	R 15,993	0.048	R 7,176	0.040	R 1,865	4.00	R 22,961	4.0	R 11,776	R 88,358
Single Residential >500m2	dwelling unit	0.800	R 19,058	0.650	R 14,851	0.028	R 4,186	0.040	R 1,865	4.00	R 22,961	4.0	R 11,776	R 74,697
Single Residential >250m2	dwelling unit	0.700	R 16,675	0.600	R 13,708	0.023	R 3,439	0.040	R 1,865	4.00	R 22,961	4.0	R 11,776	R 70,425
Single Residential <250m2	dwelling unit	0.600	R 14,293	0.500	R 11,424	0.018	R 2,691	0.040	R 1,865	4.00	R 22,961	4.0	R 11,776	R 65,010
Less Formal Residential >250m2	dwelling unit	0.600	R 14,293	0.500	R 11,424	0.023	R 3,439	0.040	R 1,865	0.75	R 4,305	4.0	R 11,776	R 47,102
Less Formal Residential <250m2	dwelling unit	0.450	R 10,720	0.400	R 9,139	0.018	R 2,691	0.040	R 1,865	0.75	R 4,305	4.0	R 11,776	R 40,496
Group Residential >250m2	dwelling unit	0.700	R 16,675	0.600	R 13,708	0.023	R 3,439	0.040	R 1,865	3.75	R 21,526	4.0	R 11,776	R 68,989
Group Residential <250m2	dwelling unit	0.600	R 14,293	0.500	R 11,424	0.018	R 2,691	0.040	R 1,865	3.25	R 18,656	4.0	R 11,776	R 60,705
Medium Density Residential >250m2	dwelling unit	0.700	R 16,675	0.600	R 13,708	0.023	R 3,439	0.040	R 1,865	2.75	R 15,786	4.0	R 11,776	R 63,249
Medium Density Residential <250m2	dwelling unit	0.600	R 14,293	0.500	R 11,424	0.018	R 2,691	0.040	R 1,865	3.25	R 18,656	4.0	R 11,776	R 60,705
High Density Residential - flats	dwelling unit	0.450	R 10,720	0.400	R 9,139	0.008	R 1,196	0.040	R 1,865	2.75	R 15,786	4.0	R 11,776	R 50,482
High Density Residential - student rooms	dwelling unit	0.180	R 4,288	0.150	R 3,427	0.004	R 598	0.015	R 699	1.25	R 7,175	1.0	R 2,944	R 19,132
										factor	R 6,378	factor	R 1,308	
Local Business - office	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.008	R 1,196	0.040	R 1,865	9.00	R 57,403	1.0	R 1,308	R 79,298
Local Business - retail	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.008	R 1,196	0.040	R 1,865	20.00	R 127,562	1.0	R 1,308	R 149,456
General Business - office	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.008	R 1,196	0.040	R 1,865	9.00	R 57,403	1.0	R 1,308	R 79,298
General Business - retail	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.008	R 1,196	0.040	R 1,865	20.00	R 127,562	1.0	R 1,308	R 149,456
Community	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.008	R 1,196	0.040	R 1,865	9.00	R 57,403	1.0	R 1,308	R 79,298
Education	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.008	R 1,196	0.040	R 1,865	9.00	R 57,403	1.0	R 1,308	R 79,298
										factor	R 8,292	factor	R 1,308	
Light Industrial	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.015	R 2,243	0.040	R 1,865	6.00	R 49,749	1.0	R 1,308	R 72,690
General Industrial - light	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.015	R 2,243	0.040	R 1,865	6.00	R 49,749	1.0	R 1,308	R 72,690
General Industrial - heavy	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.015	R 2,243	0.040	R 1,865	2.00	R 16,583	1.0	R 1,308	R 39,524
Noxious Industrial - heavy	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.015	R 2,243	0.040	R 1,865	2.00	R 16,583	1.0	R 1,308	R 39,524
										factor	R 6,378	factor	R 1,308	
Resort	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.008	R 1,196	0.040	R 1,865	9.00	R 57,403	1.0	R 1,308	R 79,298
Public Open Space	ha		R -		R -	0.200	R 29,902		R -		R -		R -	R 29,902
Private Open Space	ha		R -		R -	0.200	R 29,902		R -		R -		R -	R 29,902
Natural Environment	ha		R -		R -	0.200	R 29,902		R -		R -		R -	R 29,902
Utility Services	100m2 GLA	0.400	R 9,529	0.350	R 7,997	0.008	R 1,196	0.040	R 1,865	9.00	R 57,403	1.0	R 1,308	R 79,298
Public Roads and Parking	ha		R -		R -	0.700	R 104,657		R -		R -		R -	R 104,657
Transport Facility	ha		R -		R -	0.700	R 104,657		R -		R -		R -	R 104,657
Limited Use			R -		R -		R -		R -		R -		R -	R -
Special														
To be calculated based on equivalent demands														

STELLENBOSCH MUNICIPALITY
ENGINEERING SERVICES

DEVELOPMENT CONTRIBUTIONS IN RESPECT OF CIVIL ENGINEERING SERVICES FOR GREATER STELLENBOSCH (WC024)

DC per land-use: Dwars River 2017

Usage Codes															
Land Use	Unit	Water		Sewer		Stormwater		Solid Waste		Roads		Community Facilities		Total (excl Vat)	
		kl/day	Cost	kl/day	Cost	ha*C	Cost	t/week	Cost	trips/day	Cost	person	Cost		
		factor	R 18,672	factor	R 26,617	factor	R 142,657	factor	R 40,323			factor	R 3,236	factor	R 2,944
Single Residential >1000m2	dwelling unit	1.200	R 22,407	0.700	R 18,632	0.048	R 6,848	0.040	R 1,613	4.00	R 12,943	4.0	R 11,776	R 74,218	
Single Residential >500m2	dwelling unit	0.800	R 14,938	0.650	R 17,301	0.028	R 3,994	0.040	R 1,613	4.00	R 12,943	4.0	R 11,776	R 62,565	
Single Residential >250m2	dwelling unit	0.700	R 13,071	0.600	R 15,970	0.023	R 3,281	0.040	R 1,613	4.00	R 12,943	4.0	R 11,776	R 58,654	
Single Residential <250m2	dwelling unit	0.600	R 11,203	0.500	R 13,309	0.018	R 2,568	0.040	R 1,613	4.00	R 12,943	4.0	R 11,776	R 53,412	
Less Formal Residential >250m2	dwelling unit	0.600	R 11,203	0.500	R 13,309	0.023	R 3,281	0.040	R 1,613	0.75	R 2,427	4.0	R 11,776	R 43,609	
Less Formal Residential <250m2	dwelling unit	0.450	R 8,403	0.400	R 10,647	0.018	R 2,568	0.040	R 1,613	0.75	R 2,427	4.0	R 11,776	R 37,433	
Group Residential >250m2	dwelling unit	0.700	R 13,071	0.600	R 15,970	0.023	R 3,281	0.040	R 1,613	3.75	R 12,134	4.0	R 11,776	R 57,845	
Group Residential <250m2	dwelling unit	0.600	R 11,203	0.500	R 13,309	0.018	R 2,568	0.040	R 1,613	3.25	R 10,516	4.0	R 11,776	R 50,985	
Medium Density Residential >250m2	dwelling unit	0.700	R 13,071	0.600	R 15,970	0.023	R 3,281	0.040	R 1,613	2.75	R 8,898	4.0	R 11,776	R 54,609	
Medium Density Residential <250m2	dwelling unit	0.600	R 11,203	0.500	R 13,309	0.018	R 2,568	0.040	R 1,613	3.25	R 10,516	4.0	R 11,776	R 50,985	
High Density Residential - flats	dwelling unit	0.450	R 8,403	0.400	R 10,647	0.008	R 1,141	0.040	R 1,613	2.75	R 8,898	4.0	R 11,776	R 42,478	
High Density Residential - student rooms	dwelling unit	0.180	R 3,361	0.150	R 3,993	0.004	R 571	0.015	R 605	1.25	R 4,045	1.0	R 2,944	R 15,518	
										factor	R 3,595	factor	R 1,308		
Local Business - office	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.008	R 1,141	0.040	R 1,613	9.00	R 32,357	1.0	R 1,308	R 53,205	
Local Business - retail	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.008	R 1,141	0.040	R 1,613	20.00	R 71,905	1.0	R 1,308	R 92,753	
General Business - office	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.008	R 1,141	0.040	R 1,613	9.00	R 32,357	1.0	R 1,308	R 53,205	
General Business - retail	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.008	R 1,141	0.040	R 1,613	20.00	R 71,905	1.0	R 1,308	R 92,753	
Community	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.008	R 1,141	0.040	R 1,613	9.00	R 32,357	1.0	R 1,308	R 53,205	
Education	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.008	R 1,141	0.040	R 1,613	9.00	R 32,357	1.0	R 1,308	R 53,205	
										factor	R 4,674	factor	R 1,308		
Light Industrial	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.015	R 2,140	0.040	R 1,613	6.00	R 28,043	1.0	R 1,308	R 49,889	
General Industrial - light	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.015	R 2,140	0.040	R 1,613	6.00	R 28,043	1.0	R 1,308	R 49,889	
General Industrial - heavy	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.015	R 2,140	0.040	R 1,613	2.00	R 9,348	1.0	R 1,308	R 31,194	
Noxious Industrial - heavy	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.015	R 2,140	0.040	R 1,613	2.00	R 9,348	1.0	R 1,308	R 31,194	
										factor	R 3,595	factor	R 1,308		
Resort	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.008	R 1,141	0.040	R 1,613	9.00	R 32,357	1.0	R 1,308	R 53,205	
Public Open Space	ha		R -		R -	0.200	R 28,531		R -		R -		R -	R 28,531	
Private Open Space	ha		R -		R -	0.200	R 28,531		R -		R -		R -	R 28,531	
Natural Environment	ha		R -		R -	0.200	R 28,531		R -		R -		R -	R 28,531	
Utility Services	100m2 GLA	0.400	R 7,469	0.350	R 9,316	0.008	R 1,141	0.040	R 1,613	9.00	R 32,357	1.0	R 1,308	R 53,205	
Public Roads and Parking	ha		R -		R -	0.700	R 99,860		R -		R -		R -	R 99,860	
Transport Facility	ha		R -		R -	0.700	R 99,860		R -		R -		R -	R 99,860	
Limited Use			R -		R -		R -		R -		R -		R -	R -	
Special															
To be calculated based on equivalent demands															

STELLENBOSCH MUNICIPALITY
ENGINEERING SERVICES

DEVELOPMENT CONTRIBUTIONS IN RESPECT OF CIVIL ENGINEERING SERVICES FOR GREATER STELLENBOSCH (WC024)

DC per land-use: Franschhoek 2017

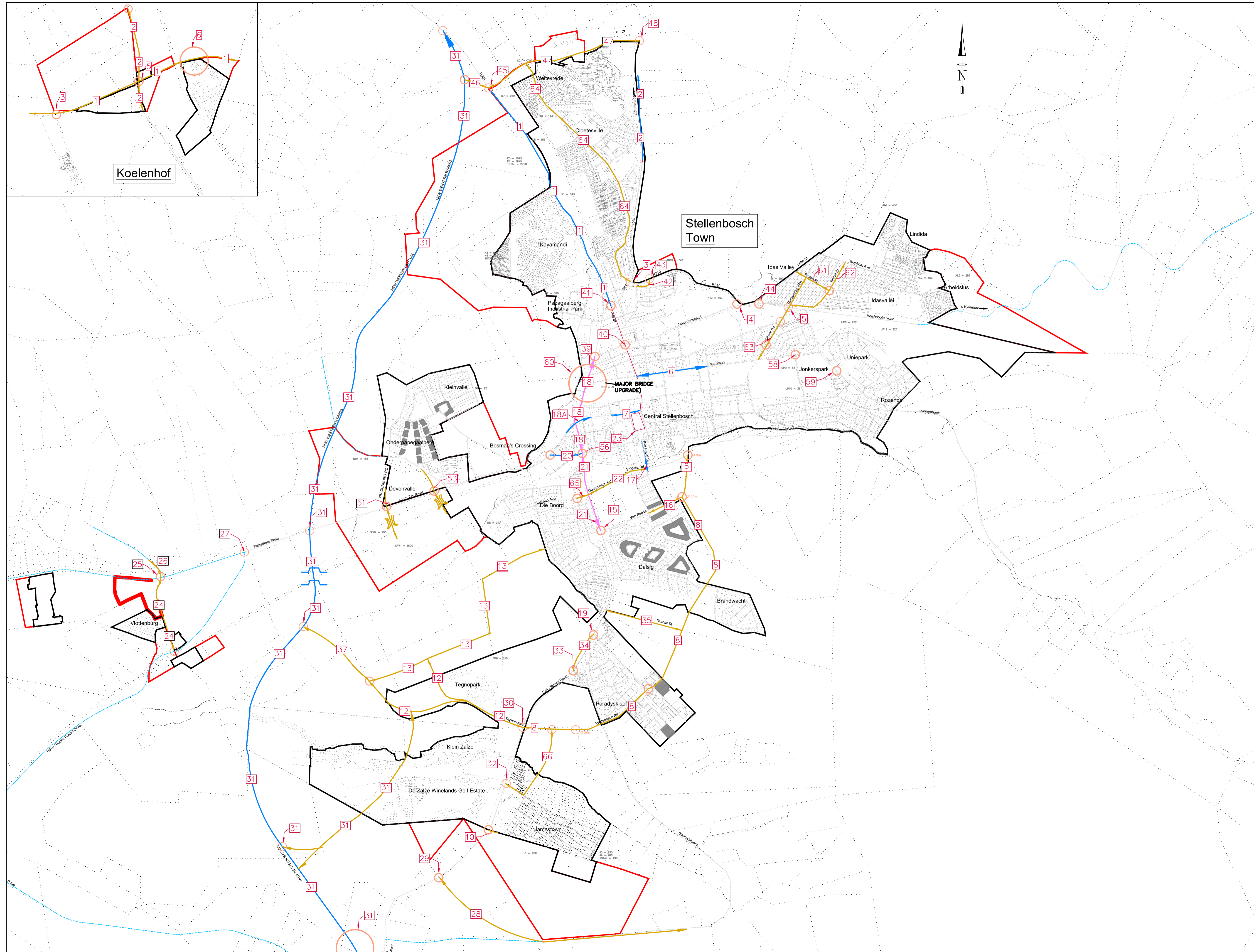
Usage Codes															
Land Use	Unit	Water		Sewer		Stormwater		Solid Waste		Roads		Community Facilities		Total (excl Vat)	
		kl/day	Cost	kl/day	Cost	ha*C	Cost	t/week	Cost	trips/day	Cost	person	Cost		
		factor	R 22,195	factor	R 14,691	factor	R 105,305	factor	R 50,490			factor	R 5,875	factor	R 2,944
Single Residential >1000m2	dwelling unit	1.200	R 26,634	0.700	R 10,284	0.048	R 5,055	0.040	R 2,020	4.00	R 23,499	4.0	R 11,776	R	79,266
Single Residential >500m2	dwelling unit	0.800	R 17,756	0.650	R 9,549	0.028	R 2,949	0.040	R 2,020	4.00	R 23,499	4.0	R 11,776	R	67,548
Single Residential >250m2	dwelling unit	0.700	R 15,536	0.600	R 8,815	0.023	R 2,422	0.040	R 2,020	4.00	R 23,499	4.0	R 11,776	R	64,067
Single Residential <250m2	dwelling unit	0.600	R 13,317	0.500	R 7,345	0.018	R 1,895	0.040	R 2,020	4.00	R 23,499	4.0	R 11,776	R	59,852
Less Formal Residential >250m2	dwelling unit	0.600	R 13,317	0.500	R 7,345	0.023	R 2,422	0.040	R 2,020	0.75	R 4,406	4.0	R 11,776	R	41,286
Less Formal Residential <250m2	dwelling unit	0.450	R 9,988	0.400	R 5,876	0.018	R 1,895	0.040	R 2,020	0.75	R 4,406	4.0	R 11,776	R	35,961
Group Residential >250m2	dwelling unit	0.700	R 15,536	0.600	R 8,815	0.023	R 2,422	0.040	R 2,020	3.75	R 22,030	4.0	R 11,776	R	62,599
Group Residential <250m2	dwelling unit	0.600	R 13,317	0.500	R 7,345	0.018	R 1,895	0.040	R 2,020	3.25	R 19,093	4.0	R 11,776	R	55,446
Medium Density Residential >250m2	dwelling unit	0.700	R 15,536	0.600	R 8,815	0.023	R 2,422	0.040	R 2,020	2.75	R 16,155	4.0	R 11,776	R	56,724
Medium Density Residential <250m2	dwelling unit	0.600	R 13,317	0.500	R 7,345	0.018	R 1,895	0.040	R 2,020	3.25	R 19,093	4.0	R 11,776	R	55,446
High Density Residential - flats	dwelling unit	0.450	R 9,988	0.400	R 5,876	0.008	R 842	0.040	R 2,020	2.75	R 16,155	4.0	R 11,776	R	46,657
High Density Residential - student rooms	dwelling unit	0.180	R 3,995	0.150	R 2,204	0.004	R 421	0.015	R 757	1.25	R 7,343	1.0	R 2,944	R	17,665
										factor	R 6,527	factor	R 1,308		
Local Business - office	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.008	R 842	0.040	R 2,020	9.00	R 58,747	1.0	R 1,308	R	76,937
Local Business - retail	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.008	R 842	0.040	R 2,020	20.00	R 130,548	1.0	R 1,308	R	148,738
General Business - office	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.008	R 842	0.040	R 2,020	9.00	R 58,747	1.0	R 1,308	R	76,937
General Business - retail	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.008	R 842	0.040	R 2,020	20.00	R 130,548	1.0	R 1,308	R	148,738
Community	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.008	R 842	0.040	R 2,020	9.00	R 58,747	1.0	R 1,308	R	76,937
Education	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.008	R 842	0.040	R 2,020	9.00	R 58,747	1.0	R 1,308	R	76,937
										factor	R 8,486	factor	R 1,308		
Light Industrial	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.015	R 1,580	0.040	R 2,020	6.00	R 50,914	1.0	R 1,308	R	69,841
General Industrial - light	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.015	R 1,580	0.040	R 2,020	6.00	R 50,914	1.0	R 1,308	R	69,841
General Industrial - heavy	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.015	R 1,580	0.040	R 2,020	2.00	R 16,971	1.0	R 1,308	R	35,899
Noxious Industrial - heavy	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.015	R 1,580	0.040	R 2,020	2.00	R 16,971	1.0	R 1,308	R	35,899
										factor	R 6,527	factor	R 1,308		
Resort	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.008	R 842	0.040	R 2,020	9.00	R 58,747	1.0	R 1,308	R	76,937
Public Open Space	ha		R -		R -	0.200	R 21,061		R -		R -		R -	R	21,061
Private Open Space	ha		R -		R -	0.200	R 21,061		R -		R -		R -	R	21,061
Natural Environment	ha		R -		R -	0.200	R 21,061		R -		R -		R -	R	21,061
Utility Services	100m2 GLA	0.400	R 8,878	0.350	R 5,142	0.008	R 842	0.040	R 2,020	9.00	R 58,747	1.0	R 1,308	R	76,937
Public Roads and Parking	ha		R -		R -	0.700	R 73,714		R -		R -		R -	R	73,714
Transport Facility	ha		R -		R -	0.700	R 73,714		R -		R -		R -	R	73,714
Limited Use			R -		R -		R -		R -		R -		R -	R	-
To be calculated based on equivalent demands															

STELLENBOSCH MUNICIPALITY
ENGINEERING SERVICES

DEVELOPMENT CONTRIBUTIONS IN RESPECT OF CIVIL ENGINEERING SERVICES FOR GREATER STELLENBOSCH (WC024)

DC per land-use: Klappmuts 2017

Usage Codes														
Land Use	Unit	Water		Sewer		Stormwater		Solid Waste		Roads		Community Facilities		Total (excl Vat)
		kl/day	Cost	kl/day	Cost	ha*C	Cost	t/week	Cost	trips/day	Cost	person	Cost	
		factor	R 9,746	factor	R 19,569	factor	R 197,287	factor	R 59,461					
										factor	R 6,778	factor	R 2,944	
Single Residential >1000m2	dwelling unit	1.200	R 11,695	0.700	R 13,699	0.048	R 9,470	0.040	R 2,378	4.00	R 27,113	4.0	R 11,776	R 76,131
Single Residential >500m2	dwelling unit	0.800	R 7,797	0.650	R 12,720	0.028	R 5,524	0.040	R 2,378	4.00	R 27,113	4.0	R 11,776	R 67,308
Single Residential >250m2	dwelling unit	0.700	R 6,822	0.600	R 11,742	0.023	R 4,538	0.040	R 2,378	4.00	R 27,113	4.0	R 11,776	R 64,369
Single Residential <250m2	dwelling unit	0.600	R 5,848	0.500	R 9,785	0.018	R 3,551	0.040	R 2,378	4.00	R 27,113	4.0	R 11,776	R 60,451
Less Formal Residential >250m2	dwelling unit	0.600	R 5,848	0.500	R 9,785	0.023	R 4,538	0.040	R 2,378	0.75	R 5,084	4.0	R 11,776	R 39,408
Less Formal Residential <250m2	dwelling unit	0.450	R 4,386	0.400	R 7,828	0.018	R 3,551	0.040	R 2,378	0.75	R 5,084	4.0	R 11,776	R 35,003
Group Residential >250m2	dwelling unit	0.700	R 6,822	0.600	R 11,742	0.023	R 4,538	0.040	R 2,378	3.75	R 25,418	4.0	R 11,776	R 62,674
Group Residential <250m2	dwelling unit	0.600	R 5,848	0.500	R 9,785	0.018	R 3,551	0.040	R 2,378	3.25	R 22,029	4.0	R 11,776	R 55,367
Medium Density Residential >250m2	dwelling unit	0.700	R 6,822	0.600	R 11,742	0.023	R 4,538	0.040	R 2,378	2.75	R 18,640	4.0	R 11,776	R 55,896
Medium Density Residential <250m2	dwelling unit	0.600	R 5,848	0.500	R 9,785	0.018	R 3,551	0.040	R 2,378	3.25	R 22,029	4.0	R 11,776	R 55,367
High Density Residential - flats	dwelling unit	0.450	R 4,386	0.400	R 7,828	0.008	R 1,578	0.040	R 2,378	2.75	R 18,640	4.0	R 11,776	R 46,586
High Density Residential - student rooms	dwelling unit	0.180	R 1,754	0.150	R 2,935	0.004	R 789	0.015	R 892	1.25	R 8,473	1.0	R 2,944	R 17,788
										factor	R 7,531	factor	R 1,308	
Local Business - office	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.008	R 1,578	0.040	R 2,378	9.00	R 67,782	1.0	R 1,308	R 83,795
Local Business - retail	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.008	R 1,578	0.040	R 2,378	20.00	R 150,626	1.0	R 1,308	R 166,639
General Business - office	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.008	R 1,578	0.040	R 2,378	9.00	R 67,782	1.0	R 1,308	R 83,795
General Business - retail	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.008	R 1,578	0.040	R 2,378	20.00	R 150,626	1.0	R 1,308	R 166,639
Community	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.008	R 1,578	0.040	R 2,378	9.00	R 67,782	1.0	R 1,308	R 83,795
Education	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.008	R 1,578	0.040	R 2,378	9.00	R 67,782	1.0	R 1,308	R 83,795
										factor	R 9,791	factor	R 1,308	
Light Industrial	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.015	R 2,959	0.040	R 2,378	6.00	R 58,744	1.0	R 1,308	R 76,138
General Industrial - light	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.015	R 2,959	0.040	R 2,378	6.00	R 58,744	1.0	R 1,308	R 76,138
General Industrial - heavy	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.015	R 2,959	0.040	R 2,378	2.00	R 19,581	1.0	R 1,308	R 36,975
Noxious Industrial - heavy	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.015	R 2,959	0.040	R 2,378	2.00	R 19,581	1.0	R 1,308	R 36,975
										factor	R 7,531	factor	R 1,308	
Resort	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.008	R 1,578	0.040	R 2,378	9.00	R 67,782	1.0	R 1,308	R 83,795
Public Open Space	ha		R -		R -	0.200	R 39,457		R -		R -		R -	R 39,457
Private Open Space	ha		R -		R -	0.200	R 39,457		R -		R -		R -	R 39,457
Natural Environment	ha		R -		R -	0.200	R 39,457		R -		R -		R -	R 39,457
Utility Services	100m2 GLA	0.400	R 3,898	0.350	R 6,849	0.008	R 1,578	0.040	R 2,378	9.00	R 67,782	1.0	R 1,308	R 83,795
Public Roads and Parking	ha		R -		R -	0.700	R 138,101		R -		R -		R -	R 138,101
Transport Facility	ha		R -		R -	0.700	R 138,101		R -		R -		R -	R 138,101
Limited Use			R -		R -		R -		R -		R -		R -	R -
Special														
To be calculated based on equivalent demands														



LEGEND

- EDGE BOUNDARY
- EXISTING
 - FUTURE

Symbol	Description
	Existing road network
	Future 2 lane road
	Future 4 lane road
	Future 6 lane road
	Intersection to be upgraded
	Limit of construction
	Urban edge

Amend. Wysig.	Date Datum	Description Beskrywing

Designed: Ontwerp:	Drawn: Getrek:

Pr. Eng. Consulting Engineer Registered Engineer Date:	Client-Client Date:
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 TYGERBERG
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 Fax: 27(0)21 9146916
 info@icegroup.co.za

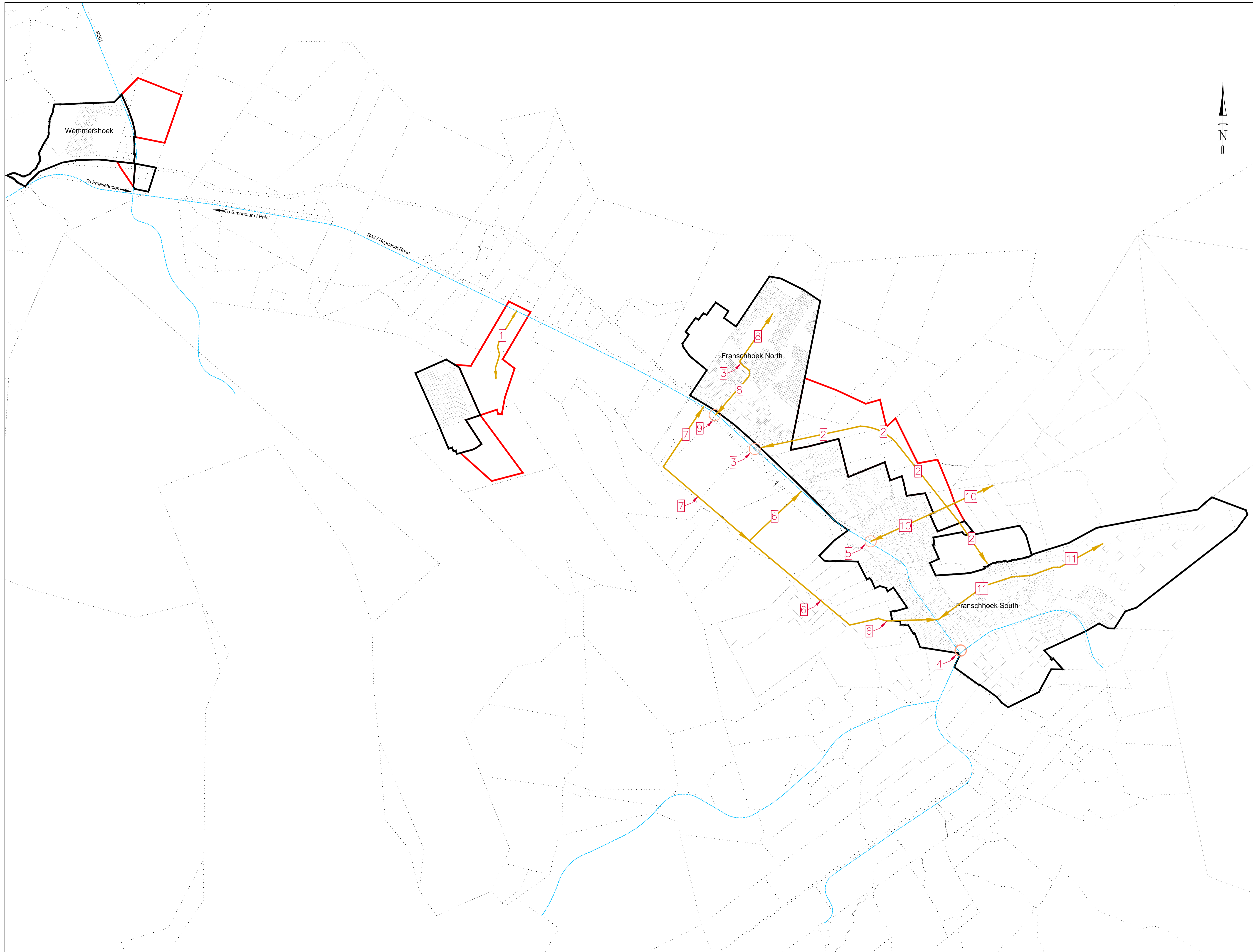
Client/Client

STELLENBOSCH MUNICIPALITY

Project/Projek
STELLENBOSCH DEVELOPMENT CHARGES 2016

Draw. Description/Tek. Beskrywing
FUTURE ROAD INFRASTRUCTURE STELLENBOSCH

Drawing No. Tskening No. TCO2203-R-02	Rev:
Scale: Skaal: 1:15 000	Date: Datum: JAN 2017



LEGEND

EDGE BOUDARY

- EXISTING
- FUTURE



Symbol	Description
---	Existing road network
---	Future 2 lane road
---	Future 4 lane road
---	Future 6 lane road
○	Intersection to be upgraded
→	Limit of construction
---	Urban edge

Amend. / Wysig.	Date / Datum	Description / Beskrywing

Designed: / Ontwerp:	Drawn: / Getrek:
Pr. Eng. / Pr. Ing.	Client-Klient
Consulting Engineer: / Raadgewende Ingenieur:	Date: / Datum:

ICE GROUP (PTY) LTD
 TYGERBERG
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 Tel: 27(0)21 9142833
 Fax: 27(0)21 9149916
 info@icegroup.co.za



Client/Klient

STELLENBOSCH MUNICIPALITY

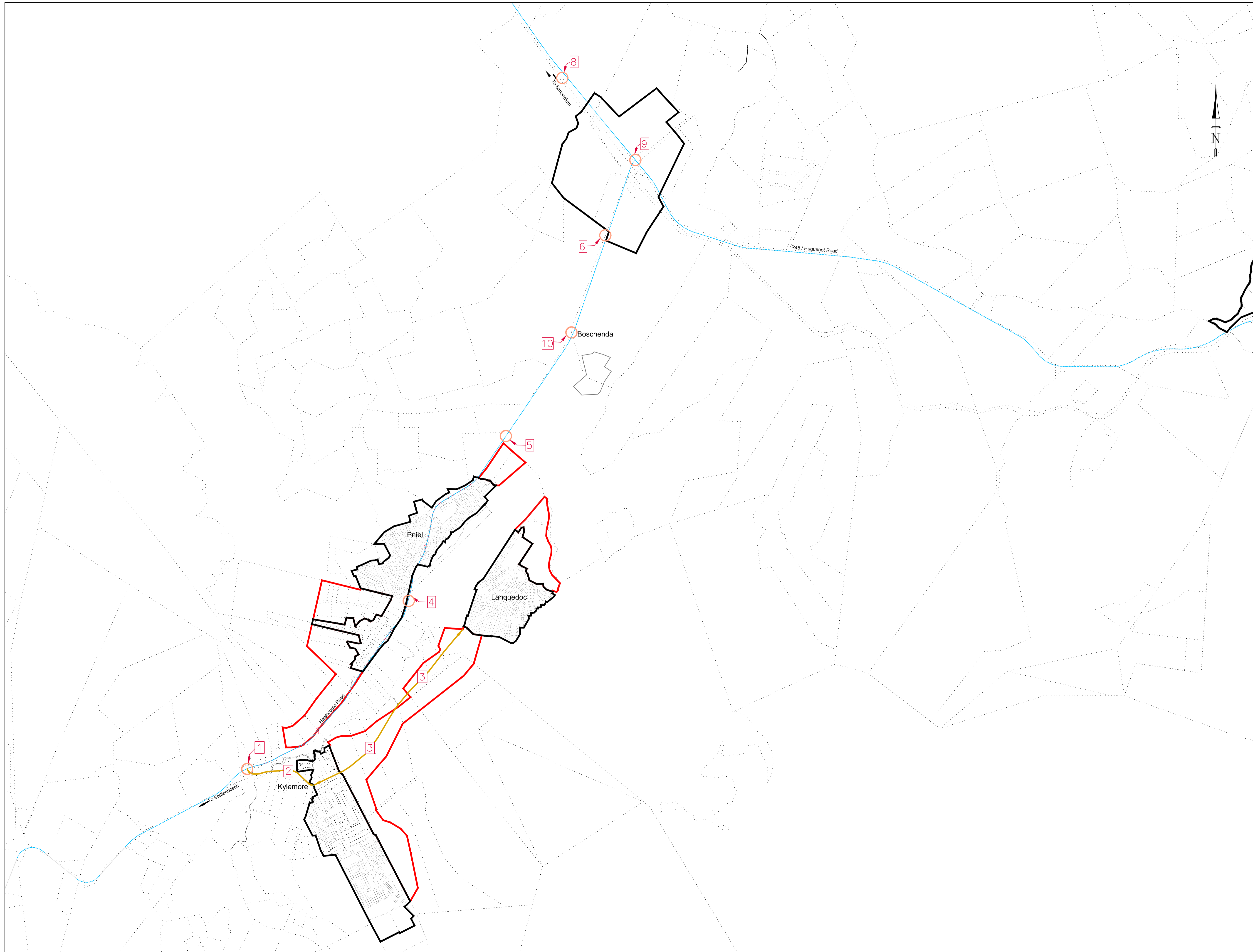
Project/Projek
 STELLENBOSCH DEVELOPMENT CHARGES 2016

Draw. Description/Tek. Beskrywing
 FUTURE ROAD INFRASTRUCTURE FRANSCHHOEK

Drawing No. / Tekenings No.
TCO2203-R-06

Scale: / Skaal: 1:15 000

Date: / Datum: JAN 2017



LEGEND

EDGE BOUDARY	
	EXISTING
	FUTURE

Symbol	Description
	Existing road network
	Future 2 lane road
	Future 4 lane road
	Future 6 lane road
	Intersection to be upgraded
	Limit of construction
	Urban edge

Amend. / Wysig.	Date / Datum	Description / Beskrywing

Designed: / Ontwerp:	Drawn: / Getrek:

Pr. Eng. / Pr. Ing.	Client-Klient

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Client/Klient

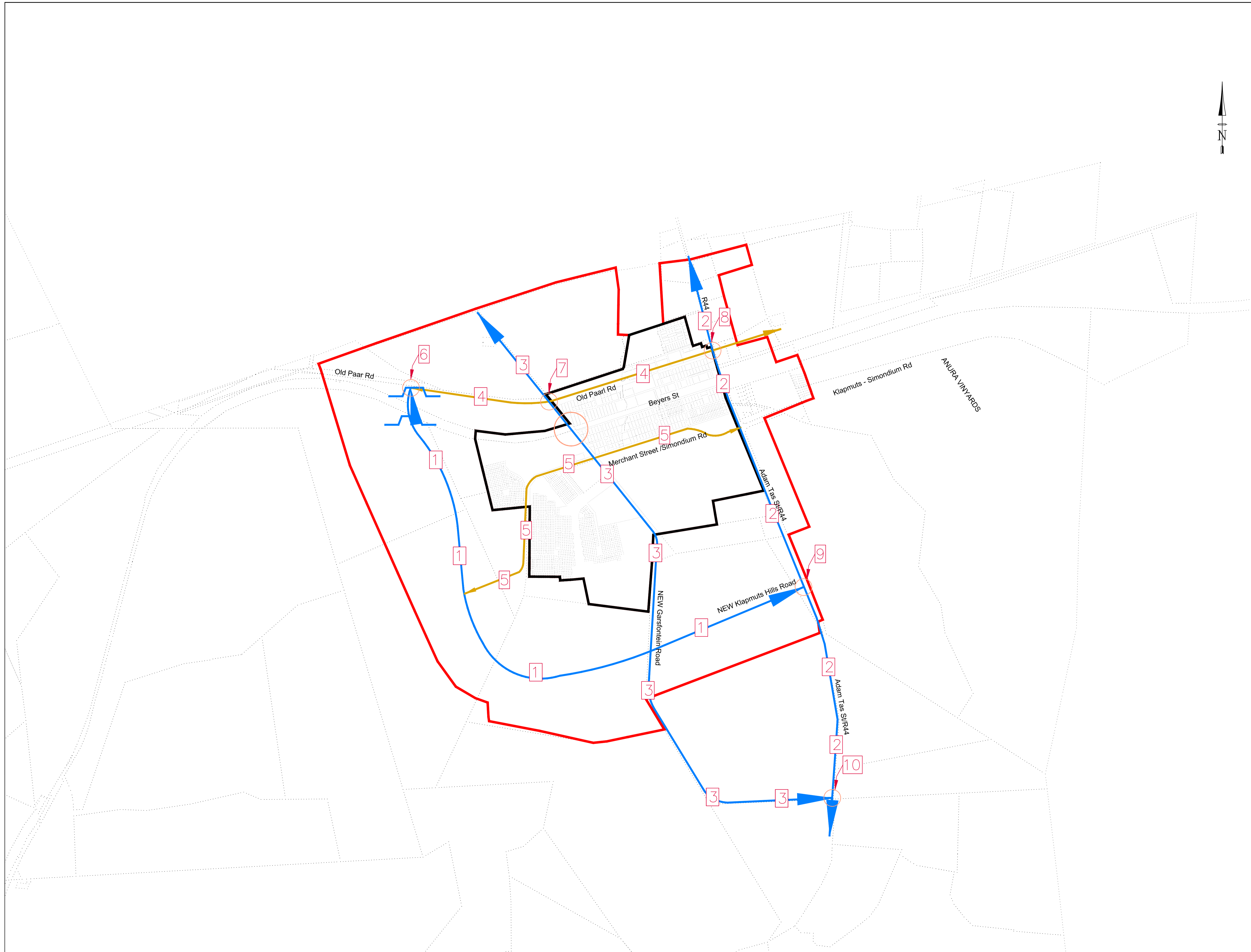
STELLENBOSCH MUNICIPALITY

Project/Projek
 STELLENBOSCH DEVELOPMENT CHARGES 2016

Draw. Description/Tek. Beskrywing
 FUTURE ROAD INFRASTRUCTURE DWARSRIVER

Drawing No. / Tekenings No.	Rev.
TCO2203-R-04	

Scale: / Skaal:	Date: / Datum:
1:15 000	JAN 1017



LEGEND

EDGE BOUDARY

- EXISTING
- FUTURE

Symbol	Description
—	Existing road network
—	Future 2 lane road
—	Future 4 lane road
—	Future 6 lane road
 	Intersection to be upgraded
—	Limit of construction
	Urban edge

Amend. / Designed: / Ontwerp:	Date / Datum:	Description / Beskrywing:

Pr. Eng. Consulting Engineer Date:	Pr. Ing. Roadengeneur Date:	Client-Klient
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STELLENBOSCH MUNICIPALITY

Project/Projek
STELLENBOSCH DEVELOPMENT CHARGES 2016

Future Road Infrastructure
KLAPMUTS

Drawing No. / Tekening No.	Rev.
TCO2203-R-08	
Scale: / Skaal: 1:10 000	Date: / Datum: JAN 2017

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
Applicable to services rendered from 1 July 2017

DIRECTORATE: PLANNING AND ECONOMIC DEVELOPMENT
(KAYAMANDI ECONOMIC TOURISM CORRIDOR)

Rental Category	Intervals (m ²)		Tariffs		Deposit required	
			per m ²	Total ®		
a) Formal kiosks (30% discount for Non Profitable Organisations. In meritorious cases, the Accounting Officer may grant discounts larger than 30%)	0	10	40	400	1200	
	0	12	40	480	1440	
	0	12.5	40	500	1500	
	0	13	40	520	1560	
	0	13.5	40	540	1620	
	0	14	40	560	1680	
	0	14.5	40	580	1740	
	0	15	40	600	1800	
	0	15.5	40	620	1860	
	0	16	40	640	1920	
	0	17.3	40	692	2076	
	0	22	40	880	2640	
	b) Internet Cafe	0	44.3	40	1772	5316
	c) Restaurant	0	151.3	45	6809	20427
d) ATM's (as per negotiated agreement)	0	18.25				
e) Informal Kiosks Conference Facility (30% discount for Non Profitable Organisations. In meritorious cases, the Accounting Officer may grant discounts larger than 30%)	0	10	per day	15	0	
	0	144	per day	100.00	1000	
g) Amphi Theatre (30% discount for Non Profitable Organisations. In meritorious cases, the Accounting Officer may grant discounts larger than 30%)	0		per hour	250.00		
			per day	1 000.00	1000	
			per hour	250.00	500	
h) Local Economic Hubs/ Incubators						
Property	Location	Purpose	Tariff Rand per m ²			
1) Erf 2235	Groendal (Mooiwater homestead/ old youth house)	Business Support Services incubator	45.00			
2) Public Place/POS north of Groendal Community Hall	Vacant office on play park land	Business Sector Offices	45.00			
3) Erven 2751 and 6314 (Old Agricultural Hall)	Stellenbosch	Incubator and affordable rentals for Arts, crafts and tourism sector, including parking area.	45.00			
4) Erven: 228, 229 and 230	Franschoek (Triangle Site)	Affordable rental space for shops and tourism activities	45.00			
5) Re Erf 342	Klapmuts	Trading Hub	45.00			
6) Erf 1538	Franschoek (Old Tennis Courts)	Parking/business opportunity for a co-operative Business Development Incubator and rental space	45.00			
7) Erven 1956+6488, 1957, 6487, and 6490 (1977)	Stellenbosch (Old Clinic Site and LED office)	(Arts, crafts, shops, offices, tourism activities)	45.00			
8) Die Boord POS	Intersection Van Rheeede Rd and R44	Community Market	45.00			
9) Erf 721	Pniel (Municipal Office site)	Affordable rental space (Shops and tourism activities)	45.00			

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
Applicable to services rendered from 1 July 2017

DIREKTORAAT: BEPLANNING EN EKONOMIESE ONTWIKKELING
DIRECTORATE: PLANNING AND ECONOMIC DEVELOPMENT

To be read in conjunction with the Business Rules.

SERVICES RENDERED	UNIT	REMARKS	Tariff	Tariff	Tariff
			2016/17 (Incl VAT)	2017/18 (Excl VAT)	2017/18 (Incl VAT)
LAND USE MANAGEMENT FEES					
REZONING & DETERMINATION OF A ZONING					
Rezoning, inclusive of a determination of a zoning	Per application per property		R 4 260.00	R 8 771.93	R 10 000.00
PERMANENT DEPARTURE					
Departure & applications for second dwelling units	Erven under 200 m ²	Residential erven 200 m ² or less for subsidized housing	Zero	Zero	Zero
	Erven which are 201m ² and larger as well as second dwellings	Per property	R 359.00	R 2 192.98	R 2 500.00
TEMPORARY DEPARTURE / PERMISSION IN TERMS OF ZONING SCHEME (SPECIAL DEVELOPMENT) / PERMISSION IN TERMS OF CONDITION IN THE TITLE DEED/ OCCASIONAL USE OF LAND / CONSENT USE IN TERMS OF THE ZONING SCHEME					
Submitted in urban and rural areas	Per application per property		R 2 440.00	R 2 192.98	R 2 500.00
House shops/Early Childhood Development Centres (ECD's)/ Occasional Use of Land	Per application per property (per use)		R 200.00	R 175.44	R 200.00
SUBDIVISION & CONSOLIDATION (AMENDMENT/CANCELLATION OF SUBDIVISIONAL PLAN/GENERAL PLAN/DIAGRAM)					
Subdivision/Consolidation/amendment/cancellation of an approved subdivision plan (or part thereof), including a general plan or diagram	Per application		R 2 440.00	R 4 385.96	R 5 000.00
EXEMPTION CERTIFICATES (SUBDIVISION/CONSOLIDATION)					
Exemption certificates for Subdivision or Consolidation	Per application		R 1 220.00	R 1 070.18	R 1 220.00
REMOVAL, SUSPENSION OR AMENDMENT OF RESTRICTIVE TITLE DEED CONDITIONS					
Removal, suspension or amendment	Per application		R 2 440.00	R 2 192.98	R 2 500.00
AMENDMENT, DELETION OR IMPOSITION OF CONDITIONS IN RESPECT OF AN EXISTING APPROVAL					
Amendment of conditions of approval (by the deletion, imposition or amendment of conditions)	Per application	Per application	R 2 440.00	R 4 385.96	R 5 000.00
EXTENSION OF VALIDITY OF APPROVAL					
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
PERMISSION IN TERMS OF CONDITION OF APPROVAL					
New/Amendment of Site Development Plans New/Amendment of HOA Constitutions & Design Manuals	Per application	Per application	R 1 730.00	R 2 192.98	R 2 500.00
CLOSURE OF PUBLIC PLACE OR PART THEREOF					
Closure of Public Place / Roads or Part thereof	Per application	Per application	R 4 260.00	R 4 385.96	R 5 000.00
DISESTABLISHMENT OF HOME OWNERS ASSOCIATION					
Disestablishment of HOA	Per application	Per application	R 1 730.00	R 2 192.98	R 2 500.00
RECTIFY A FAILURE OF A HOME OWNERS ASSOCIATION TO MEET ITS OBLIGATIONS					
Rectification	Per application	Per application	R 1 730.00	R 2 192.98	R 2 500.00
PERMISSION FOR RECONSTRUCTION OF EXISTING BUILDING CONSTITUTING A NON-CONFORMING USE					
Permission for reconstruction of existing building constituting a non-conforming use	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	R 4 260.00	R 4 385.96	R 5 000.00
NAMING AND NUMBERING OF STREETS AND PUBLIC PLACES/BUILDINGS					
Naming and numbering of streets, Places and Buildings	Per application	Per application	R 2 440.00	R 2 192.98	R 2 500.00
Renaming of Streets, Places and Buildings	Per application	Per application	R 4 260.00	R 4 385.96	R 5 000.00
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.	R 8 500.00	R 10 964.91	R 12 500.00
Advertisements in the press(All other advertisements) Daily newspaper (per placement)	Per Quotation		per quotation	per quotation	per quotation
Serving of notices	For every 10 letters or part thereof		R 450.00	R 657.89	R 750.00
OTHER					
Deviation from Council Policies & By-laws	Per application per property	Per application per property	R 1 500.00	R 4 385.96	R 5 000.00
Submit a building plan & build on an unregistered property	Per application per property	Per application per property	R 4 260.00	R 4 385.96	R 5 000.00
Appeals	Administration cost per appeal		R 1 500.00	R 2 192.98	R 2 500.00
Intervener Status	Per application	Refundable on obtaining intervener status	NEW	R 4 385.96	R 5 000.00
Transfer Clearance fee	Per transferable erf		R 370.00	R 350.88	R 400.00
Zoning Certificate	Per erf		R 340.00	R 350.88	R 400.00
Business Licence	Per application		R 25.00	R 21.93	R 25.00

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
Applicable to services rendered from 1 July 2017

DIREKTORAAT: BEPLANNING EN EKONOMIESE ONTWIKKELING
DIRECTORATE: PLANNING AND ECONOMIC DEVELOPMENT

To be read in conjunction with the Business Rules.

SERVICES RENDERED	UNIT	REMARKS	Tariff	Tariff	Tariff
			2016/17 (Incl VAT)	2017/18 (Excl VAT)	2017/18 (Incl VAT)
CONTRAVENTION PENALTY					
Contravention penalty is applied in accordance with a Council Policy, By-law and/or any such enabling planning legislation and associated provisions	Per application Payable 30 days from date of approval of land use application submitted as a result of a contravention notice served.	Formula for Contravention Penalty : (area/m²) x (valuation/m²) = R/m² <i>The area of the land and/or construction activity per square meter (m²) that is unlawfully utilised in terms of the relevant zoning of the property) multiplied by (the municipal value per square meter (m²) of the land and/or building as stipulated in the current valuation roll of the municipality as on the date that is indicated on the contravention notice)</i>	NEW	NEW	(area/m²) x (valuation/m²) = R/m²
PRINTING FEES : PHOTOCOPIES / COMPUTER PRINTS - Mono (back and white)					
A4	per copy		5.00	4.39	5.00
A3	per copy		13.00	11.40	13.00
A2	per copy		60.00	52.63	60.00
A1	per copy		80.00	70.18	80.00
A0	per copy		95.00	83.33	95.00
PRINTING FEES : PHOTOCOPIES / COMPUTER PRINTS - Colour line prints					
A4	per copy		8.00	7.02	8.00
A3	per copy		14.00	12.28	14.00
A2	per copy		80.00	70.18	80.00
A1	per copy		100.00	87.72	100.00
A0	per copy		180.00	157.89	180.00
PRINTING FEES : PHOTOCOPIES / COMPUTER PRINTS - Full colour prints (photo)					
A4	per copy		9.00	7.89	9.00
A3	per copy		16.00	14.04	16.00
A2	per copy		180.00	157.89	180.00
A1	per copy		230.00	201.75	230.00
A0	per copy		400.00	350.88	400.00
Electronic information	per document		110.00	96.49	110.00
Search Fees	per 30 minutes		106.00	92.98	106.00
SPATIAL PLANNING, HERITAGE AND ENVIRONMENT FEES					
PLANNING ADVISORY COMMITTEE SCRUTINY FEE (AESTHETICS COMMITTEE)					
	Minor alterations to existing buildings and/or demolitions < 500m ²	Building plans for buildings older than 60 years or situated in the historical core Per Application	440.00	412.28	470.00
	Major alterations to existing buildings and or demolitions >500m ² and new developments	Building plans for buildings older than 60 years or situated in the historical core Per Application	690.00	640.35	730.00
COMPLEXITY FEES					
All Impact Assessments		Per study/assessment	3 850.00	3 578.95	4 080.00
APPLICATION FOR SIGNAGE (ALL ADVERTISING SIGNS ARE SUBJECT TO ADVERTISING AND SIGNAGE BY-LAW AS WELL AS FORMAL BUILDING PLAN APPROVAL)					
Signs < 1m ² (minimum fee)	per sign		380.00	353.51	403.00
Signs > 1m ² minimum fee plus additional fee/additional m ²	minimum fee plus an additional fee per additional m ²		950.00	885.96	1 010.00
Flag (<5 flags) (minimum fee)	Up to 5 Flags	All Advertising signs are subject to Outdoor Advertising Policy	1 000.00	877.19	1 000.00
Flag (>5 Flags)	More than 5 Flags	Minimum flag fee (R1 000.00 plus an additional fee per flag)	100.00	105.26	120.00
BUILDING DEVELOPMENT FEES					
ALL BUILDING PLAN FEES					
<ul style="list-style-type: none"> ■ Plan valid for 12 months ■ Where covered areas such as carports, patios, entertainment areas etc. are enclosed to create additional floor area the fees are charged as for new floor area. 					
MINOR BUILDING WORKS (NATIONAL BUILDING REGULATIONS)					
Minor building works - Residential			420.00	394.74	450.00
Minor building works - Other than residential			578.00	526.32	600.00
CATEGORIES					
SINGLE RESIDENTIAL BUILDINGS					
0 - 25m ²		Includes Double Dwellings, Second Dwellings and Outbuildings and Additions thereto.	400.00	394.74	450.00
> 25 - 50m ²			R 19.00/m ²	R 19.30/m ²	R 22.00/m²
> 50 - 100m ²			R 21.00/m ²	R 20.18/m ²	R 23.00/m²
> 100 - 150m ²			R 23.00/m ²	R 21.93/m ²	R 25.00/m²
> 150 - 200m ²			R 24.00/m ²	R 22.81/m ²	R 26.00/m²
> 200m	R/m ²	Calculate the total m ² with the appropriate tariff	R 25.00/m ²	R 23.68/m ²	R 27.00/m²

STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
Applicable to services rendered from 1 July 2017

DIREKTORAAT: BEPLANNING EN EKONOMIESE ONTWIKKELING
DIRECTORATE: PLANNING AND ECONOMIC DEVELOPMENT

To be read in conjunction with the Business Rules.

SERVICES RENDERED	UNIT	REMARKS	Tariff	Tariff	Tariff
			2016/17 (Incl VAT)	2017/18 (Excl VAT)	2017/18 (Incl VAT)
OTHER RESIDENTIAL					
Block of flats, Townhouses, Group housing, Single Title					
0 - 25m ²	Minimum fee		578.00	R 526.32	600.00
>25m ²	R/m ²	Calculate the total m ² with the appropriate tariff	R 34.00/m ²	R 31.58/m ²	R 36.00/m²
OTHER RESIDENTIAL : ADDITIONS					
Block of flats, Townhouses, Group housing, Single Title					
			AS PER SINGLE RESIDENTIAL	AS PER SINGLE RESIDENTIAL	AS PER SINGLE RESIDENTIAL
NON RESIDENTIAL					
Includes shops, offices, service stations, hotels					
0 - 25m ²	Minimum fee		578.00	R 526.32	600.00
>25m ²	R/m ²	Calculate the total m ² with the appropriate tariff	R 34.00/m ²	R 31.58/m ²	R 36.00/m²
NON RESIDENTIAL : OTHER					
Schools, Churches, Place of Education (i.e. Daycares, technikons etc.)					
0 - 25m ²	Minimum fee		578.00	R 526.32	600.00
>25m ²	R/m ²	Calculate the total m ² with the appropriate tariff	R 25.00/m ²	R 23.68/m ²	R 27.00/m²
NON RESIDENTIAL : INDUSTRIAL					
Includes Factories, Warehouses, Offices in Industrial Areas					
0 - 25m ²	Minimum fee		578.00	R 526.32	600.00
>25m ²	R/m ²	Calculate the total m ² with the appropriate tariff	R 25.00/m ²	R 23.68/m ²	R 27.00/m²
NON RESIDENTIAL : RURAL BUILDINGS					
Incl silos, barns, hangers, Cultivation tunnels etc. All farmhouses and labourers accommodation to be taken at residential rate.					
0 - 75m ²	Minimum fee		578.00	R 526.32	600.00
> 75m ²	R/m ²	Calculate the total m ² with the appropriate tariff	R 10.00/m ²	R 10.53/m ²	R 12.00/m²
INTERNAL ALTERATIONS -- ALL CATEGORIES					
		To be calculated as estimated value of alteration (Qs/Architect Estimate) X 0.008	0.8% of Estimate.	Estimated value x 0.008	Estimated value x 0.008
SKETCH PLAN FEE					
Single Residential	Per application	Fee not deductible from final plan fee.	374.00	R 526.32	600.00
All other categories	Per application	Fee not deductible from final plan fee.	578.00	R 526.32	600.00
INSTALLATIONS					
MAJOR HAZARD INSTALLATIONS	Per application	As prescribed by Building Development	578.00	R 526.32	600.00
LPG INSTALLATIONS (ALL INSTALLATIONS)	Per application	As prescribed by Building Development	578.00	R 526.32	600.00
MASTS					
Greenfield	Per application		700.00	R 701.75	800.00
Roof Top	Per application		578.00	R 701.75	800.00
Sportsfields	Per application		578.00	R 701.75	800.00
OTHER					
PROVISIONAL AUTHORISATION	Per application	Application for provisional authorisation to commence work before approval has been granted in terms of Section 7(1) of the Act. Applications to be in writing. Conditions apply. Not Refundable	578.00	R 526.32	600.00
EXTENSION OF VALIDITY	Per application	For consideration of extending plan validity. Extensions must be applied for prior to lapse date of the plan.	578.00	R 526.32	600.00
REQUEST : OCCUPANCY CERTIFICATE		Where an application is received for the issuing of an occupancy certificate for an existing building where such certificate was not issued on completion of building work and prior to occupancy. Request for occupancy certificate for all buildings where the request is received more than 9 months after the buildings deemed completed by Council and/or occupied. An "As Built" plan is required in all circumstances together with required certificates.	578.00	R 526.32	600.00
SECTIONAL TITLE PRIOR TO 1964 SCRUTINY FEE	Per application	For the consideration of plans for existing structures pre 1964 for Sectional Title purposes	1 600.00	R 1 491.23	1700.00
SPECIAL EVENTS: TEMPORARY GRANDSTAND, EXHIBITIONS AND TENTS	Per application	One application per event. Maximum period of validity: 7 days.	578.00	R 526.32	600.00
DEMOLITIONS (ALL APPLICATIONS)	Per application		578.00	R 526.32	600.00

<p style="text-align: center;">TARIFF RULES BUILDING DEVELOPMENT MANAGEMENT TARIFF STRUCTURE FOR 2017/2018</p>
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1. EFFECTIVE DATE

- 1.1 Fees are effective from 1 July 2017.
- 1.2 These tariffs replace all previous tariffs charged by the Building Development Management branch of Council.

2. METHOD OF PAYMENT

- 2.1 Fees can be paid in cash, by cheque or electronically.
- 2.2 Cheques and postal orders must be made payable to: Stellenbosch Municipality.

3. TIME OF PAYMENT

- 3.1 Fees are due on submission of the building plan application.
- 3.2 No processing of applications may commence until the fee/s is/are paid.

4. PROOF OF PAYMENT

- 4.1 A receipt must be issued to the applicant for all fees received. A copy of the receipt must be attached to the application.

5. REFUNDS

- 5.1 All fees payable are set fees and are not deposits.
- 5.2 Applications are valid for 12 months from date of payment.

6. SUBJECT TO CHANGE

- 6.1 All fees and business rules are subject to change.
- 6.2 The fees applicable at the time of submission of the application are payable.

7. EXEMPTIONS

- 7.1 The following applications are exempt from the payment of scrutiny fees:
 - (i) Applications from Central or Provincial Government for work funded by the Government and for use by Government Departments.
 - (ii) Building Plans for all buildings and structures erected for and by the Local Authority. (Plans must be submitted and approved prior to construction.)
 - (iii) All applications required to address / give effect to successful resettlement claims in terms of the Restitution of Land Rights Act, as well as in cases where land has been allocated to a successful claimant, such claimant is allowed to submit only one application (building plan), for residential development only which application(s) will be exempted from building plan fees as per normal fees.
 - (iv) Applications from Orphanages and Homes for the Aged registered under the National Welfare Act 79 of 1965.

- (v) The Director: Planning & Economic Development may grant or refuse applications for the exemption of some or all the applicable Building Development application fees of a particular application which are necessitated due to changes to developments made at the request of the Spatial Development Planning department of the Stellenbosch Municipality in the interests of environmental or heritage conservation.
- (vi) In cases where a successful land claimant submits a building plan for a purely non-residential development (which does not include any residential development) on land so obtained, such non-residential application is subject to all the fees applicable to any other similar application which was not obtained by way of the Restitution of Land Rights Act.
- (vii) If a successful land claimant submits a building plan for a mixed use development (which includes non-residential development) on land so obtained, such non-residential building plan gets charged the normal fees as specific for such application as if the non-residential part of the application is a separate application from the residential part of the development.

8. OTHER FEES

8.1 Requests for information: if information is specifically requested in terms of the "Access of Information Act," the relevant fees as prescribed in terms of that Act apply.

8.2 Printing fees:

- (i) Printing fees are charged per page according to size. Copies will only be made in the sizes that are available at a particular office.

9. APPLICATION OF THE TARIFFS

9.1 Minor Building Work: As defined in the Building Regulations:

- (i) Aviary
- (ii) Solid fuel store not exceeding 10m² in area and 2 m in height
- (iii) Tool shed not exceeding 10m² in area
- (iv) Child's playhouse not exceeding 5m² in area
- (v) Cycle shed not exceeding 5m² in area
- (vi) Greenhouse not exceeding 15m² in area
- (vii) Open sided car, caravan or boat shelter or a carport where such shelter or carport does not exceed 40m² in area
- (viii) Any pergola
- (ix) Private swimming pool
- (x) Change room, not exceeding 10m² in area, at a private swimming pool
- (xi) Lapas and gazebos (with any type of roof covering) under 40m² in area
- (xii) Any free-standing wall where such wall does not exceed 2.1 m in height: max length 120 m thereafter at 0.8% of the estimated value
- (xiii) Permits valid for 6 months
- (xiv) Each item charged for separately even if part of a full plan submission.
- (xv) Reconstruction of fire and natural disaster damaged buildings at applicable rate as per single/other/non-residential categories

- 9.2 Applications for Alterations and Additions: Plans will be assessed as follows:
- (i) Additions: assessed on the area (square metres) per category
 - (ii) Alterations: assessed on the QS/Architect estimated value and calculated at 0.8% of the value
- 9.3 Applications for Provisional Authorisation to Commence with the erection of a Building: Applications for provisional authorisation to proceed with the erection of a building prior to final building plan approval will be considered on condition that:
- (i) The application has been formally submitted (the full scrutiny fees paid) and the plans have been circulated to the applicable service branches.
 - (ii) The application for provisional authority is in writing and is fully motivated.
 - (iii) The prescribed provisional authority fee is paid. This fee is not refundable.
 - (iv) The application is for specific items of work clearly defined on the working drawings accompanying the building plan submission.
 - (v) The architectural area of the building under consideration (as defined in Section 1 of Act 103 of 1977) is greater than 500 square metres.
 - (vi) Full Planning (Zoning) approval has been obtained.
 - (vii) The property must be not encumbered by private restrictive title deed conditions.
 - (viii) Any work done prior to the approval the building plans is entirely at the applicants risk and should the plans require amendments or should the application be refused for any reason the work already completed will have to altered or removed as the case may be at the applicant's expense.

These tariff rules must be read in conjunction with the "BUILDING DEVELOPMENT MANAGEMENT TARIFF STRUCTURE FOR 2017/2018."

**TARIFF RULES
LAND USE MANAGEMENT & SPATIAL PLANNING, HERITAGE AND ENVIRONMENT
TARIFF STRUCTURE FOR 2017/2018**

1 GENERAL

Period applicable

- 1.1 Fees effective from 1 July 2017.
- 1.2 The fees replace all previous fees charged by Council.

Method of payment

- 1.3 Fees can be paid in cash, by cheque, electronically or postal order.
- 1.4 Cheques and postal orders must be made payable to: Stellenbosch Municipality.

Time of payment

- 1.5 Applicants must pay the fee/s when application/s is/are submitted, except in the case of Impact statements and assessments, which become payable when the need for such an Impact statement / assessment becomes known to Council, if it is not evident when the application is submitted. The applicant must then be notified in writing of further payments and processing of the application may then only commence once payment is made which must be clearly stipulated in the notification.
- 1.6 No processing of applications may commence until the fee/s is/are paid.
- 1.7 All application fees are payable in the case of multiple applications.

Proof of payment

- 1.8 A receipt must be issued to the applicant for all fees received. A copy of the receipt must be filed on the relevant file.

Refunds

- 1.9 All fees payable are set fees and not deposits, except in respect of applications for intervener status.
- 1.10 In the case of the withdrawal of applications, refunds will be paid as follows:
 - a) Before advertising takes place – the full advertising component/fee and 50% of the total of all the other application fees is refunded.
 - b) After advertising has taken place – no refund.
- 1.11 If an exemption or reduction of fees is granted in terms of the provisions of subsection 10, refunds will be given as per the decision.

Subject to change

- 1.12 All fees and business rules are subject to change.
- 1.13 The specific fee applicable at the time when the application is accepted by Council, is payable.

LAND USE MANAGEMENT

2 APPLICATION FEES

Description

- 2.1 Application fees are the minimum fee payable for submitted applications.
- 2.2 All fees are payable per item applied for (each consent, departure, rezoning, etc, charged separately) per property in line with the Stellenbosch Land Use Planning By-law (2015), where applicable.

Rezoning & Determination of a zoning

- 2.3 Rezoning fee is payable per application.
- 2.3.1 Determination of a zoning is payable per application.

Permanent Departure (Regulations) fee

- 2.4 The departure fee must be charged per application per property. (i.e. if a building departs from the street and lateral building lines, coverage as well as from height, then the applicable fee must be charged as a single fee per property). Departures for second dwelling units are charged separately to any other departure application submitted per property. In the case of residential erven 200m² or less, as well as subsidised housing schemes, no departure fee at all would be required.

Temporary Departure, Permission in terms of the Zoning Scheme (Special Development), Permission in terms of condition in the Title Deed, Occasional Use of Land, Consent in terms of the Zoning Scheme

- 2.5 Temporary departure, Permissions, Occasional use of land and Consent, etc are charged separately per application per property and in addition to any departures (regulations) applied for.
- 2.5.1 A separate fee is applicable in respect of applications for temporary departure, consent use or special development in order to establish a house shop and/or early childhood development centres (ECD's) and all Occasional use of Land applications.

Subdivision & Consolidation / Amendment of subdivision plan (inclusive of general plan/diagram)

- 2.6 Application fee is payable per application submitted.

Exemption Certificates (subdivision/consolidation)

- 2.7 This fee is payable for subdivisions/consolidations which are exempted in terms of the applicable legislation. This fee is payable per application submitted.

Removal, Suspension and Amendment of Restrictive Title Deed conditions

- 2.8 This fee is payable per application submitted.

Amendment/Deletion/Imposition of conditions in respect of an existing approval

- 2.9 This fee is payable per application submitted.

Extension of validity period of approval

- 2.10 Fees should be paid as depicted on the tariff schedule. For all applications for extension the fee will be 50% of the current application fee, for the financial year in which the application for extension is submitted, inclusive of VAT.

Permission in terms of condition of approval (New or Amended Site development plan / New or Amended HOA Constitution & Design Manuals)

- 2.11 This fee is payable per application submitted.

Closure of Public Place / Roads or part thereof

- 2.12 This fee is payable per application submitted.

Disestablishment of Home Owners Association

- 2.13 This fee is payable per application.

Rectify failure of a Home Owners Association to meet its obligations

- 2.14 This fee is payable per application.

Permission for reconstruction of existing building constituting a non-conforming use

- 2.15 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. This fee is payable per application.

Naming and numbering of streets, Places and Buildings

- 2.16 This fee is payable per application submitted.

Renaming of Streets, Places and Buildings

- 2.17 This fee is payable per application submitted.

3 ADVERTISING FEES

Advertising framework

- 3.1 Advertising: is required in terms of the relevant land use legislation.
- 3.2 Advertising will be done in accordance with the land use legislation and fees will be charged accordingly.
- 3.3 Advertising in the press and advertising which consists of the serving of notices to interested and affected parties are charged independently (with different fees being applicable). No 'serving of notice' fee is applicable when notifying the applicant of the outcome of an application or notifying any objectors of the right of appeal.

Advertising in the press

- 3.4 The fee for advertising in the press is applicable whenever press advertising is required in a local weekly newspaper or daily newspaper and/or Provincial Gazette. This fee is only payable when Council undertakes the advertising.

- 3.5 Advertising in the press is a basic advertising fee. Should the actual costs be more, the applicant is liable for such extra costs upon receipt of a quote.
- 3.6 Composite applications for the same property when advertised collectively in the press carry a single advertising fee.

Serving of notices

- 3.7 The fee for serving of notices is payable when Council conducts the serving of notices. This fee is not applicable when the applicant conducts the advertising.
- 3.8 The fee applicable for every 10 notices or part thereof to be served by Council is depicted in the schedule.
- 3.9 The 'serving of notices' fee is also applicable when notices are delivered by Council to interested and affected parties.

4 OTHER

Deviation from Council Policies and By-laws

- 4.1 Deviation from Council Policies and By-laws are charged per application per property.

Submit a building plan and build on an unregistered property

- 4.2 This fee is payable per application per property.

Appeal

- 4.3 Appeal fees are charged and are payable per appeal submitted in respect of any decision taken by Council.

Intervener Status

- 4.4 This fee is payable per application submitted. The fee is refundable on obtaining intervener status.

Transfer clearance

- 4.5 Transfer clearance fees are payable per erf for which application is made for clearance in terms of the applicable land use legislation.

Zoning Certificate

- 4.6 This fee is payable when a formal zoning certificate is issued. Payment of this fee is required in respect of each erf for which a zoning certificate is requested.

Business Licence

- 4.7 This fee is payable in respect of each application received for the issuing of a business licence.

5 CONTRAVENTION PENALTY

- 5.1 Contravention penalty is applied in accordance with a Council Policy, By-law and/or any such enabling planning legislation and associated provisions.
- 5.2 The Contravention penalty is payable within 30 days from date of approval of the land use application that was submitted as a result of a contravention notice that was served.

5.3 Formula for Contravention Penalty : **(area/m²) x (valuation/m²) = R/m²**

The area of the land and/or construction activity per square meter (m²) that is unlawfully utilised in terms of the relevant zoning of the property) multiplied by (the municipal value per square meter (m²) of the land and/or building as stipulated in the current valuation roll of the municipality as on the date that is indicated on the contravention notice).

5.4 **Definitions :**

5.4.1 “Area” refers to the utilisation of the land and/or work on the land and/or construction activity on the land and/or any building on the land and/or structure on the land that is being utilised in a manner other than permitted in the zoning scheme without the prior approval of the municipality.

5.4.2 “Valuation” refers to the municipal valuation of any land and/or building as indicated in the current Municipal Valuation Roll.

5.4.3 “Date” refers to the date as indicated on the contravention notice.

6 PRINTING FEES

6.1 Printing fees are charged per page according to size and colour. The three types of copies/prints are mono (black & white), Colour line prints and Full Colour prints (photo). Copies will only be made in the sizes that are available at a particular office.

6.2 The fee charged for electronic information does not include the CD, which must be supplied by the applicant.

6.3 Search fees are charged per half hour when the requested information takes 30 minutes or more to find or produce. If information is specifically requested in terms of the Access of Information Act, the relevant fees as prescribed in terms of that Act applies.

SPATIAL PLANNING, HERITAGE AND ENVIRONMENT

7 PLANNING ADVISORY COMMITTEE SCRUTINY FEE

7.1 Planning Advisory Committee Scrutiny fees (Aesthetics Committee) are charged when a matter needs to be submitted to the Planning Advisory Committee (Heritage/Aesthetics Committee) for scrutiny, when buildings are older than 60 years or situated in the historical core. The fees are payable per application and are categorized as follows :

7.1.1 Minor alterations to existing buildings <500m²;

7.1.2 Major alterations to existing buildings >500m² and new developments.

8 COMPLEXITY FEES (ADDITIONAL FEES FOR HIGH IMPACT APPLICATIONS)

Description

8.1 Additional fees are charged on top of the basic application fees when a Heritage Impact Assessment (HIA), Environmental Impact Assessment (EIA) and Traffic Impact Statement / Assessment (TIA/S) are required, since such applications are more complex and involve more work. The complexity fees are charged to cover additional expenses due to the processing of complex applications, resulting from the fact that such applications normally are more complicated to process and due to the fact that it requires input from specialised staff which would not normally be involved in the assessment of applications which doesn't require an impact statement/assessment. The EIA and HIA fees are charged up front like all other fees if the application requires assessment in terms of the NEMA and/or NHRA. If an EIA and/or HIA fee has been paid when the SPLUMA/LUPA/By-law application

was submitted and it turns out in the end that it did not lead to a full EIA / HIA, the EIA/HIA fee is not refundable. Complexity fees are charged per assessment/study.

9 APPLICATION FOR SIGNAGE

- 9.1 Application fees for signage (including flags) are paid in respect of each sign applied for. A minimum fee for signs smaller than 1m² is in place, but when signs are larger than 1m², the minimum fee plus the enhancement fee will be payable for every additional m².

10 EXEMPTIONS

- 10.1 All applications submitted by or on behalf of Council are exempt from all the application, advertising and other fees in the attached table. This exemption only applies to applications made by Council or where Council is the developer. All other government institutions must pay the normal fees.
- 10.2 Applications for the establishment of state, provincial and/or council subsidised housing schemes are exempt from all the application and other fees in the attached table. Advertising fees are payable in this regard. Application fees are, however applicable in subsidized housing areas after the establishment of the areas has been completed; subject to the conditions in the establishment of any of the less formal townships.
- 10.3 All applications required to address / give effect to successful resettlement claims in terms of the Restitution of Land Rights Act, as well as in cases where land has been allocated to a successful claimant, such claimant is allowed to submit only one application, for residential development only (but including subdivision, removal of restrictions, etc, related to such residential development), which application(s) are exempt from all the application and other fees in the attached table. Advertising fees are payable in this regard. If a successful land claimant submits a mixed use development application (which includes non-residential development) on land so obtained, such non-residential development gets charged the normal fees as specified for such application, including advertising and service of notice fees, as if the non-residential part of the application is a separate application from the residential part of the development. In cases where a successful land claimant submits a purely non-residential development application (which does not includes any residential development) on land so obtained, such non-residential development application is subject to all the fees applicable to any other similar application which wasn't obtained by way of the Restitution of Land Rights Act/Rural Act 9.
- 10.4 The above fees, if not specifically exempted, also applies to applications in the BCDA areas where Council is the commenting authority.
- 10.5 The Director : Planning & Economic Development may grant or refuse applications for the exemption of some or all the applicable fees of particular applications which are necessitated due to changes to the developments made at the request of the Environmental Management Services in the interest of environmental or heritage conservation.

These business rules must be read in conjunction with the "LAND USE MANAGEMENT & SPATIAL PLANNING, HERITAGE AND ENVIRONMENT TARIFF STRUCTURE FOR 2017/2018". Enquiries: Ilze Couvaras Tel : 021 808 8604



STELLENBOSCH

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TARIFF STRUCTURE: PROPERTY MANAGEMENT: 2017/18

	DESCRIPTION	APPLICATION FEE	RENTAL
1.	Encroachment Agreements/Permits		
1.1	For commercial purposes, other than outdoor dining and parking purposes	R2 500.00	To be determined by an independent valuer: on an <i>ad hoc</i> basis
1.2	For commercial parking purposes*	R1 200.00	
	(a) Stellenbosch & Franschhoek CBD and Technopark		R250.00/parking bay/month
	(b) Other Areas		R125.00/parking bay/month
	*Up to 5 parking buys, thereafter 10% of the approved tariff		
1.3	For residential parking purposes*	R600.00	R125.00/parking bay/month
	*Up to 3 parking buys, thereafter 10% of the approved tariff		
1.4	Tertiary Institutions, schools and pre-schools	R1 200.00	R50.00/parking bay/month
1.5	For outdoor dining purposes*	R1 200.00	
	(a) Stellenbosch and Franschhoek CBD		R95/m ² /month
	(b) Other areas		R30/m ² /month
	*Up to 30m ² , thereafter 10% of the approved tariff		
1.6	For non – commercial purposes (such as garden purposes, gates, ect.)*	R600.00	The same tariff per m ² payable by applicant in relation to his / her own property (land value), with a minimum monthly fee of R60.00
	*up to 100m ² , thereafter 10% of the approved tariff		
1.7	Projections and projecting structures	R2 500. 00	Once off payment equal to 15% of land value of applicant (municipal valuation /m ²)
	(a) Onto street reserves/side walks		

DESCRIPTION	APPLICATION FEE	RENTAL
(b) Onto other council – owned property, where such projection has an impact on development value of council – owned property	R3 000. 00	To be determined by an independent valuer (should the estimated value be more than R100 000 – 00, then the weighed average of 2 independent valuations must be obtained)
1.9 For temporary use of Council-owned property for construction work		
(a) Stellenbosch CBD & Technopark	R3 000.00	The same tariff per m ² payable by applicant in relation to his / her own property (land value), with a minimum monthly fee of R1000.00
(b) Franschhoek CBD	R2 000.00	
(c) Other areas	R500.00	
Deposit:		An amount to be determined by MPM in relation to the potential risk to infrastructure/improvement with a minimum amount of R1000.00
*Please note: Where a new owner of a property want to apply for a change in name, 20% of application fees will be payable		
2. Lease Agreements*		
2.1 Temporary use of Council-owned property to a maximum of 30 days	R600.00	
Daily tariff:		
a) Up to 100m ²		R210 per day
b) Between 100m ² and 1000m ²		R550 per day
c) More than 1000m ²		R2100 per day
Deposit:		To be determined by MPM, depending on the possible risk associated with the event.
2.2 Short term lease agreements (up to 10 years)		
(a) monthly rental not exceeding R2 000.00		To be determined by CFO
(b) monthly rental not exceeding R5 000.00		To be determined by an independent valuer
(c) monthly rental in excess of R5 000.00		To be determined by two independent valuers

(weighed average)

2.3	Long term lease agreements (longer than 10 years)		
	(a) monthly rental not exceeding R2 000.00		To be determined by CFO
	(b) monthly rental not exceeding R10 000.00		To be determined by an independent valuer
	(c) monthly rental in excess of R10 000.00		To be determined by two independent valuers (weighed average)
2.4	Long term lease agreements concluded before 2003 (pre-MFMA)		To be determined by Council from time to time as per individual contract(s).
2.5	Telecommunication structure		
	- Application/Power of Attorney	R3000.00	
	(a) Antennae only (on existing structure)		R4750.00/pm
	(b) Site for mast and antennae		
	-up to 100m ²		R6000.00/month plus
	-more than 100m ²		R60.00/m ² /month for each m ² in excess of 100m ²
	(c) Mobile antenna		R3000.00/pm
2.6	Temporary use of vacant Council-owned buildings*		
	*Not covered by approved tariff structure		
	To be considered by:	MPM: To a maximum of 1 month DHS&PM: To a maximum of 3 months MM: To a maximum of 6 months EM: To a maximum of 12 months	
	Tariff :		Per day: R10.00/m ² /day Per week: R9.00/m ² /day Per month: R8.00/m ² /day
	NPO's and individuals, for non-commercial purposes		20% of approved tariff
	* Please Note: -		
	- All contracts with an annual contract value exceeding R1M: To be approved by Council, based on independent valuations being obtained.		
	- Non – profit organizations: 20% of fair market value		
3.	Servitudes*		
3.1	In urban areas	R2500.00	Once-off payment of 80% of municipal valuation of land
3.2	In rural areas	R2500.00	Once-off payment of 60% of municipal land.

*** Please note:**

Where estimated servitude value exceeds R100 000.00, the fair market

value is to be determined by an independent valuer. Where estimated servitude value exceeds R1M, the fair market value is to be determined by two independent valuers (weighed average)

4. Way leaves

4.1	Application fee	R2000.00	
4.2	Deposit:		To be determined by the DES, having considered the possible risk associated with the application

5. Posters

5.1	Political parties	R1000.00	R5000.00 (deposit)
5.2	For Commercial purposes		
	(a) Up to 50 posters	R40.00 per poster	
	(b) Between 50 and 100 posters	R50.00 per additional poster	
	(c) More than 100 posters	R75.00 per additional poster	
5.3	Non-commercial purposes		
	(a) Up to 50 posters	R11.00	
	(b) Between 50 and 100 posters	R15.00 per additional poster	
	(c) More than 100 posters	R30.00 per additional poster	
5.4	Wordfees: Individual artists		
	(a) Per poster (to a maximum of 20 posters)	R50.00	
5.5	Local Theaters		
	(a) Up to 500 posters for a season	R2000.00	
	(b) Up to 1000 posters for a season	R5000.00	
	(c) More than to 1000 posters for a season	R10 000.00	
5.6	Newspapers	Local	Other
	a) Up to 2400 posters per annum:	R10 000	R12 000.00
	b) Up to 5000 posters per annum:	R25 000	R30 000.00
	c) More than 5000 posters per annum:	An additional amount of R7.50 per poster	An additional amount of R8.00 per poster
6.	Informal Traders permit		
6.1	Category A*sites		
	(a) Daily tariff : Residents		R30.00
	: Non-residents		R36.00
	(b) Weekly tariff: Residents		R60.00
	: Non-residents		R72.00

(c) Monthly	: Residents	R180.00
	: Non-residents	R216.00
(d) Annual tariff:	Residents	R1500.00
	: Non-residents	R1800.00
(e) Daily tariff: Week-ends only:	Residents	R36.00
	Non-residents	R42.00

6.2 Category B* Sites

(a) Daily tariff	: Residents	R15.00
	: Non-residents	R18.00
(b) Weekly tariff:	Residents	R30.00
	: Non-residents	R36.00
(c) Monthly	: Residents	R90.00
	: Non-residents	R108.00
(d) Annual tariff:	Residents	R750.00
	: Non-residents	R900.00
(e) Daily tariff: Week-ends only:	Residents	R18.00
	Non-residents	R21.00

6.3 Category C sites

a) Daily tariff:	Residents	R60.00
	Non-residents	R80.00
b) Weekly:	Residents	R200.00
	Non-residents	R250.00

6.4 Festivals

Where entire demarcated area is made available to organiser: Daily tariff

(a) Category A:	R1000.00
(b) Category B:	R250.00

*Where Category A means Bergzicht, Meulplein, Stelmark, Die Braak, Fanschoek Town Hall, Idas Valley and Container sites.

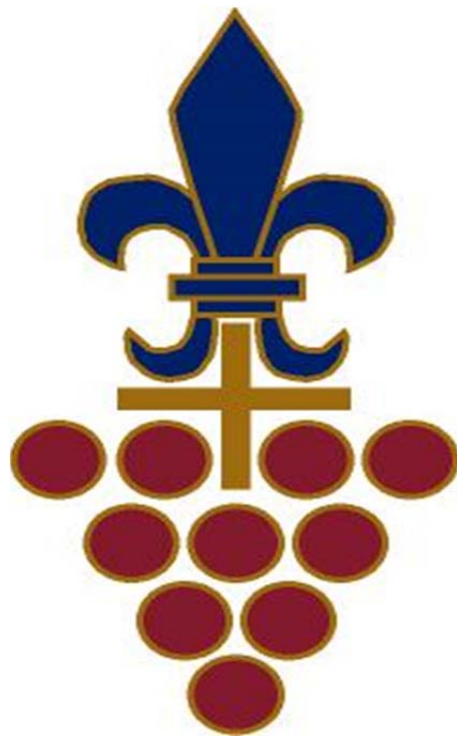
Category B means all other sites

Category C means Food Truck sites

Please note:-

- Application fees listed in this tariff structure exclude professional fees such as legal fees, valuation fees, survey costs, publication of notices, etc. Where such costs are incurred, it is payable by the applicant, over and above the application fee as listed in this tariff structure.
- All fees include VAT

STELLENBOSCH MUNICIPALITY



**PROPERTY RATES BY-LAW
POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

PROPERTY RATES BY-LAW

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1. PREAMBLE

- (1) Section 229(1) of the Constitution authorizes a municipality to impose rates on property and surcharges on fees for services provided by or on behalf of the municipality.
- (2) Section 13 of the Systems Act read with section 162 of the Constitution require a municipality to promulgate municipal by-laws by publishing them in the gazette of the relevant province,
- (3) In terms of section 3 of the Property Rates Act, a municipal council must adopt a policy consistent with the Property Rates Act on the levying of rates on rateable properties in the municipality.
- (4) In terms of section 6(1) of the Property Rates Act, a municipality must adopt by-laws to give effect to the implementation of its rates policy.
- (5) In terms of section 6(2) of the Property Rates Act, by-laws adopted in terms of section 6(1) may differentiate between different categories of properties; and different categories of owners of properties liable for the payment of rates.

2. INTERPRETATION

In this By-Law, any word or expression to which a meaning has been assigned in the Local Government: Municipal Property Rates Act, (Act 6 of 2004) shall bear the same meaning unless the context indicates otherwise.

"Municipality" means the Stellenbosch Municipality (WC024).

"Rates Policy" means the Property Rates Policy adopted by the Municipality in terms of this By-Law.

"Constitution" means the Constitution of the Republic of South Africa.

"Council" means the Council of the Municipality.

"Credit Control and Debt Collection Policy" means the Municipality's Credit Control and Debt Collection Policy as stipulated by sections 96(b) and 97 of the Systems Act.

"Systems Act" means the Local Government: Municipal Systems Act, (Act 32 of 2000).

"Property Rates Act" means the Local Government: Municipal Property Rates Act, (Act 6 of 2004) including the amendment Acts and Regulations pertaining to the same.

"Rates" means a municipal rate on property as envisaged in section 229(1)(a) of the Constitution.

3. OBJECTS

The object of this By-Law is to give effect to the implementation of the Rates Policy as contemplated in section 6 of the Property Rates Act.

4. ADOPTION AND IMPLEMENTATION OF RATES POLICY:

- (1) The Council shall adopt and implement a rates policy consistent with the Property Rates Act on the levying of rates on rateable properties within the jurisdiction of the Municipality.
- (2) The Council shall not be entitled to levy rates other than in terms of the valid Rates Policy.

5. CONTENTS OF RATES POLICY

The Municipality's Rates Policy shall, inter alia:

- (1) Apply to all the rates levied by the Municipality pursuant to the adoption of the Municipality's annual budget.
- (2) Comply with requirements for;
 - (a) the adoption and contents of a rates policy specified in section 3 of the Property Rates Act.
 - (b) the differentiation of categories of properties and categories of owners of properties as provided for in section 6 of the Property Rates Act.
 - (c) the process of community participation specified in section 4 of the Property Rates Act.
 - (d) the annual review of a rates policy specified in terms of section 5 of the Property Rates Act.
- (3) Specify principles, criteria and implementation measures consistent with the Property Rates Act for the levying of rates which the Council may wish to adopt.
- (4) Specify principles, criteria and implementation measures for the judicious granting of relief measures by means of Exemptions, Reductions and/or Rebates consistent with the Property Rates Act which the Council may wish to adopt.
- (5) Include such further administrative, control and enforcement mechanisms if any that are consistent with the Property Rates Act and the Systems Act, as the Council may wish to impose in addition to those contained in the Credit Control and Debt Collection By-Law and its associated Policy.

6. ENFORCEMENT OF RATES POLICY

The Rates Policy of the Municipality shall be enforced through the Municipality's Credit Control and Debt Collection By-Law and its associated Policy and any further enforcement mechanisms stipulated in the Municipality's Rates Policy.

7. REPEAL

The provisions of any by-laws relating to Property Rates by the Municipality are hereby repealed insofar as they relate to matters provided for in this By-Law.

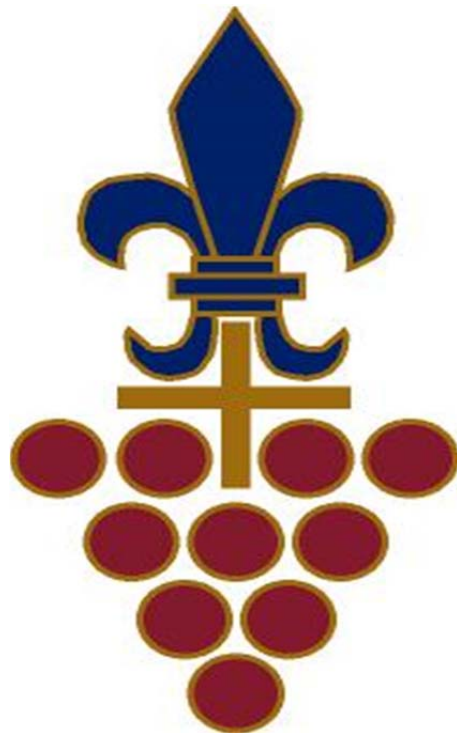
8. INTERPRETATION

- (i) If there is a conflict of interpretation between the English version of this By-Law and a translated version, the English version prevails.
- (ii) This By-Law must be read in conjunction with the Rates Policy.

9. SHORT TITLE and EFFECTIVE DATE

This By-Law is the Property Rates By-Law of Stellenbosch Municipality and shall take effect on 01 July 2017.

STELLENBOSCH MUNICIPALITY



**TARIFF BY-LAW
POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

TARIFF BY-LAW

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1. PREAMBLE

- (1) Section 229(1) of the Constitution authorizes a municipality to impose:
 - (a) rates on property and surcharges on fees for services provided by or on behalf of the municipality; and
 - (b) if authorized by national legislation, other taxes, levies and duties.
- (2) In terms of section 75A of the Systems Act a municipality may:
 - (a) levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and
 - (b) recover collection charges and interest on any outstanding amount.
- (3) In terms section 74(1) of the Systems Act, a municipal council must adopt and implement a tariff policy on the levying of fees for a municipal service provided by the municipality or by way of service delivery agreements and which complies with the provisions of the Systems Act, the Municipal Finance Management Act and any other applicable legislation.
- (4) In terms of section 75(1) of the Systems Act, a municipal council must adopt by-laws to give effect to the implementation and enforcement of its tariff policy.
- (5) In terms of section 75(2) of the Systems Act, by-laws adopted in terms of section 75(1) of the Systems Act may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination.
- (6) In furtherance of reusable energy, Council may determine tariffs pertinent to the purchase of surplus energy from consumers, subject to regulations issued and approved by the National Electricity Regulator of South Africa (NERSA).

2. INTERPRETATION

"Municipality" means the Stellenbosch Municipality (WC024).

"Tariff Policy" means the Tariff Policy adopted by the Municipality in terms of this By-Law.

"**Constitution**" means the Constitution of the Republic of South Africa.

"**Council**" means the Council of the Municipality.

"**Credit Control and Debt Collection Policy**" means the Municipality's Credit Control and Debt Collection Policy as stipulated by sections 96(b) and 97 of the Systems Act.

"**Systems Act**" means the Local Government: Municipal Systems Act, (Act 32 of 2000).

"**Finance Management Act**" means the Local Government: Municipal Finance Management Act, (Act 53 of 2003).

"**Tariff**" means fees, charges or any other tariffs levied by the Municipality in respect of any function or service provided, or surplus energy purchased, by the Municipality including rates levied by the Municipality in terms of the Local Government: Property Rates Act, (Act 6 of 2004).

"**Tariff List**" or "**Tariff Schedule**" means the list of the Tariffs applicable and in respect of any function or service provided, or surplus energy purchased, by the Municipality. This list, effective for a specific financial year, is approved by Council during the annual budget process.

3. OBJECTS

The object of this By-Law is to give effect to the implementation of the Tariff Policy as contemplated in section 74(1) of the Systems Act, and of the Tariff Schedule for a given financial year as approved by Council during the Municipality's annual budget process.

4. ADOPTION AND IMPLEMENTATION OF TARIFF POLICY

- (1) The Municipality shall adopt and implement a Tariff Policy on the levying of fees for a municipal service provided by the Municipality or by way of service delivery agreements which complies with the provisions of the Systems Act, the Municipal Finance Management Act and any other applicable legislation.
- (2) The Municipality shall not be entitled to impose tariffs other than in terms of the valid Tariff Policy.

5. CONTENTS OF TARIFF POLICY

The Municipality's Tariff Policy shall, inter alia:

- (1) Apply to all the tariffs fees (as per the Tariff List) imposed by the Municipality pursuant to the adoption of the Municipality's annual budget.
- (2) Reflect the principles referred to in section 74(2) of the Systems Act and specify any further principles for the imposition of Tariffs which the Municipality may wish to adopt.
- (3) Specify the manner in which the principles referred to in paragraph 4(2) above are to be implemented in terms of the Tariff Policy.
- (4) Specify the basis of differentiation, if any, for tariff purposes between the different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination.
- (5) Include such further enforcement mechanism, if any, as the Municipality may wish to impose in addition to those contained in the Credit Control and Debt Collection Policy.
- (6) Provide tariffs for the export of surplus energy from approved and certified consumers, within the jurisdiction of the Municipality, into the Municipality's distribution network.

6. ENFORCEMENT OF TARIFF POLICY

The Tariff Policy shall be enforced through the Credit Control and Debt Collection Policy and any further enforcement mechanisms stipulated in the Municipality's Tariff Policy.

7. REPEAL

The provisions of any by-laws relating to Tariffs by the Municipality are hereby repealed insofar as they relate to matters provided for in this By-Law.

8. INTERPRETATION

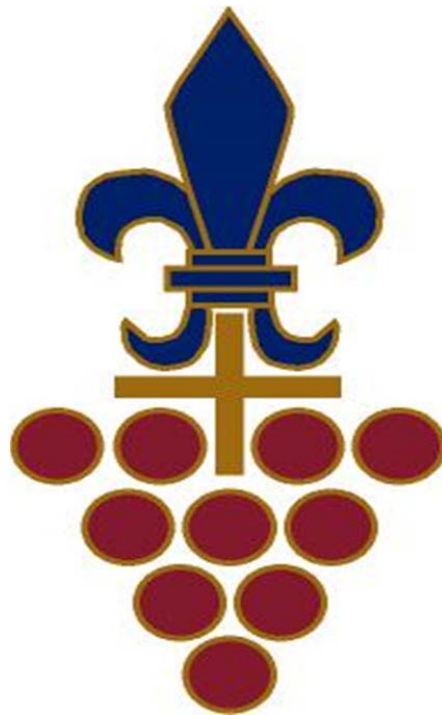
If there is a conflict of interpretation between the English version of this By-Law and a translated version, the English version prevails.

9. SHORT TITLE and EFFECTIVE DATE

This By-law is the Tariff By-Law of Stellenbosch Municipality and shall take effect on 01 July 2017.

APPENDIX 6

STELLENBOSCH MUNICIPALITY



SPECIAL RATING AREA BY-LAW POLICY

2017/2018



STELLENBOSCH MUNICIPALITY

SPECIAL RATING AREA BY-LAW

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To provide for the establishment of special rating areas; to provide for additional rates; and to provide for matters incidental thereto.

BE IT ENACTED by Stellenbosch Municipality as follows:-

CHAPTER 1

ESTABLISHMENT OF SPECIAL RATING AREAS

1. DEFINITIONS

In this By-law words or expressions shall bear the meaning assigned to them and, unless context otherwise indicates –

“additional rate” means an additional rate contemplated in sections 19(1)(d) and 22(1)(b) of the Property Rates Act in section 12(2) of this By-Law;

“applicant” means any owner who makes an application for the determination of a special rating area in accordance with provisions of Chapter 1 of this By-Law, or if a management body is established in terms of section 10 any reference to **“the Applicant”** means the management body;

“CFO” means the Chief Financial Officer of Stellenbosch Municipality, or his or her nominee.

“Council” means Council of Stellenbosch Municipality;

“implementation plan” means an Implementation Plan as contemplated in section 6 of this By-Law;

“limited special rating area” means a limited special rating area approved by the Council in terms of section 9 of this By-Law;

“majority” means the majority of property owners as contemplated in section 22 of the Property Rates Act;

“management body” means the management body of a special rating area to be establishment in accordance with the provision of section 10 of this By-Law;

“motivation report” means a motivation report as contemplated in section 6 of this By-Law;

“**owner**” has the meaning assigned to it in section 1 of the Property Rates Act;

“**Policy**” means the Policy for the determination of special rating areas;

“**Property Rates Act**” means the Local Government: Municipa Property Rates Act, 2004 (Act No.6 of 2004);

“**rateable property**” has the meaning assigned to it in section 1 of the Property Rates Act;

“**special rating area**” means a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act and section 8 of this By-Law.

2. INTERPRETATION

In the event of any conflict with the Afrikaans or isiXhosa texts the English text prevails.

3. DETERMINATION OF SPECIAL RATING AREAS

Stellenbosch Municipality may by resolution of the Council determine special rating areas.

4. APPLICATION

(1) Any owner located within the area of jurisdiction of Stellenbosch Municipality and who owns property within the proposed special rating area, may lodge an application to the Stellenbosch Municipality for the determination of a special rating area.

(2) All costs incurred by the applicant in respect of the establishment of a special rating area shall be for his or her own account, provided that after implementation of the implementation plan the management body may reimburse the applicant for some or all of those costs.

(3) Any application contemplated in subsection (1) above must –

(a) be in writing and be in the form as the CFO may determine;

(b) be submitted not more than nine months after the date on which the public meeting referred to in section 5 of this By-Law is held, or if a second public meeting is held as provided for in section 6(2) of this By-Law, nine months after the date of the second public meeting;

(c) be accompanied by –

- (i) a motivation report and an implementation plan;
- (ii) the written consent of the majority of the members of the local community in the proposed special rating area who will be liable for paying the additional rate, in a form determined by the CFO;
- (iii) payment of such fee as the Council may determine.

5. PUBLIC MEETINGS

- (1) An application for the determination of a special rating area must be preceded by the holding of a public meeting.
- (2) The purpose of the public meeting is to enable the applicant to consult with those owners within the proposed special rating area with regard to the proposed boundaries of the area and the proposed improvement or upgrading of the area.
- (3) Prior to the holding of the public meeting, the applicant must –
 - (a) give notice in a manner approved by the CFO in terms of this By-law owners of rateable property, who will be liable for payment of the additional rate, of the applicant's intention to apply for the determination of a special rating area
 - (b) in the notice referred to in subsection (3)(a) above, give notice of a public meeting, which notice must –
 - (i) state the purpose of such meeting; and
 - (ii) contain details of the place, date and time when such meeting is to be held.
- (4) The public meeting must be held not less than seven days and not more than 30 days after the date of the notice.
- (5) The public meeting must be held at such place, date and time as stated in the notice, provided that it must be held at a place which is within the boundaries of the proposed special rating area unless the CFO approves another venue in writing before the public meeting is held.
- (6) The public meeting must be chaired by a suitable qualified and experienced person appointed by the CFO.
- (7) Interested person must, at the public meeting, be –

- (a) Furnished with all relevant information relating to the proposed special rating area, including the information to be set out in the motivation report and implementation plan; and
- (b) given an opportunity to ask questions, express their views and make representations.

6. MOTIVATION REPORT AND IMPLEMENTATION PLAN

- (1) Any application for the establishment of a special rating area must include a motivation report and an implementation plan covering a period commencing on 1 July of a year and ending on 30 June of the fifth year, or covering such lesser period as may be determined by the CFO.
- (2) If the motivation report or the implementation plan are materially amended, as determined by the CFO, after the public meeting referred to in section 5 of this By-Law, the applicant must call a second public meeting for approval of the special rating area as amended.
- (3) The provision of section 5 of this By-Law applies with the necessary changes to the second public meeting.

7. ADVERTISING OF APPLICATION AND OBJECTIONS

- (1) The applicant must within 14 days after the application is lodged in accordance with section 4 of this By-Law, or within such further period which the CFO may approve –
 - (a) Cause a notice of the application to be published in a manner approved by the CFO; and
 - (b) Either before or up to seven days after the date of publication of the notice, give written notice of the application to all owners within the proposed special rating area, who will be liable for payment of the additional rate, such notice to be given by pre-paid registered post, hand delivery or in any other manner approved of in writing by the CFO.
- (2) Every notice contemplated in terms of subsection (1) above must state that written objections to the determination of a special rating area or the provisions of the motivation report and implementation plan may be lodged with the Stellenbosch Municipality by a date specified in the notice, which shall not be less than 30 days after the date of publication in terms of subsection (1)(a) above, and must state where the documentation specified in subsection (5) below will be available for inspection.

- (3) Any owner of rateable property who will be liable for paying the additional rate may submit written objections to the determination of the special rating area, which objections must be received by the Stellenbosch Municipality not later than the date stipulated in the notice referred to in subsection (1) above.
- (4) Any objector to the application who owns property within the proposed special rating area may make oral representation to the CFO
- (5) The application, including the motivation report and the implementation plan, and all objections must be available for inspection at the office of Stellenbosch Municipality and at a venue determined by the CFO within the proposed special rating area, for the period referred to in subsection (2) above.

8. DECISION

- (1) After the provision of sections 4 and 7 of this By-Law have been complied with, the Council must, at a meeting of the Council held within 90 days after the last date for the submission of objections in accordance with section 7(2) of this By-Law, consider the application and –
 - (a) determine a special rating area which must be implemented in accordance with the motivation report and implementation plan;
 - (b) determine a special rating area with such amendments or conditions as the Council considers to be in public interest;
 - (c) determine a special rating area in respect of a limited area in terms of section 9;
 - (d) refuse the application, in which event the Council must, within 30 days, furnish the applicant with written reasons for not approving the determination of a special rating area;
or
 - (e) refer the application back to the applicant for amendments in such manner as the Council may direct.
- (2) If an application is refused by the Council in accordance with the provisions of subsection (1)(d) above or referred back to the applicant in accordance with the provisions of subsection (1)(e) above, the applicant may, within six months of the Council's decision, re-apply to the Council for the determination of the special rating area, provided that such re-application has been appropriately amended in the light of the reasons for refusal or referral, as the case may be.

(3) If the motivation report or implementation plan is amended in any material respect at any time before the determination, the Council may require that the amended application be re-advertised in accordance with the provision of section 7 of this By-Law.

9. DETERMINATION OF A LIMITED SPECIAL RATING AREA

If an application in terms of section 4 of this By-Law is not accompanied by the majority of the members of the local community in the proposed special rating area required by section 4(3)(c) of this By-Law, but the applicant can demonstrate to the satisfaction of the Council, that –

- (a) there are such confirmations from owners of rateable properties in a limited geographical area within the proposed special rating area that would meet the requirements of section 4(3)(c) of this By-Law if they were to be applied to that area; and
- (b) the level of services to be provided will not be reduced and the budget will be reduced accordingly as a result of the provision of those services in the limited area alone, as compared to the provision of those services in the whole of the proposed special rating area,

then the Council may, subject to the other provisions of this By-Law, determine a limited special rating area.

CHAPTER 2

SPECIAL RATING AREAS – STRUCTURES AND FINANCES

10. COMMENCEMENT OF THE IMPLEMENTATION PLAN

Once the Council has approved the establishment of the special rating area, the implementation plan may only be implemented after the management body has been established in accordance with section 11 of this By-Law.

11. ESTABLISHMENT, COMPOSITION, POWERS AND DUTIES OF MANAGEMENT BODY

- (1) The applicant must establish a management body for the purposes of implementing the provisions of the implementation plan.
- (2) The management body must be a company incorporated in accordance with the provisions of a Non-Profit company (company not for gain) as per the Companies Act, Act 71 of 2008 (as amended or replaced).

- (3) Stellenbosch Municipality shall monitor compliance by the management body with the applicable provisions of this By-Law, any guidelines or policies adopted by Stellenbosch Municipality and any agreements entered into with the management body and Stellenbosch Municipality.
- (4) The Council must nominate the relevant ward councillor and one other person, as representatives to attend and participate, but not vote, at the meetings of the management body.
- (5) Within two months after receipt of the first payment of the additional rate, the management body must begin carrying out the provisions of the implementation plan.
- (6) Within two months of the end of each financial year, the management body must provide the CFO with –
 - (a) Its audited financial statements for the immediately preceding year; and
 - (b) an annual report on its progress in carrying out the provisions of the implementation plan in the preceding year to improve and upgrade the special rating area.
- (7) Within two months after the Annual General Meeting, the management body must provide the Finance Portfolio Committee with –
 - (c) Its audited financial statements for the immediately preceding year; and
 - (d) An annual report on its progress in carrying out the provisions of the implementation plan in the preceding year to improve and upgrade the special rating area.

12. FINANCES

- (1) The financial year of the management body must coincide with the financial year of the Stellenbosch Municipality.
- (2) Where a special rating area has been determined, the Council must levy in accordance with the provisions of the Property Rates Act, a property rate in addition to the rates that it already charges on the owners of rateable property in the special rating area for the purposes of realizing the implementation plan, provided that the Council may in terms of the Property Rates Act, Stellenbosch Property Rates Policy, Stellenbosch Credit Control and Debt Collection By-Law and the Stellenbosch Credit Control and Debt Collection Policy, exempt the indigent, senior citizens, disabled persons or any other category of owners.

- (3) When determining the additional rate referred to in subsection (2) above, the Council may give consideration to imposing differential additional rates on one or more of the categories set out in section 8 of the Property Rates Act.
- (4) The additional rate due in terms of this By-Law is a debt due to the Council and is payable and must be collected in the same manner as other property rates imposed by the Council.
- (5) The Council may, for the purpose of carrying out the provisions of the implementation plan of special rating area and subject to section 67 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 200), make payment to the management body of a special rating area.
- (6) The payment contemplated in subsection (5) above is conditional upon the conclusion of a finance agreement to be entered into between the Council and the relevant management body, and such agreement must regulate, among other things –
 - (a) the mechanisms and manner of payment; and
 - (b) terms on which payment to the relevant management body is to be made.
- (7) Subject to the provisions of its memorandum and articles of association, the management body is entitled to raise its own funds through commercial activities, donations or any other lawful means
- (8) The Council, determine and impose on the management body an administrative charge.

13. THE ROLE OF THE CFO

In addition to the other responsibilities and obligations of the CFO as set out elsewhere in this By-Law, the CFO must –

- (a) Establish separate ring-fenced budget votes and other record-keeping systems regarding the revenue generated by the additional rate and the improvement and upgrading of the special rating area;
- (b) Monitor compliance with the applicable legislation, including this By-Law and the Policy, by –
 - (i) receiving and considering the audited financial statements and reports regarding the carrying out of duties laid out in the implementation plan;
 - (ii) nominating, if he or she elects to do so, representatives to attend and participate but not vote at meetings of the management body.

CHAPTER 3

AMENDMENT AND EXTENSION OF IMPLEMENTATION PLANS

14. AMENDMENT TO IMPLEMENTATION PLANS

- (1) An implementation plan, including the geographical boundaries of the special rating area, may be amended by the Council on written application by the management body at any time after the formation of the special rating area.
- (2) The council may approve an application for an amendment referred to in subsection (1) above where the Council considers it not likely to materially affect the rights or interests of any owner, provided that the Council may require the management body to cause a notice of the application for such amendments to be published as approved by the CFO.
- (3) The Council may only approve an amendment in terms of subsection (1) above, with the changes required by the context, in accordance with the provisions of Chapter 1 of this By-Law, which the Council considers is likely to –
 - (a) materially affect the rights or interests of any person;
 - (b) affect the approved budget for the special rating area; and
 - (c) change the boundaries of the special rating area.
- (4) The Council may, for good reason, on written application by the management body, exempt the management body from complying with the provisions, or condone any non-compliance with any provisions, of Chapter 1 of this By-Law.

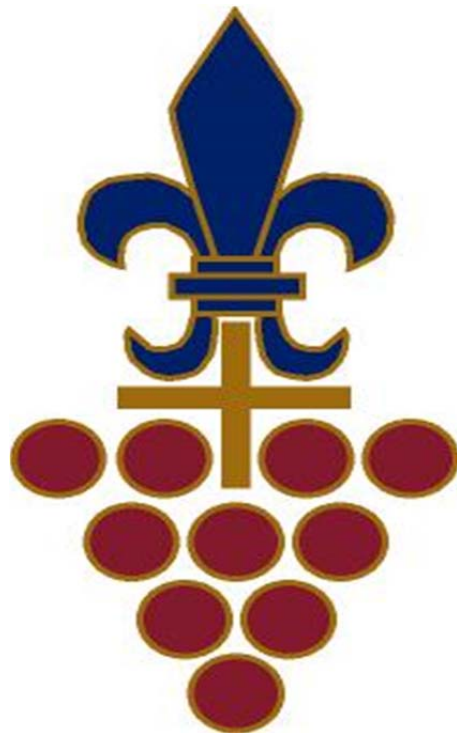
15. EXTENSION OF IMPLEMENTATION PLANS

A management body must, if it elects to extend the term of the implementation plan for a further period, on or before January in the year in which the implementation plan is due to terminate, submit an application to Stellenbosch Municipality for approval of extension of the term of the implementation plan, provided that –

- (a) the extension of the implementation plan may only be approved by the Council in accordance with the provisions of Chapter 1 of this By-Law, with the changes required by the context, and the Council may, for good reason, on written application by the management body, exempt the management body from complying, or condone any non-compliance, with any such provisions;

(b) the provisions of section 14 of this B-Law shall apply to any amendment of an implementation plan which has been extended in terms of this section.

STELLENBOSCH MUNICIPALITY



**PROPERTY RATES
POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

PROPERTY RATES POLICY

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1. BACKGROUND

In 2007, Stellenbosch Municipality initiated a process to prepare a General Valuation (GV) Roll of all property situated within the geographical boundaries of Stellenbosch Municipality (WC024) in terms of the requirements of the Local Government: Municipal Property Rates Act (Act 6 of 2004) including any subsequent amendments and consequential regulations (the MPRA) which became effective on 1 July 2009 at Stellenbosch Municipality. This Policy is formulated in terms of Section 3 of the MPRA.

2. LEGISLATIVE CONTEXT

- 2.1 In terms of Section 229 of the Constitution, (Act 108 of 1996), a municipality may impose rates on property.
- 2.2 In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, (Act 32 of 2000), a municipality has the right to finance the affairs of the municipality by imposing, *inter alia*, rates on property.
- 2.3 In terms of Section 2 (1) of the MPRA a metropolitan or Local municipality may levy a rate on property in its area in accordance with the provisions of the MPRA.
- 2.4 This Policy must be read together with, and is subject to the provisions of the MPRA.
- 2.5 In terms of Section 62 (1) (f) (ii) of the Local Government: Municipal Finance Management Act, (Act 56 of 2003) (the MFMA), a municipality must have and implement a rates policy as may be prescribed by any applicable national legislation.
- 2.6 In terms of Section 8(1) of the MPRA, Stellenbosch Municipality will, as the primary instrument, levy rates on the use of property, but implemented as per paragraph 5.5 of this Policy.
- 2.7 All citations to applicable Acts as referenced in this Policy shall include all amendments and regulations to such as promulgated.

3. GUIDING PRINCIPLES

- 3.1 The rating of property will be implemented impartially, fairly, equitably and without bias, and these principles also apply to the setting of criteria for exemptions, reductions, and rebates contemplated in Section 15 of the MPRA.
- 3.2 The rating of property will be implemented in a way that -
 - is developmentally oriented;
 - supports sustainable local government by providing a stable and buoyant revenue source within the legislative control of the Municipality;
 - supports local and socio-economic development;
 - promotes simplicity, uniformity, and certainty in the property rates assessment process;
 - gives due consideration to the need for simple and practical process of billing and collection of property rates;
 - promotes sustainable land management, especially that which reduces the risk from natural disasters;
 - achieves national and local environmental management objectives; and
 - balances the affordability to the public versus the financial sustainability of the Municipality.

3.3 Other principles that will steer the processes of this Policy:

- All ratepayers within a specific category will be treated equally and reasonably.
- The Municipality will, when levying property rates for each financial year, take cognizance of the aggregate burden of rates on property owners in the various categories of property ownership.
- Rates Increases/Decreases will be guided by the budget requirements of the Municipality, and by Section 20 of the MPRA.
- In dealing with the poor/indigent ratepayers the Municipality may provide relief measures through exemptions, reductions or rebates.

3.4 Further determinants that will guide the processes of this Policy:

- The Zoning Scheme of the Municipality determines, via the provisions therein, the zoning and thus the legally binding use of a given property.
- However, the rating of said property is governed by the MPRA which determines a collection of rules that by implication sets the conditions by which the use of a property is categorised. It is therefore possible that even though an owner is using a property within the set rules of the Zoning Scheme, said property would not be rated on the same basis due to the definitions and provisions as applied according to the MPRA and this Policy.

4. DEFINITIONS

In this Policy, a word or expression derived from a word or expression as defined, has a corresponding meaning unless the context indicates that another meaning is intended.

In addition to the definitions contained in the MPRA, the following definitions apply for the purpose of the application of this Rates Policy:-

“the Municipality” means Stellenbosch Municipality (WC024).

“MPRA” refers to the Local Government: Municipal Property Rates Act (Act 6 of 2004) including any subsequent amendments and consequential regulations.

“agricultural Activities” means the cultivation of soils for purposes of planting or growing of trees or crops in a managed and structured manner; the rearing of livestock or aquaculture.

“agricultural purposes” refers to the active pursuit by a *bona-fide* farmer to derive the principle source of income, and is commercially sustainable, from agricultural activities.

“bona fide farmer” is a person or legal entity that is a legitimate farmer.

“business and commercial property” means a property that is used for the purpose described as the activity of buying, selling or trade in goods or services and includes any office or other buildings on the same property, the use of which is incidental to such business. This definition excludes the business of mining and agriculture activities.

“Chief Financial Officer (CFO)” means a person designated in terms of Section 80(2) (a) of the Local government: Municipal Finance Management Act, (Act 56 of 2003).

“industrial property” means a property that is used for the purpose described as the branch of trade or manufacturing, production assembling or processing of finished or partially finished products from raw materials or fabricated part, typically via a high-volume production process and on such large scale that capital and labour are significantly necessitated.

“ratepayer” means a person or legal entity that is liable in terms of the MPRA for the payment of rates on property levied by the Stellenbosch Municipality. The term “Ratepayer” is herein considered to be synonymous with the MPRA definition of the term “owner”.

“residential property” means improved property that is:

- For the sake of clarity, the following properties are specifically excluded from this definition: hostels, old age homes, guesthouses and vacant land.
- used predominantly (80% or more of the area of buildings and structures) for residential purposes and with not more than two dwelling units per property, and includes any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property. (Any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes); or
- registered in terms of the Sectional Title Act, (Act 95 of 1986), used for residential purposes, and includes any unit in the same Sectional Title Scheme registered in the name of the same owner which is used together with the residential unit as if it were one property, for example a garage or domestic worker’s quarters (for the purposes of this definition, any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes); or
- owned by a share-block company and used solely for residential purposes; or
- a block of flats used solely for residential purposes; or
- used for residential purposes situated on property used for or related to educational purposes ; or
- a retirement scheme or life right scheme used predominantly (60% more) for residential purposes.

“residential purposes” in relation to the use of the property means improved properties primarily intended for human habitation and inhabited as such.

“vacant land” means a property without any buildings or structures, and where no immovable improvements have been erected.

“valuation roll” means a valuation roll drawn up in terms of Section 30 of the MPRA or a supplementary valuation roll drawn up in terms of Section 78 of the MPRA.

5. IMPOSITION OF RATES

5.1 The Municipality shall as part of the annual budgeting cycle, set for each category a rate, (being a cent amount in the Rand) that will be imposed, in accordance with the MPRA, on the market value of a property, for all rateable properties as recorded in the Municipality’s valuation roll, drawn up in terms of the MPRA. The amount so determined together with any relief measures as described in this Policy shall be the Rates due and payable by the owner of said property.

The levying of rates forms part of the Municipality’s annual budget process as set out in Chapter 4 of the MFMA.

5.2 The rates charged as a cent amount in the Rand for residential properties as per the definitions (above) is the base rate and the rate charged to all other categories of properties are reflected as a ratio to the residential rate.

5.3 The Municipality will be guided by the definition of “ratio” in the MPRA and directed by Regulations pertaining to rate ratios as promulgated in terms of Section 19 of the MPRA and as applicable to the prescribed non-residential properties. 5.4 For properties used for multiple purposes, the Municipality may apply the category of multiple use. For such properties, the Municipal Valuer will apportion a value to each distinct use and apply the appropriate category for billing at the applicable rate.

5.5 For the purposes of determining a property's category, the following will be applied in the order (i) to (iii) as indicated below:

- (i) the use of the property;
- (ii) the permitted use of the property; or
- (iii) the combination of (i) and (ii).

5.6 Building Clause references

Obligations pertaining to Building Clauses as per the development agreements or contracts will be levied according to the contract obligations

5.7 Period for which rates are levied

The Valuation Roll will, according to Section 32(1) of the MPRA, remain valid for a GV cycle of four years.

6. CATEGORIES

6.1 Categories of Property

Property Categories, each of which correlates to a distinct use of a property, have been determined as described below.

The codes that have been associated with each property Category are listed in paragraph 17.1 of this Policy. In addition, paragraph 17.1 identifies the attributes and criteria that determines the basis for application.

The Municipality will apply the following property Categories:

Item	Category (of property)	Purpose/Use
(a)	Residential	Refer the definitions as per paragraph 4 in this Policy.
(b)	Industrial	Refer the definitions as per paragraph 4 in this Policy.
(c)	Business (and commercial)	Refer the definitions as per paragraph 4 in this Policy.
(d)	Agricultural	Refer Section 1 ("Definitions") in the MPRA.
(e)	Mining	Refer Section 1 ("Definitions") in the MPRA.
(f)	Public Service Purposes	Refer Section 1 ("Definitions") in the MPRA.
(g)	Public Service Infrastructure	Refer Sections 1, 17(1)(a) and 17(1)(aA) in the MPRA.
(h)	Public Benefit Organisation	Used for a "Specified public benefit activity" as defined in Section 1 of the MPRA.
(i)	Multiple Use	Refer paragraph 7.2 in this Policy.
(j)	Heritage	Refer paragraph 8.9 in this Policy and Section 15(2A)(b) in the MPRA.
(k)	Vacant Residential	Vacant and Permitted use set for a Residential property.
(l)	Vacant Other	Vacant and Permitted use set for a property category other than Residential.

6.2 Categories for Relief Measures

The Municipality will consider relief measures on rates, being Exemptions, Rebates and/or Reductions on properties, according to various criteria as described in this Policy.

The codes (referred to as the Rebate Codes), associated with the specific relief measure, are listed in paragraph 17.2 of this Policy.

7. APPLICATION OF RATING

7.1 Vacant Properties

Vacant residential property will be rated as per the Vacant Residential Category.

Vacant property other than residential property will be rated as per the Vacant Other Category.

Agricultural properties will not be considered as being vacant.

Properties on which building clause contractual agreements as per paragraph 5.6 above are applicable, will not be considered as vacant and will be rated as per the applicable category as determined on the Valuation Roll. The building clause fee based on the building clause contract obligations will be adjusted by taking in consideration the actual rates paid for said property.

The Category of Vacant properties will be determined according to the property's permitted use and these properties will not qualify for any rebates or reductions.

7.2 Multiple use Properties

Properties with multiple uses as per Section 9 of the MPRA will be categorised for each distinct use as determined by the Municipality and which category will be applied for billing at the appropriate and applicable rate.

The different uses will be grouped into two or more components. The first will be the primary component; the other components (sub-components) will be identified by their generalised functional name.

The category of the primary component of such a property will be directed in the first instance by the permitted use of the property, but at the sole discretion of the Municipality.

A multiple use property may only qualify for the valuation exclusion as per paragraph 8.2.1 (i) of this Policy, provided that at least one of the components has a residential property category.

7.3 Publicly Controlled/Public Service Purposes Properties

Publicly Controlled properties and properties used for Public Service Purposes will be categorised as per paragraph 5.5 of this Policy and will be rated at the applicable rate. The exclusions, exemptions, rebates and reductions relating to the usage of properties as specified in this Policy and the MPRA, will apply.

7.4 Public Service Infrastructure properties (PSI)

The Municipality will apply the rate ratio as set out in the MPRA to public service infrastructure. Furthermore, the Municipality will grant 100% exclusion on all such properties.

7.5 Rural Properties

The categorizing and/or qualification of all rural properties will be dealt with at the sole discretion of the Municipality.

7.5.1 *Agricultural Use*

The Municipality will apply the rate ratio as set out in the MPRA to properties that are used for agricultural purposes by *bona fide* farmers. These properties will however not qualify for any rebates or reductions.

The Municipality deems property with an extent less than two hectares not to be agricultural property.

7.5.2 *Alternate Criteria and Use*

- (a) Where a property in a rural area is being used for business, mining, or industrial purposes, such as truck depots, construction yards, restaurants, functioning venue, guesthouses, and/or factories, will be valued and rated according to the category for business, mining or industrial properties as applicable.. The Municipality may however, consider valuating said property as a Multiple use Property (refer to paragraph 7.2 of this Policy).
- (b) Properties in rural areas that are primarily used for residential purposes will be valued and rated as residential properties and may thus qualify in terms of the definition of residential property for the applicable relief measures (refer to paragraph 8 of this Policy).
- (c) Owners of a property in rural areas which is not categorised as agricultural, but which in the opinion of the owner should be agricultural, must apply (refer to paragraph 14.1 of this Policy) for a revaluation, submit documentation as required by the CFO and declare in an affidavit, that no contraventions of the criteria for agricultural activities are taking place on the property. The application will be dealt with according to the supplementary valuation process.

7.6 **Municipal Properties**

Municipal-owned properties as stated in Section 7(2)(a)(i) of the MPRA, which are not leased, will be excluded from paying property rates and Special Rating Area Rates.

However, Municipal-owned properties which are leased in terms of a lease agreement or those properties which are allocated to beneficiaries but not yet transferred, will be rated as per the provisions of this Policy. These non-excluded properties' rates will be passed on to the lessee or the allocated beneficiary.

7.7 **Special Rating Areas (SRA)**

The Municipality may consider the application for a Special Rating Area provided that the owners of the predefined demarcated area have approved the budget and the specifics relating to such SRA. The process must adhere to Section 22 of the MPRA and to the Municipality's Special Rating Areas Policy and By-law.

The budget for such SRA will be raised via a pre-determined tariff on the municipal valuation of each property. The above pre-determined tariff is linked to the budget proposal and would therefore be unique to a specific SRA and for a given financial year.

7.8 **Land Reform Beneficiary properties**

The Municipality will determine a category for a Land Reform Beneficiary Property that corresponds to the use of said property. The said category will be applied for billing at the appropriate and applicable rate. Moreover, the Municipality will exclude such properties from rates for a period of 10 years subject to Sections 17(1)(g) and 21(1)(b) of the MPRA.

8. RELIEF MEASURES

8.1 Applying relief measures on Rates

The Municipality will consider applying relief measures on property rates, being Exemptions, Rebates and/or Reductions as described in this Policy.

- (a) The Municipality may grant the following exemptions, rebates and/or reductions to the categories of properties and/or categories of owners that meet the specified criteria as indicated below.
- (b) The Municipality does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an individual basis.
- (c) Any application (when required or as requested) for the relief of rates must be submitted as per paragraph 14.1 of this Policy.

8.2 Residential Property

8.2.1 The Municipality will not levy a rate on the initial portion of the valuation of a residential property being the sum of:

- (i) the first R15 000 exclusion on the basis set out in Section 17 (1) (h) of the MPRA; and
- (ii) on a further R185 000 reduction, provided it does not exceed the remaining valuation in respect of a residential property, or the primary component of a multiple use property, that is categorised as residential, as per the "Residential property" definition in paragraph 4 of this Policy. This reduction will only apply if the total valuation of said property is not more than R 5 000 000. All non-primary components of a multiple use property do not qualify.

The above where applicable, will be applied once only per property.

8.3 Senior Citizens and Disabled Persons

Designated owners being registered owners of properties or allocated beneficiaries as per paragraph 7.6 of this Policy who are senior citizens or who are disabled persons may qualify for a rebate according to their gross monthly household income.

To qualify for the rebate referred to above, the designated owner must be a natural person, registered as a South African citizen. If not a South African citizen the designated owner must be the registered owner of the property within the jurisdiction of the Municipality and must submit proof of his/her permanent residency in South Africa. The property in question must satisfy the residential property requirements as per the "Residential property" definition in paragraph 4 of this Policy and in addition to the above-mentioned, the designated owner must also:

8.3.1 Occupy the property as his/her normal residence; and

- (a) be at least 60 years of age, or in receipt of a disability pension from the Department of Social Development; and
- (b) be in receipt of a gross monthly income from all sources (including financial contributions of all members of the household permanently residing at that property) not exceeding the highest income amount as referenced in the table of paragraph 8.3.4 of this policy; and
- (c) when being the designated owner of more than one property, a rebate will be granted only on the occupied property; and
- (d) where the designated owner is unable to occupy the property due to no fault of his/her own, the spouse or minor children may satisfy the occupancy requirement; and

- (e) where the occupant of a residential property is a senior citizen or a disabled person and is the usufructuary of the property, he/she may satisfy the occupancy requirement.
- 8.3.2 Apply as per paragraph 14.1 of this Policy with proof of income, which may include proof of a SARS assessment.
- 8.3.3 If the property in question is alienated by the designated owner, then that owner would be liable for the pro rata rates, inclusive of the pension rebate. The new owner will be liable for the full pro rata portion of the rates excluding any pension rebates.
- 8.3.4 The percentage rebate granted to different monthly household income levels will be determined according to the schedule below. The income bands and rebates for the effective financial period of this Policy are as follows:

Gross Monthly Household Income				% Rebate
Income bands				
	Up to		8 000	100%
From	8 001	to	10 000	75%
From	10 001	to	12 000	50%
From	12 001	to	15 000	25%

8.4 Conservation Land

In terms of Section 17 (1) (e) of the MPRA, the Municipality will not levy a rate on those parts of a special nature reserve, national park or nature reserve within the meaning of the National Environment Management: Protected Areas Act, (Act 57 of 2003), or of a national botanical garden within the meaning of the National Environmental Management Biodiversity Act, (Act 10 of 2004), which are not developed or used for commercial, business, agricultural or residential purposes. The apportioned value of any portion of such properties utilized for any purpose other than that used for such conservation purposes will as per paragraph 7.2 of this Policy be rated accordingly and at the applicable rate.

The Municipality will apply Section 17 (2) of the MPRA upon withdrawal of said property from the conservation agreements.

8.5 Religious Organisations

In terms of Sections 1 and 17 (1) (i) of the MPRA, the Municipality will not levy a rate on a property used primarily as a place of public worship by a religious community, including the official residence which is occupied by the office bearer of that community who officiates at services at that place of worship.

The Municipality will apply Section 17 (5) of the MPRA if as per Section 17 (5) (a) of the MPRA said property is no longer used or has been disposed by the religious community.

8.6 Stellenbosch Special Rebate

The Municipality may, for the organisations not meeting all of the public benefit organisations criteria as described in paragraph 8.7, nor the criteria for NPO organisations as described in paragraph 8.8, consider a rebate which shall be identified as "Stellenbosch Special Rebate" (SSR). The Municipal Council will annually during the budget processes approve this rebates' discount percentage. This rebate will only be applicable to said organisations that apply as per paragraph 14.1 of this Policy for such rebate.

8.7 Public Benefit Organizations (PBO)

The Municipality will apply the rate ratio as set out in the MPRA to public benefit organisations. As per the MPRA the specific public benefit activity listed in Item 1 (Welfare and Humanitarian), Item 2 (Health Care), and Item 4 (Education and Development) of Part I of the Ninth Schedule of the Income Tax Act will be applicable. All Public Benefit Organisations must annually submit, according to paragraph 14.1 of this Policy proof of their status as per the above criteria.

8.8 Non-Profit Organizations (NPO)

An organisation must be registered as a Non-Profit Organisation (NPO) under the Non-profit Organisations Act, (Act 71 of 1997) to be considered as a candidate for the relief measures described below.

Organizations listed in paragraph 8.8.1 below that are operated as not-for-gain (declared or registered by law) or organisations that execute activities as per Item 6 (Cultural), item 7 (Conservation, Environment and Animal Welfare) and Item 9 (Sport) of Part 1 of the Ninth Schedule to the Income Tax Act may receive a rebate. All abovementioned organisations being privately controlled must be the owner of said properties.

These rebates are not applicable to any vacant land irrespective of its zoning or intended usage unless stated otherwise in this Policy.

All NPO must annually submit, according to paragraph 14.1 of this Policy proof of their status as per the above criteria.

Abovementioned organisations which have a total revenue/income not exceeding one million Rand per annum, will receive a 100% rebate. On the other hand, those organisations having a revenue/income exceeding one million Rand per annum will receive a rebate percentage as per the table below:

<i>Financial Year</i>	<i>Rebate %</i>
2017/2018	60%
2018/2019	40%
2019/2020 and there after	20%

8.8.1 Prescribed not-for-gain organisations

(a) *Health and welfare institutions*

Privately owned properties used exclusively as a *hospital, clinic, mental hospital, orphanage, non-profit retirement village, old age home or benevolent institution*, including workshops used by the inmates, laundry or cafeteria facilities.

(b) *Charitable institutions*

Properties used solely for the performance of charitable work.

(c) *Agricultural societies*

Property owned by agricultural societies affiliated to the SA Agricultural Union used for the purposes of the society.

(d) *Cemeteries and crematoria*

Privately owned properties used as cemeteries and crematoria.

(e) *War veterans*

Property registered in the name of a trustee or organisation in terms of the Social Assistance Act, (Act 13 of 2004), maintained for the welfare of war veterans and their families.

8.9 Heritage Properties

The Municipality recognises properties as described in Section 15(2A)(b) of the MPRA as Heritage properties.

Heritage properties used as historical monuments, museums, libraries and art galleries registered in the name of private persons or organisations, and open to the public will be granted a 100% rebate. All other Heritage properties will be granted a rebate as per the financial year schedule in paragraph 8.8 of this Policy.

Owners of heritage properties must annually submit, according to paragraph 14.1 of this Policy proof of their status as per the above criteria.

8.10 Properties affected by Disaster or adverse Economic Conditions

The Municipality may consider additional relief measures as envisaged in Section 15(2)(d) of the MPRA and as approved by Council.

8.11 Exceptional General Valuation Rates Increases : Phasing in

The Municipality may consider a relief measure for owners of property adversely effected by a exceptional rates increase of a new General Valuation (GV) cycle. This incentive will only be implemented as from the implementation date of a GV and on proviso that:

- (a) for a property to qualify, the Rates for the first financial year of the GV cycle for the property, as result of the valuation, should exceed the increase as determined by the Municipality, during the financial year preceding the start of the GV cycle.
- (b) the rates for the financial year preceding the start of the GV cycle must be at least R 1 000 per annum;
- (c) the rebate granted would be phased-out over two financial years;
- (d) the rebate for the first financial year will be 50% and during the second year it will be 25% rebate on the rates applicable for that year;
- (e) this incentive will not be cumulative on any other rebate that may be granted to said owner;
- (f) the most beneficial rebate between this incentive and any other rebate which said owner may receive in each financial year will prevail;
- (g) improvements or errors of valuations to said property that could have influenced the GV valuation will be reviewed during the application approval;
- (h) applications will only be considered until the end of the initial 6 months of a GV cycle; and
- (i) owners of such property must apply as per paragraph 14.1 of this Policy.

9. LIABILITY FOR AND PAYMENT OF RATES

9.1 Liability for and payment of rates

Liability for and payment of rates is governed by criteria in this Policy, by the MPRA, the Stellenbosch Municipality's Credit Control and Debt Collection Policy, By-Laws and any other applicable legislation.

There is one of two methods of payment that the owner of the property has to agree upon, namely (i) paying the rates on a monthly basis or (ii) paying the rates in one amount every annum. The paying of rates on a monthly basis will be the preferred method unless the owner has selected (via a written request) the annual method of payment. Actions as per the applicable By-Laws and/or Policies shall be taken against defaulters.

- (i) When paying on a monthly basis the amount due shall be paid not later than the date as specified on the monthly accounts. The cycle of such payments will start on the first day of July (the start of a financial year) and extend to the 30th of June the following year.
- (ii) When paying a once-off amount (the full rates for that financial year), then that amount shall be paid in full not later than the date as specified on the account.

9.2 Rates in arrears for longer than 90 days

When an owner's rates account is in arrears for longer than 90 (ninety) days, then the Municipality may initiate the proceedings as described in Sections 28 or 29 of the MPRA.

A notice to this effect will be forwarded to the tenant, occupier or agent providing the required legal information regarding their payments to the owner, which are to be redirected to the municipality so as to cover the arrear rates account.

A notice will be forwarded to the owner in question to indicate the legal proceedings and the actions that the municipality has initiated.

10. QUANTIFICATION OF COSTS TO MUNICIPALITY AND BENEFITS TO COMMUNITY

The cost to the Municipality and benefit to the local community in terms of exemptions, rebates, reductions and exclusions referred to in the MPRA and rates on properties that must be phased in terms of the MPRA will be reflected in the Municipality's budget.

11. OBJECTION AND APPEALS

- (a) Any person may lodge an objection to a valuation subject to Section 50 of the MPRA but within the period stated in the notice referred to in Section 49(1)(a) of the MPRA.
- (b) An appeal to an appeal board against a decision of a municipal valuer in terms of section 51 of the MPRA may be lodged in the prescribed manner subject to Section 54 of the MPRA. The appeal must be lodged (as a guideline), within a period of 30 days nonetheless, as set out in Section 54(2) of the MPRA.
- (c) The administrative actions or processes as described in the MPRA for the handling of objections or appeals will be the basis that the Municipality will follow.
- (d) The lodging of an objection or appeal:-
 - (i) In terms of Section 50 of the MPRA does not defer liability for the payment of rates in terms of this Policy; or

- (ii) In terms of Section 54 of the MPRA does not defer liability for the payment of rates in terms of this Policy.

12 CLEARANCE CERTIFICATES

All monies collected by the Municipality, specifically in respect of Special Rating Areas and any estimated amounts in terms of Section 118(1A) of the Local Government: Municipal Systems Act, (Act 32 of 2000) (the Systems Act), or Section 89 of the Insolvency Act, (Act 24 of 1936), are for the purpose of Section 118 of the Systems Act, deemed to be due and must be paid in order to facilitate the transfer of immovable property:

- (i) All amounts that are due must be paid in full prior to the issuing of any clearance certificate in terms of Section 118, of the Systems Act; and
- (ii) No interest shall be paid by the Municipality to the registered seller in respect of these payments which are deemed to be due.
- (iii) The Municipality will not be responsible for the apportionment of rates and/or services due or paid in respect of any rates clearances and registrations.
- (iv) The Municipality will issue only one clearance certificate for properties deemed to be in an adjoined state as per the definition of residential properties in this Policy.

13 ADJUSTMENTS OF RATES PRIOR TO SUPPLEMENTARY VALUATION ROLL

13.1 If the owner of a property which has been subdivided or consolidated after the last general valuation wishes to sell the consolidated erf, or one or more of the erven which have been subdivided from the parent erf, as the case may be, applies to the Municipality for a clearance certificate in terms of Section 118 of the Local Government: Municipal Systems Act, (Act 32 of 2000), and if the Municipality has not yet included such valuation of the relevant property(ies) in a supplementary valuation roll:-

- (a) the Municipal Valuer shall conduct a valuation of the relevant property(ies) for purposes of a supplementary valuation; and
- (b) the valuation shall be submitted to the CFO for approval of the levying of rates on such property(ies) in accordance with such valuation, with effect from the date on which the relevant subdivision or consolidation (as the case may be) was registered in the Deeds Office

13.2 Any valuations performed in terms of paragraph 13 shall be included in the next supplementary roll prepared by the Municipality without any amendments to the valuation and any objections to such valuation may only be lodged once such supplementary valuation roll is made public in terms of Section 49 of the MPRA.

14. GENERAL

14.1 Applications for Relief Measures

- (a) All applications, required in terms of this policy for a specific relief measure must be submitted to the Municipality by 31 May of each year, which date precedes the financial year in which the rate is to be levied. If the relief measure applied for is granted, the relief measure will apply for the full financial year. All successful applicants are bound by all the criteria as per paragraph 14.1 of this Policy.
- (b) Any applicant who, during a financial year, for the first time, meets all the other criteria may apply to receive the relief measure from the date of receipt of the application by the Municipality for the remainder of that financial year, where after all the criteria as per paragraph (a) above will apply to applications for subsequent financial years.

- (c) Late applications received after 31 May may be considered by the Municipality, in which case, if the relief measure applied for is granted, a *pro-rata* rebate for the remainder of that financial year may be applicable.
- (d) Persons who have submitted false information and/or false affidavits will have the relief measure withdrawn with effect from the commencement of the financial year in question.
- (e) All applications for relief measures will require the applicant's municipal accounts to have been paid up to date or the conclusion of a suitable arrangement with the Municipality as provided for in the Stellenbosch Municipality's Credit Control and Debt Collection By-law and Policy.
- (f) The Municipality reserves the right to request current and/or previous audited financial statements or to inspect all properties before or after implementing the applicable rate and to revoke or amend any decision made prior to such investigation or financial review.
- (g) The Municipality reserves the right to recover any rates and/or relief measures from owners of properties after the status of said properties have changed.
- (h) The Municipality reserves the right to request any additional information as may be deemed necessary.

14.2 Regular policy review processes

This Policy will be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives and with legislation.

14.3 Language Interpretation

The legal interpretation of the English version of this Policy only shall prevail above all other language translations of this Policy.

14.4 Severance

If any provision of this Policy is struck down as invalid by a court of law, such provision shall be severed from this Policy, and shall not affect the validity of the remaining provisions.

15 BY-LAWS

The principles contained in this Policy will be reflected in the By-law as promulgated and adjusted by Council from time to time.

16. SHORT TITLE

This Policy is the Rates Policy of the Stellenbosch Municipality.

17. CATEGORY AND REBATE CODES

17.1 Category Codes

The Formulae Codes (Derived from the Categories listed in paragraph 6.1 of this Policy) as listed below will be used in the Valuation Roll and supporting letters or Notices to reflect by association the applicable Category (as indicated in the Category Code column).

Council shall on an annual basis during the budget approval cycle set the cent amount in the Rand values (being the Category Tariff) or the rate ratio for each of the Category Codes (being RES, BUS, AGR, PSI, PBO, VACR, VACO) in the table below.

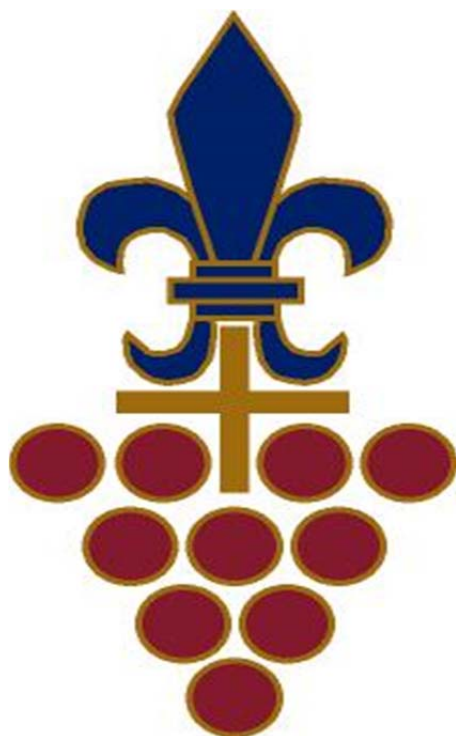
Category (of property)	Category Code	Formulae Code	Supporting references
Residential	RES	RES	MPRA Sections 8(2)(a); 17(1)(h) and the Policy paragraph 8.2.1
	RES	RESA	Adjoining residential; the Policy Definitions for 'residential'
	RES	RESM	MPRA Section 17(1)(h) i.e. ONLY Policy paragraph 8.2.1 (i)
	RES	RELI1	MPRA Section 17(1)(i) – the official residence; the Policy paragraph 8.5
	RES	MUNRR	Municipal Owned: Rented or Leased property; the Policy paragraph 7.6
	RES	MUNR	Municipal Owned: Section 8(2)(h) and the Policy paragraph 7.6
	RES	LRBR	Land Reform Beneficiary: MPRA Section 17(1)(g); the Policy paragraph 7.8
Industrial	IND	IND	MPRA Section 8(2)(b); Policy Definitions for 'industrial'
Business	BUS	BUS	MPRA Section 8(2)(c); Policy Definitions for 'business'
	BUS	RELIG	MPRA Section 17(1)(i) – the place of worship; the Policy paragraph 8.5
	BUS	MUNBR	Municipal Owned: Rented or Leased property; the Policy paragraph 7.6
	BUS	MUNB	Municipal Owned: Section 8(2)(h) and the Policy paragraph 7.6
	BUS	POS	Public Open Spaces
	BUS	PROS	Private Open Spaces
Agricultural	AGR	AGR	MPRA Section 8(2)(d); (Not considered to be a vacant property; the Policy paragraph 7.5
	AGR	PROT	Protected Areas: MPRA Section 17(1)(e); the Policy paragraph 8.4
	AGR	MUNAR	Municipal Owned: Rented or Leased property; the Policy paragraph 7.6
	AGR	MUNA	Municipal Owned: MPRA Section 8(2)(h) and the Policy paragraph 7.6
	AGR	LRBA	Land Reform Beneficiary: Section 17(1)(g); the Policy paragraph 7.8
Mining	MIN	MIN	MPRA Section 8(2)(e).
Public Service Purposes	PSP	PSP	MPRA Section 8(2)(f); the Policy paragraph 7.3
Public Service Infrastructure	PSI	PSI	MPRA Sections 8(2)(g); 17(1)(a) and the Policy paragraph 7.4
	PSI	PSIE	MPRA Sections 8(2)(g); 17(1)(aA) and the Policy paragraph 7.4
	PSI	MUNP	MPRA Sections 7(2)(a)(ii) and 8(2)(h); the Policy paragraph 7.6
Public Benefit Organisation	PBO	PBO	MPRA Section 8(2)(h) and the Policy paragraph 8.7
Multiple purposes	<i>Multi tariff</i>	MULTI	MPRA Sections 8(2)(i); 9 and the Policy paragraph 7.2
Heritage	HER	HER	MPRA Section 15(2A)(b) and the Policy paragraph 7.9
Vacant Residential	VACR	VACR	the Policy paragraph 7.1
Vacant Other	VACO	VACO	NOT agricultural properties; the Policy paragraph 7.1

17.2 Rebate Codes

The Rebate Codes in the table below serves to indicate the rebate if any that could be applicable to a property.

Rebate Code	Purpose	Supporting references
NONE	No rebate is applicable	
INDP	Indigent and 100% Pension rebate	Rates Policy paragraphs 8.3 and the Indigent Policy
INDIG	Indigent only rebate	Indigent Policy
PENS	100% Pension rebate	Rates Policy paragraph 8.3
PENS1	75% Pension rebate	Rates Policy paragraph 8.3
PENS2	50% Pension rebate	Rates Policy paragraph 8.3
PENS3	25% Pension rebate	Rates Policy paragraph 8.3
HER	Heritage Property (100% rebate)	Rates Policy paragraph 8.9
HER1	Heritage Property (Rebate as per table)	Rates Policy paragraph 8.9
NPO	Non-Profit Organisation (100% rebate)	Rates Policy paragraph 8.8
NPO1	Non-Profit Organisation (Rebate as per table)	Rates Policy paragraph 8.8
SSR	Stellenbosch Special Rebate	Rates Policy paragraph 8.6
EGVI	Exceptional General Valuation Rates Increases	Rates Policy paragraph 8.11

STELLENBOSCH MUNICIPALITY



SUPPLY CHAIN MANAGEMENT POLICY

2017/2018

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PREAMBLE

We, the people of the greater Stellenbosch, Recognise the injustices of our past;

Honour those who suffered for justice and freedom in our municipal area;

Respect those who have worked to build and develop our municipal area; and

Believe that the greater Stellenbosch belongs to all who live in it, united in our diversity.

We therefore, through our public representatives, officials and people adopt this Policy so as to -

- Heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights;
- Lay the foundations for a democratic and open society in which government is based on the will of the people and every citizen is equally protected by law;
- Improve the quality of life of all citizens and free the potential of each person; and
- Build a united, non-racist, non-sexist, democratic and prosperous greater Stellenbosch.

May God protect all our people.

Nkosi Sikelel' iStellenbosch. Morena boloka setjhaba sa heso.

God seën Stellenbosch. God bless Stellenbosch.

Therefore the policy on Supply Chain Management seeks to:

- Foster recognition, understanding and appreciation of the previously disadvantaged groups;
- Guide the development and implementation of policies and practices of the Supply Chain Management, and;
- Ensure that people of all cultures receive fair and equitable treatment, benefit and protection under policies and practices of the Supply Chain Management.

CHAPTER 1: INTRODUCTION

1.1 Introduction

Section 217 of the Constitution of the Republic of South Africa, 1996 requires an organ of state to contract for goods or services in accordance with a procurement system which is fair, equitable, transparent, competitive and cost effective. This policy will assist the Stellenbosch Municipality to continue to redress the skewed Employment and Ownership Patterns in the greater Stellenbosch.

This policy will achieve the above by providing procurement and employment opportunities to Historically Disadvantaged Individual's (HDI) and disadvantaged communities. It will enable socio-economic transformation objectives to be linked to *fair, transparent, equitable, competitive and cost effective* procurement practices that will encourage the entry of emerging business into Stellenbosch Municipality procurement, transformation and empowerment within nascent businesses, and the use as an instrument of Local Economic Development (LED) and redistribution.

1.2 Principles

In pursuance of these stated objectives the Stellenbosch Municipality commits itself to the following goals:

- 1.2.1 To impact significantly on improving the quality of life of the people of the greater Stellenbosch;
- 1.2.2 Growing the local economy by promoting the competitiveness of local businesses;
- 1.2.3 Ensure redress of inherited skewed ownership patterns and opportunities for the people of greater Stellenbosch with reference to previously disadvantaged groupings;
- 1.2.4 Continuing improvement in value for money;
- 1.2.5 Enhance competitiveness;
- 1.2.6 Enhance efficient and effective procurement practices;
- 1.2.7 Enhance integrity, honesty, transparency and combat corruption; and
- 1.2.8 Stimulate and promote local economic development in a targeted and focused manner.

1.3 Implementation Orientation

- 1.3.1 Increased Usage of Local Resources;
- 1.3.2 Redressing of Skewed Employment and Ownership Patterns through BBBEE aims;
- 1.3.3 Creation of Opportunities for job creation in order to alleviate poverty;
- 1.3.4 Stimulation of Skills Development and Transfer; and
- 1.3.5 Fast tracking the growth and Ensuring Sustainability of SMME's.

1.4 **Legislative Framework**

- 1.4.1 The Constitution of the Republic of South Africa, 1996 (as amended), Section 217
- 1.4.2 The Municipal Finance Management Act, 2003 (Act 56 of 2003) and the Regulations on Supply Chain Management enacted in terms thereof,
- 1.4.3 The Municipal Systems Act, 2000 (Act 32 of 2000),
- 1.4.4 Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)
- 1.4.5 Preferential Procurement Policy Framework Regulations of 2017
- 1.4.6 The Labour Relations Act, 1995 (Act 66 of 1995)
- 1.4.7 Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)
- 1.4.8 Any other current or subsequent applicable legislation

CHAPTER 2: ROLES, RESPONSIBILITIES AND FUNCTIONS

2.1 Management Responsibility

2.1.1 The ultimate responsibility to ensure that the Stellenbosch Municipality delivers in accordance with its strategic vision that lies with the respective line function components. With regard to Supply Chain Management, it will be the responsibility of the relevant line managers to:

- a) Understand and plan for their future needs with the help of the DMP.
- b) Identify critical delivery dates in consultation with the Supply Chain Management unit via the Demand Management Plan (DMP).
- c) Ensure that the necessary funds are available for the products or services to be procured.
- d) Draft clear, complete and understandable specifications.
- e) Timeously provide the Supply Chain Management Unit (the unit) with all the necessary information to arrange for the acquisition of the goods and/or services required.
- f) Provide technical input on bids during the evaluation process.
- g) Entering into Service Level Agreement's, providing for quality control and follow up.

2.1.2 Functions of the unit

The Supply Chain Management Unit of the Stellenbosch Municipality will perform the following functions:

- a) Rendering of all administrative support to the line function managers, Bid Adjudication Committee and the delegated persons in the performance of their duties.
- b) Monitor award of bids for compliance to all legislative and municipal requirements.
- c) Communicate with service providers up until contract has been awarded.
- d) Contribute towards the finalisation of bid specifications in line with the Accounting Officer's delegations via the Bid Specifications Committees.
- e) Procure goods and services for the Stellenbosch Municipality.
- f) Act as secretariat to the Bid Adjudication Committee/Subcommittee. This implies that the unit will be responsible for the preparation and presentation of cases to the Bid Adjudication Committee.
- g) Report on Supply Chain Management matters as prescribed.
- h) Ensure compliance with the Accounting Officer's delegations on Supply Chain Management.
- i) Corporate Services to administer all contracts emanating from the SCM section.
- j) Report on achievements in terms of preferential procurement and recommend changes, if any.
- k) Any other functions the Accounting Officer deems necessary to ensure efficiency.

2.1.3 Responsibilities of the Unit

In line with Municipal delegations, the Supply Chain Management Unit will have the following responsibilities:

- a) To procure on behalf of the Stellenbosch Municipality.
- b) To recommend the amendment, unbundling, cancellation and/or ceding of contracts to the Accounting Officer.
- c) To act as the administrative arm of the procurement function of the Stellenbosch Municipality.
- d) Negotiate acceptable prices with service providers as stipulated in the Regulations.
- e) Negotiate and conclude agreements with suppliers.
- f) To support the broad strategic objectives of the Stellenbosch Municipality as it relates to Supply Chain Management
- g) SCM Unit must strive as far as reasonable possible to incorporate, for all specifications of goods, services and construction works, the principles of Green Procurement. Green Procurement is defined as taking into account environmental criteria for goods and services to be purchased in order to ensure that the related environmental impact is minimised.

The following serves as examples of incorporating the principles of green Procurement within the specifications of goods and services:

- Adherence to the EU Emission standards for vehicles;
- Resources savings campaigns like minimising energy consumption etc.

In the event of the above criteria not being met at the stage of submission of the specifications as a result of Green Procurement not being applicable, the respective director must certify same via a memo to the SCM Manager.

2.1.4 The responsibilities of the Bid Adjudication Committee

The Bid Adjudication Committee will operate within the following procedural framework:

- a) Prior to commencement of meetings, members of the committee must sign a register declaring their interest in a bid (if any) under consideration.
- b) A quorum is at least two-thirds of the members
- c) Conducts scheduled meetings at least every two weeks and ad-hoc meetings when necessary.
- d) Keep minutes with a record of recommendations made.
- e) Recommendations will be based on a majority vote. Where an equal vote exists, the Chairperson will cast a deciding vote.
- f) Adhere to all legislation on Supply Chain Management and ensure adherence to the implementation of the Municipal Preferential Procurement Policy Plan.
- g) The operation of the committee is limited to the approved system of delegations.

2.1.5 Training of supply chain management officials

The training of officials involved in implementing this policy should be in accordance with any Treasury guidelines on supply chain management training.

2.1.6 Cost Containment Measures

Catering costs

- 2.1.6.1 Do not incur catering expenses for any meetings where only municipal officials are in attendance. Notwithstanding the above, the accounting officer may incur catering expenses for the following, provided that such lasts for five (5) continuous hours or more:
- a) The hosting of conferences, workshops, courses, forums, recruitment interviews, training courses, hearings, Audit steering committee; b) Meetings related to commissions or committees of inquiry; or
 - b) Meetings hosted by the board of directors of municipal entities, including governance committee meetings.
- 2.1.6.2 Ensure that entertainment allowances of qualifying officials do not exceed two thousand rand (R2 000) per person per financial year. The National Treasury may periodically review this amount.
- 2.1.6.3 Do not incur expenses on alcoholic beverages.
- 2.1.6.4 Ensure that team building and social functions, including year-end functions, are not financed from the municipal budgets or by any suppliers or sponsors.
- 2.1.6.5 Notwithstanding the above, accounting officers may incur no more than the petty cash allocation or limitations on expenditure from their respective budgets to host farewell functions to employees who are either:
- a) proceeding on retirement due to ill health; or
 - b) proceeding on retirement after reaching the qualifying age limit of a minimum of ten (10) or more years working for the public service.
- 2.1.6.6 Accounting officers and accounting authorities may not host farewell functions for employees who have:
- a) been dismissed;
 - b) elected to resign or leave by accepting severance packages; or
 - c) Approached the end of their contractual term.

Events, advertising and sponsorships

- 2.1.6.7 Eliminate wasteful expenditure on events, advertising in magazines, television, newspapers etc. where the municipality can use other cost effective means such as websites to market the institution or properly publicise the matters or events under consideration.
- 2.1.6.8 Memorabilia, gifts and other novelties should be of token value only and should only be offered by municipalities and municipal entities in order to acknowledge support or a visit or attendance by a dignitary in connection with a benefit to the local community; to reciprocate the giving of a similar token gift by another organisation; or similar but in all cases there must be an identifiable benefit to the community.
- 2.1.6.9 Limit or stop all unnecessary expenditure on matters such as printing of shirts, hosting of sporting events, festivals and other associated events, cruises, lavish functions, and extraordinary costs associated with visits of dignitaries or induction of new councillors.

Conferences, meetings, study tours, etc.

- 2.1.6.10 Employees of municipalities and municipal entities may attend conferences hosted by professional bodies or non-governmental institutions (external conferences) held within the borders of South Africa provided that expenses related to their attendance do not exceed two thousand five hundred rand (R2 500) per person per day. The number of municipal officials attending such conferences and workshops must be limited, see below. The National Treasury may periodically review this amount.
- 2.1.6.11 Employees must make every effort to take advantage of early registration discounts by seeking the required approvals to attend well in advance of the conference as it relates to their area of work. No late registration is acceptable.
- 2.1.6.12 Conferences abroad must be limited to its ultimate minimum or none at all.
- 2.1.6.13 Utilise municipal and/or provincial office facilities for conferences, meetings, strategic planning sessions etc. where an appropriate venue exists within the municipal jurisdiction.
- 2.1.6.14 Limit or stop overseas trips and the delegations going on such trips unless a tangible and clear benefit to the local community and performance of essential service provision can be established beforehand.
- 2.1.6.15 The number of employees travelling to conferences or meetings on official duty for the same matter is limited to three (3) employees, unless otherwise approved in advance by the relevant accounting officer, having due regard to the cost containment measures.
- 2.1.6.16 Similar to the above, the number of employees travelling by air to other centres to attend an official engagement on the same matter is also limited to three (3) employees, unless otherwise approved in advance by the relevant accounting officer, having due regard to the cost containment measures.

Office furnishing

- 2.1.6.17 Municipalities should exercise due precaution in refurbishing offices, purchasing equipment, etc. especially when new persons are elected or appointed. Use of existing facilities and equipment is encouraged.
- 2.1.6.18 Office furnishing, when required, should be contained to minimal costs, avoiding elaborate and expensive furniture or equipment.

Staff study, perks and suspension costs

- 2.1.6.19 Training attended by employees and councillors of municipalities and municipal entities may only be attended at pre-approved service providers to ensure sufficient quality of training and obtain value for money.
- 2.1.6.20 Expenditure associated with overseas study tours by councillors or officials must be reduced and preferably stopped.

2.2 Delegation of Authority

This entire Policy will be implemented within Council's approved system of delegations. The delegated persons will perform all relevant delegations issued by the Accounting Officer. Persons acting officially in a certain rank may exercise the delegations assigned to that rank unless the delegation specifies otherwise. If a person has failed to comply with the requirements in exercising the delegations and this resulted in irregular, fruitless and wasteful expenditure, disciplinary actions can be instituted against the delegated person. The Council or Accounting officer may **not** delegate or sub delegate any supply chain management powers or duties to a person who is not an official of the municipality or to a committee which is not exclusively composed of officials of the municipality. This may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system. No supply chain management decision-making powers may be delegated to an advisor or consultant.

To the extent that it may be necessary, Council authorises the Municipal Manager to delegate or sub-delegate to a staff member any power conferred on the municipal manager in terms of the MFMA and the Supply Chain Management Regulations relating to supply chain management insofar that the legislation allows for sub-delegation.

Notwithstanding the delegations, the Head of Supply Chain Management is authorised to amend orders that was subject to price fluctuations within **2.5 percent** of the contract value after satisfying himself with the reason /s for the amendment.

2.3 Oversight Role of Council

- (1) The Council must maintain oversight over the implementation of this policy.
- (2) For the purposes of such oversight the Accounting Officer must –
 - a) within 30 days of the end of each financial year, submit a report on the implementation of the Supply Chain Management Policy of the municipality to the council of the municipality; and
 - b) whenever there are serious and material problems in the implementation of such Supply Chain Management Policy, immediately submit a report to the Council.
- (3) The Accounting Officer must, within **ten (10) working days of the end of each quarter**, submit a report on the implementation of the Supply Chain Management Policy to the Mayor.
- (4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

2.4 Approval Authority

All the amounts in the table below are inclusive of VAT and the specific goals applicable to bids also apply to quotations. The amount categories as indicated shall be amended as and when the relevant policy change.

MONETARY VALUES	CONDITIONS ATTACHED TO PROCUREMENT
R0 – R2 000	Direct Purchases-par – 4.8
R2 001 – R10 000	<ul style="list-style-type: none"> • Three written quotations will be required from suppliers listed on the database where possible. Reasons must be listed, if not possible. (SCM Reg 17) • The supplier of the lowest quotation is to be appointed, provided that goods and/or services could be supplied immediately and are of the required standard. (Price, Quality and Availability) • Normal items: The Buyer will re-order on the agreed minimum stock level. • For the purchasing of non-stock items authorisation is required in accordance with delegations. • Prices from suppliers will always be used for comparison. • Frequency of same suppliers must be limited to a reasonable degree and monitored. • Ensure a reasonable spread of suppliers.
R10 001 – R200000	<p><u>Offers below R30 000 (VAT included)</u></p> <ul style="list-style-type: none"> • Must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and services and lowest price. • Three written quotations will be required from suppliers listed on the database where possible. Reasons must be listed, if not possible. (SCM Reg 17) <p><u>Offers of R30 000 (VAT included) and above</u></p> <ul style="list-style-type: none"> • Are subject to the preference points system (PPPFA and associated regulations) and must be dealt in accordance with the Council's Procurement Policy. • Three written quotations are required through a competitive bidding process which entails advertisement.
R200 001 –R10 000 000	<ul style="list-style-type: none"> • Public bid - for finalisation by the Bid Adjudication Committee chaired by the Chief Financial Officer.
Above R10 000 000	<ul style="list-style-type: none"> • Public bid (Municipal Manager/ Accounting Officer)

2.5 List of centres for advertisements for R30 001.00 and above.

A list of all centres where these quotations are advertised and / or obtained is to be compiled. These are to be as wide as possible and should include:

- a) Official Notice Boards
- b) Official Website

CHAPTER 3: PREFERENTIAL PROCUREMENT

3.1 Introduction

Stellenbosch Municipality acknowledges that designated groups have been excluded from meaningful participation in the mainstream of the economy and that it is required to address the economic imbalances and lead to increased equalization of opportunity in business. The Stellenbosch Municipal Supply Chain Management Policy seeks to encourage socio-economic transformation within the area of Stellenbosch. To achieve this, empowerment goals have been set, which aim to redress the skewed distribution of wealth and therefore contribute to the alleviation of poverty. Stellenbosch Municipality Supply Chain Management Policy must encourage increased usage of local resources, stimulation of skills development and transfer, fast tracking the growth and ensuring sustainability of SMME's. The Supply Chain Management Policy will form the basis of the evaluation criteria used in the evaluation of quotations and bids; as it is embodied from the principles as pertain in the Preferential Procurement Regulations, 2001 (which pertain to the Preferential Procurement Policy Framework Act (Act No 5 of 2000), as well as the revised Preferential Procurement Regulations of 2017.

3.2 THE 80/ 20 PREFERENCE POINTS SYSTEM

3.2.1 For all quotations and bids with an estimated value between **R30,001.00** and **R50 000 000.00**; preference points will be allocated as follows:

	POINTS
Value for money substantially to specification (price and functionality)	80
B-BBEE Status level of contributor	20
Total	100

3.2.2 The following formula must be used to calculate the points for price in respect of quotations/ bids with a Rand value equal to, or above **R30,001.00** and up to a Rand value of **R50 000, 000, 00**

$$P_s = 80 \left[1 - \frac{P_t - P_{\min}}{P_{\min}} \right]$$

P_s = Points scored for comparative price of tender or offer under consideration;
 P_t = Comparative price of tender or offer under consideration; and
 P_{\min} = Comparative price of lowest acceptable tender or offer.

3.2.3 The points scored by a tenderer in respect of B-BBEE contribution contemplated in 3.3.4 must be **added** to the points scored for price as calculated in accordance with 3.3.2.

3.2.4 Application of 20 points must be awarded to a tenderer for attaining the B-BBEE status level of contributor in accordance with the table below.

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8

6	6
7	4
8	2
Non-compliant contributor	0

- 3.2.5 Bidders including Exempted Micro Enterprises must submit to Stellenbosch Municipality their original and valid B-BBEE status level verification certificate, or a certified copy thereof or an affidavit, substantiating their B-BBEE status level of contributor.
- 3.2.6 Submission of such certificates must comply with the requirements of instructions and guidelines issued by the National Treasury and be in accordance with notices published by the Department of Trade and Industry in the Government Gazette.
- 3.2.7 Bidder who fail to submit the required certificates or certified copies thereof will be deemed to be non-compliant contributors.
- 3.2.8 For the purposes of transparency and fairness, bidders shall, in respect of all competitive bids (over R200 000), be required to claim, in their bid submission, a preference in accordance with their B-BBEE status.
- 3.2.9 Notwithstanding what is contained within the bid submission, preference points will be allocated during the bid evaluation process in accordance with the verified B-BBEE Status level (or deemed status level) of contributor.

3.3 THE 90/ 10 PREFERENCE POINTS SYSTEM

- 3.3.1 For all bids with an estimated value equal to or above **R50 000, 001.00**, preference points will be allocated as follows:

	POINTS
Value for money substantially to specification (price and functionality)	90
B-BBEE Status level of contributor	10
Total	100

- 3.3.2 The following formula must be used to calculate the points for price in respect of quotations/ bids with a Rand value equal to or above **R50 000, 001. 00**

$$P_s = 90 \left[1 - \frac{P_t - P_{\min}}{P_{\min}} \right]$$

- P_s = Points scored for comparative price of tender or offer under consideration;
 P_t = Comparative price of tender or offer under consideration; and
 P_{\min} = Comparative price of lowest acceptable tender or offer.

- 3.3.3 The points scored by a tenderer in respect of B-BBEE contribution contemplated in 3.5.4 must be **added** to the points scored for price as calculated in accordance with 3.5.2.

3.2.10 Application of 10 points must be awarded to a tenderer for attaining the B-BBEE status level of contributor in accordance with the table below.

B-BBEE Status Level of Contributor	Number of Points
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

3.2.11 Bidders including Exempted Micro Enterprises must submit to Stellenbosch Municipality their original and valid B-BBEE status level verification certificate, or a certified copy thereof or an affidavit , substantiating their B-BBEE status level of contributor.

3.2.12 Submission of such certificates must comply with the requirements of instructions and guidelines issued by the National Treasury and be in accordance with notices published by the Department of Trade and Industry in the Government Gazette.

3.2.13 Bidder who fail to submit the required certificates or certified copies thereof will be deemed to be non-compliant contributors.

3.2.14 For the purposes of transparency and fairness, bidders shall, in respect of all competitive bids (over R200 000), be required to claim, in their bid submission, a preference in accordance with their B-BBEE status.

3.2.15 Notwithstanding what is contained within bid submission, preference points will be allocated during the bid evaluation process in accordance with the verified B-BBEE Status level (or deemed status level) of contributor.

3.4 EVALUATION OF BIDS ON FUNCTIONALITY AND PRICE

3.4.1 Stellenbosch Municipality must indicate in the invitation to submit a tender, if that tender will be evaluated on functionality.

3.4.2 The evaluation criteria for measuring functionality must be objective.

3.4.3 When evaluating tenders on functionality, the –

- (a) Evaluation criteria for measuring functionality;
- (b) Weight for each criterion;
- (c) Applicable values; and
- (d) Minimum qualifying score for functionality,

Must be clearly specified in the invitation to submit a tender.

- 3.4.4 No tender must be regarded as an acceptable tender, if it fails to achieve the minimum qualifying score for functionality as indicated in the tender invitation.
- 3.4.5 Tenders that have achieved the minimum qualification score for functionality must be evaluated further in terms of the preference point systems, described in 3.3 and 3.5
- 3.4.6 Please refer for further guidance regarding evaluation of bids based on functionality and price; to the **National Treasury MFMA Circular No.53 – Amended guidelines in respect of Bids that include Functionality as a criterion for evaluation.**
- 3.4.7 The norm for the minimum qualifying score for functionality shall be 70% of the total possible score. For more specialised or complex projects the minimum score may, at the discretion of the Bid Specifications Committee, be increased to up to 80% of the total possible score. The setting of a minimum score any higher than 80% of the total possible score must be motivated to, and approved by, the Manager: SCM prior to use.

CHAPTER 4: SUPPLY CHAIN MANAGEMENT SYSTEM

4.1 Demand Management

The demand management includes the analysis of the end users needs as well as the analysis of budget for the goods/service requirements. The Supply Chain Practitioner must work together with the end user to determine their requirements, to discuss the delivery times, price, location, specifications etc.

4.2 Acquisition Management

4.2.1 Procurement Prerequisites

- a) This function covers all requirements that have been identified for procurement by the Stellenbosch Municipality. Additional requirements have been identified for the procurement of goods and services, consultants, plant hire and service providers. No written quotation or bid will be considered should the information below be omitted: Full name of the service provider;
- (i) Proof of company registration and / or any other form of legal standing must be submitted by all bidders (Identification Number).
 - (iii) Tax Reference Number and VAT registration number, if any;
 - (iv) A current, original and valid Tax Clearance certificate from South African Receiver of Revenue Services (SARS) certifying that the taxes of the bidder are in order or that suitable arrangements have been made with SARS to bring them in order. The Tax certificate will be reworded at the allocated space for the VAT number with the words "Compulsory if turnover is more than R1000 000". Where the person is not required to be registered for VAT, the Receiver of Revenue will write "not required to register" next to the allocated space for the VAT registration number. Bid price include VAT. Certified and faxed copies of an original and valid tax clearance certificate will **not** be accepted.
 - (v) A Declaration of Interest MBD4 form (including nil responses).
The following information must be indicated by the service provider:
 - whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
 - if the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or
 - whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in paragraph 4.2.1 (a) (v) is in the service of the state, or has been in service of the state in the previous twelve months.
 - an executive member of the accounting authority of any national or provincial public entity; or
- b) Bid documents must remain intact and no portion may be detached.
- c) The bid checklist must be completed.
- d) Please note that the information required under section 4.2.1(a) must be read in conjunction with the requirements as stipulated within the Bid documentation, to determine if it is applicable
- #### 4.2.2 All Professional Service Providers must submit the following information:
- a) Proof of registration with the relevant Professional Body, e.g. The Engineering Council of South Africa.
 - b) Professional indemnity and type of cover.

- c) Written proof of Joint Ventures disclosing Joint Venture partnerships (reflected as percentages).
- d) Proof of company composition.

4.2.3 All Service providers must submit the following information required:

- a) Should the service provider wish to sub contract any portion of the works, the service provider must submit details of subcontract together with names of sub-service provider to the Municipality.
- b) A Bidder that has been awarded a contract may not sub-contract more than 25% of the value of the contract to enterprises that do not have an equal or higher B-BBEE status level than the bidder concerned, unless the sub-contractors are Exempted Micro Enterprises that have the capability and ability to execute the sub-contract. Compliance with this particular requirement is ultimately the duty and responsibility of the relevant end user department, irrespective thereof if a consulting engineer has been appointed to oversee project management and implementation.
- c) If details of sub contract are not disclosed, the bid will be set aside.
- d) If the subcontracting firm has been involved with Municipality previously and has performed poorly and/or has been involved in any irregular activities, the tender may be set aside.
- e) No sub-service providers are to further sub contract any portion of the work without disclosing details to Stellenbosch Municipality for approval prior to commencement of work.
- f) Submit proof of Joint Ventures disclosing joint venture partnerships (percentage or names or any other details required by Stellenbosch Municipality).
- g) The company composition of the subcontracting firm must be disclosed.
- h) If a company is registered with a professional body, a copy of such registration must be included in the bid document.

4.2.4 System of Acquisition Management

- a) A supply chain management policy must provide for an effective system of acquisition management in order to ensure-
 - (i) that goods and services are procured by the Municipality or municipal entity in accordance with authorised processes only;
 - (ii) that expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;
 - (iii) that the threshold values for the different procurement processes are complied with;
 - (iv) that bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and
 - (v) that any Treasury guidelines on acquisition management are properly taken into account.
- b) A supply chain management policy, except where provided otherwise in these Regulations, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –
 - (i) water from the Department of Water Affairs or a public entity, another municipality or a municipality entity; and
 - (ii) electricity from ESKOM or another public entity, another municipality or a municipality entity.
 - (ii) the acquisition of services of information and communication technology, IT licences, licences and systems in use, financial systems and services, bullets, alarms and CCTV cameras subject that the acquisition of such services be dealt with in terms of the delegated powers as provided for in the Municipality's delegation register as amended from time to time.
- c) the acquisition of services of specific vehicle agents for repair and services subject that the acquisition of such services be dealt with in terms of the delegated powers as provided for in the Municipality's delegation register as amended from time to time. A municipality or municipal entity procuring goods or services contemplated in section 110(2) of the Act must

make public the fact that it procures such goods or services otherwise than through its supply chain management system, including –

- (i) the kind of goods or services; and
- (ii) the name of the supplier.

4.3 Procurement of Goods and Services

- 4.3.1 The procurement and letting of goods and services between the value R0 and R200 000 falls within the scope of the Manager: Supply Chain Management. That all awards from R200 001.00 be subject to the Supply Chain committee system as per the delegations. The Preferential Procurement Regulation will be followed by the responsible Supply Chain Official to ensure the alignment with the empowerment goals set out in Chapter 3.
- 4.3.2 The names of all service providers/suppliers has been established and will be updated annually where upon preferred service providers/ suppliers will be selected in terms of the empowerment goals set up in Chapter 3.
- 4.3.3 The Municipality will place annually advertisements in the local print media inviting vendors wishing to be included on the approved supplier database.
- 4.3.4 Applicants must submit with their application for registration on the supplier database the following:
 - a) A declaration of good standing in respect of the Stellenbosch Municipality's debts;
 - b) Original and valid tax clearance certificate, if applicable;
 - c) local office address in the jurisdiction of the Stellenbosch Municipality, if any;
 - d) company registration with the Registrar of Businesses; and
 - e) registration with a Professional Body where required.
 - f) Updated Municipal account of service provider or a copy of lease agreement
- 4.3.5 The Procurement Manager/official will submit a quarterly report on the procurement of goods and services in this category. Analysis will be provided on achievements or failure with the set of goals.

4.4 Bidding processes

- 4.4.1 It is the prerogative of the Accounting Officer of the Municipality to decide on the manner in which the market will be approached. There are two types of processes that can be followed, which is:
 - a) Formal Bidding Process.
 - b) Limited bidding process.
- 4.4.2 Formal Approach, the requisition is received from the user. The buyers will complete the formal bidding process and advertise in terms of the Supply Chain Regulations unless otherwise approved by the Accounting Officer.
- 4.4.3 Limited bidding- this process is used only in instances that require specialized knowledge, experience, sole suppliers and single source appointments..

4.5 Waiving Tender Procedures or Prerequisites

- 4.5.1 The waiver will be allowed at the discretion of Municipal Manager in exceptional cases where a surety, guarantee or bridging finances cannot be accessed through any financial institution and written proof thereof must be submitted to Stellenbosch Municipality of bid shall only be allowed

in exceptional circumstances by Municipal Manager. In circumstances where the goods/ services required within the Municipal Manager's delegated authority proof of Sole Supplier/Service Provider must be provided with motivating report why such procedures/prerequisites should be waived. Reasons must be justifiable. The Municipal Manager's approval will be required in such circumstances.

- 4.5.2 The procurement official will report on compliance in terms of this in the Quarterly Procurement Report, and where deviation occurs in terms of the reporting to the Municipal Manager or Executive Mayor, the necessary disciplinary Procedures will be instituted in terms of the Stellenbosch Municipal's Code of Conduct to prohibit unethical behaviour by officials.

4.6 Calling for Bids and Quotations

- 4.6.1 Bids and quotations must be invited by the unit and will have a predetermined closing time and date. As required by the Supply Chain Management policy, bids must at least be advertised in an accessible manner, including the local media. Other publication media may be used if beneficial and cost effective for the municipality.
- 4.6.2 The Stellenbosch Municipality aims at improved access to information, simplification of documentation, and being easily accessible to all citizens within its area of jurisdiction.
- 4.6.3 Stellenbosch Municipality official language for communication with regards to placement of notices for formal quotations and bids is "English" and Afrikaans depending the media used.

4.7 Accredited suppliers

- 4.7.1 The accounting officer must-
- a) Keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotations; and
 - b) at least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;
 - c) specify the listing criteria for accredited prospective providers; and
 - d) disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.
- 4.7.2 The list must be updated at least **quarterly** to include any additional prospective providers and any new commodities or types or services. Prospective providers must be allowed to submit applications for listing at any time.
- 4.7.3 The list must be compiled per commodity and per type of service.

4.8 Direct Purchases below R 2 000.00

- 4.8.1 The conditions for the procurement of goods and services by means of petty cash purchases are governed by the Petty Cash Policy of Stellenbosch Municipality and therefore SCM Regulation 15 will not apply to the SCM Policy of Stellenbosch Municipality.

4.9 Verbal quotations are only allowed in emergency circumstances

4.10 Written or verbal quotations

4.10.1 The conditions for the procurement of goods and services through written or verbal quotations are as follows:

- a) Quotations must be obtained from at least three different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the Stellenbosch Municipality, provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in paragraphs 4.7.1 (c) , (d), 4.7.2 and 4.7.3 of this Policy consistent with Paragraph 2.3;
- b) to the extent feasible, providers must be requested to submit such quotations in writing;
- c) if it is not possible to obtain at least three quotations, the reasons must be **recorded and reported quarterly to the accounting officer or another official designated by the accounting officer (Power has been subdelegated to the Manager: SCM as per the approved System of Delegation).**

Transactions that falls within the ambit of this relevant clause Cannot be treated as a deviation as envisaged under sub section 4.36.1(a)Following are possible examples of not being in a position to obtain three written or verbal quotations namely:

- (i) In the event of any contract relating to the publication of official and legal notices and advertisements in the media by or on behalf of the Stellenbosch Municipality, there is no requirement for a competitive bidding process to be followed; disciplinary hearings, training events, courses, seminars, membership fees, Dr's, medical specialists, travelling, accommodation, subscriptions, tow-in services, service agents, franking machine postage, library books, books or as determined by the SCM Head.
 - (ii) In the event of strip and quote transactions or ad-hoc repairs to plant, equipment and machinery where it is not possible to ascertain the nature or extent of the work required in order to call for quotations. Requirement that work must be conducted by an authorised agent or manufacturer and where possible, the **rotation** principle must be applied. Approval of such transactions is subject to recommendation of approval by signature on duly authorised requisition, from Managers directly accountable to their respective Directors.
- d) the accounting officer must record the names of the potential providers requested to provide such quotations with their quoted prices; and
 - e) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.

4.11 Formal written price quotations

4.11.1 The conditions for the procurement of goods or services through formal written price quotations are as follows:

- a) quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the Stellenbosch Municipality;
- b) quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria set out in paragraphs 4.7.1 to 4.7.3 of this Policy;
- c) that if it is not possible to obtain at least three quotations, the reasons must be **recorded and approved by the Chief Financial Officer or an official designated by the Chief Financial Officer (Power has been subdelegated to the Manager: SCM as per the approved System of Delegation);**

Transactions that falls within the ambit of this relevant clause, cannot be treated as a deviation as envisaged under sub section 4.36.1(a).

Following are possible examples of not being in a position to obtain three formal written price quotations namely:

- (i) In the event of any contract relating to the publication of official and legal notices and advertisements in the media by or on behalf of the Stellenbosch Municipality, there is no requirement for a competitive bidding process to be followed; disciplinary hearings, training, courses, seminars, membership fees, Dr's, medical specialists, travelling, accommodation, subscriptions, tow-in services, service agents or as determined by the SCM Head.
 - (ii) In the event of strip and quote transactions or ad-hoc repairs to plant, equipment and machinery where it is not possible to ascertain the nature or extent of the work required in order to call for quotations. Requirement that work must be conducted by an authorised agent or manufacturer and where possible, the rotation principle must be applied. Approval of such transactions is subject to recommendation of approval by signature on duly authorised requisition, from Managers directly accountable to their respective Directors up to a monetary value of R 30 000 (VAT Inclusive). Above a monetary value of R 30 000 (VAT inclusive) only the Directors signature will be accepted as recommendation for approval on duly authorised requisition.
- d) that the accounting officer must record the names of the potential providers and their written quotations.

4.11.2 A designated official referred to in sub regulation (1)(c) must within three days of the end of each month report to the Chief Financial Officer on any approvals given during that month by that official in terms of that sub regulation.

4.12 Procedures for procuring goods or services through written or verbal quotations and formal written price quotations

The procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations is as follows:

- a) when using the list of accredited prospective providers the accounting officer must promote on-going competition amongst providers by inviting providers to submit quotations on a **rotation** basis, par 2.3;
- b) that all requirements in excess of or equal to R30 001.00 (VAT included) procured by means of formal written price quotations, must in addition to the requirements of section 4.11, be advertised for at least seven days with a predetermined closing date and time on the website and an official notice board of the municipality or municipal entity;
- c) offers received must be evaluated on a comparative basis taking into account unconditional discounts;
- d) the accounting officer or chief financial officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a sub delegation;
- e) offers equal to or below R30 000 (VAT included) must be awarded based on compliance to specification and conditions of contract, ability and capability to deliver the goods and services and lowest price; and
- f) acceptable offers, which are subject to the preference points system(PPPFA and associated regulations), must be awarded to the bidder who scored the highest points.

4.13 Competitive bids

- a) Goods or services equal to or above a transaction value of R200 001.00 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 4.14 of this Policy.

- b) No requirement for goods or services equal to or above an estimated transaction value of R200 001.00 (VAT included), **may deliberately be split into parts** or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

4.14 Process for competitive bidding

The procedures for the following stages of a competitive bidding process are as follows:

- a) Compilation of bidding documentation as detailed in paragraph 4.15;
- b) Public invitation of bids as detailed in paragraph 4.16;
- c) Site meetings or briefing sessions (If deemed compulsory; Bids received from interested bidders that did not attend or arrived later than predetermined date and time, will be **disqualified**)
- d) as detailed in paragraph 4.21.2(e);
- e) Handling of bids submitted in response to public invitation as detailed in paragraph 4.17;
- f) Evaluation of bids as detailed in paragraph 4.21;
- g) Award of contracts as detailed in paragraph 4.27;
- h) Administration of contracts
- i) After approval of a bid, the accounting officer and the bidder must enter into a written agreement.
- j) Proper record keeping
- k) Original / legal copies of written contracts agreements should be kept in a secure place for reference purposes.

4.15 Bid documentation for competitive bids

The criteria to which bid documentation for a competitive bidding process must comply, must –

- a) take into account –
 - (i) the general conditions of contract and any special conditions of contract, if specified;
 - (ii) any Treasury guidelines on bid documentation; and
 - (iii) the requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;
- b) include the preference points system to be used, goals as contemplated in the Preferential Procurement Regulations and evaluation and adjudication criteria, including any criteria required by other applicable legislation;
- c) compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;
- d) if the value of the transaction is expected to exceed R10 million (VAT included), require bidders to furnish–
 - (i) if the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements –
 - (1) for the past three years; or
 - (2) since their establishment if established during the past three years;
 - (ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
 - (iii) particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
 - (iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and

- e) stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.

4.16 Public invitation for competitive bids

4.16.1 The procedure for the invitation of competitive bids, is as follows:

- a) Any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the Stellenbosch Municipality or any other appropriate ways (which **may** include an advertisement in the Government EPortal); and
- b) the information contained in a public advertisement must include –
 - (i) the closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a long term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph 4.23.1 of this policy;
 - (ii) a statement that bids may only be submitted on the bid documentation provided by the Stellenbosch Municipality; and
 - (iii) date, time and venue of any proposed site meetings or briefing sessions.;

4.16.2 The accounting officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official process.

4.16.3 Bids submitted must be sealed.

4.16.4 Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies.

4.17 Procedure for handling, opening and recording of bids

The procedures for the handling, opening and recording of bids, are as follows:

- a) Bids–
 - (i) must be opened only in public;
 - (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired; and
 - (iii) received after the closing time should not be considered and returned unopened immediately. SCM manager can open the envelope to obtain the address.
- b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price;
- c) No information, except the provisions in subparagraph 4.28, relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award; and
- d) The accounting officer must –
 - (i) record in a register all bids received in time;
 - (ii) make the register available for public inspection; and
 - (iii) publish the entries in the register and the bid results on the website.

4.18 Negotiations with preferred bidders

- 4.18.1 The accounting officer or delegated official may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –
- a) does not allow any preferred bidder a second or unfair opportunity;
 - b) is not to the detriment of any other bidder; and
 - c) does not lead to a higher price than the bid as submitted.
 - d) Policy to allow SCM evaluators to request from the preferred bidders a Tax Clearance Certificate and or BBBEE certificates if these weren't included to maximise financial gain for the municipality.
- 4.18.2 Minutes of such negotiations must be kept for record purposes.

4.19 Two-stage bidding process

- 4.19.1 A two-stage bidding process is allowed for –
- a) large complex projects;
 - b) projects where it may be undesirable to prepare complete detailed technical specifications; or
 - c) long term projects with a duration period exceeding three years.
- 4.19.2 In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.
- 4.19.3 In the second stage final technical proposals and priced bids should be invited.

4.20 Committee system for competitive bids

- 4.20.1 A supply chain management policy must provide for a committee system for competitive bids consisting of at least
- a) a bid specification committee;
 - b) a bid evaluation committee; and
 - c) a bid adjudication committee;
- 4.20.2 The accounting officer appoints the members of each committee, taking into account section 117 of the Act; and
- 4.20.3 A neutral or independent observer, appointed by the accounting officer, must attend or oversee a committee only when this is appropriate for ensuring fairness and promoting transparency.
- 4.20.4 The committee system must be consistent with –
- a) Bid specification committee
 - b) Specification committee
 - c) Bid Adjudication
- 4.20.5 The accounting officer may apply the committee system to formal written price quotations.

4.21 Bid specification committees and Bid Evaluation Committees

- 4.21.1 A bid specification committee must compile the specifications (for competitive bidding or any other procurement of a technical nature) for goods or services by the Stellenbosch Municipality.

4.21.2 Specifications–

- a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
- b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;
- c) must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
- d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;
- e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word “equivalent”;
- f) must indicate each specific goal for which points may be awarded in terms of the points system set out in the Preferential Procurement Regulations 2001; and
- g) must be approved by the accounting officer or delegated official prior to publication of the invitation for bids in terms of competitive bids.

4.21.3 A bid specification committee must be composed of one or more officials of the Stellenbosch Municipality preferably the manager responsible for the function involved, and may, when appropriate, include external specialist advisors.

4.21.4 No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.

4.21.5 Evaluations –

- a) A bid evaluation committee must –
 - (i) evaluate bids in accordance with –
 - (1) the specifications for a specific procurement; and
 - (2) the points system ;
 - (ii) evaluate each bidder’s ability to execute the contract;
 - (iii) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and;
 - (iv) submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- b) A bid evaluation committee must as far as possible be composed of-
 - (i) officials from departments requiring the goods or services; and
 - (ii) at least one supply chain management practitioner of the supply chain management unit

4.22 Process

4.22.1 Bids notices are to be advertised in all relevant media and will be distributed and displayed on all local municipality notice boards within the Stellenbosch Municipality area of jurisdiction.

4.22.2 Stellenbosch Municipality will co-ordinate all tender notices by local municipalities within its area of jurisdiction and develops a monthly tender bulletin.

4.22.3 Bid information and Stellenbosch Municipality Procurement Policy will also be available on the Stellenbosch Municipality Website.

4.22.4 Bid adjudication criteria will be included in all bid documents.

4.22.5 Pre-bid meeting may be a standard requirement of the bid process in order to obtain details for the bid requirements and answer questions from prospective bidders.

4.22.6 All bid notices will contain the following information:

- a) Full details of the Stellenbosch Municipality contact official including:
 - (i) Telephone number
 - (ii) Fax number
 - (iii) E-mail address
- b) Closing date and time of bid.
- c) Physical address for depositing bids.
- d) When and where bids will be opened.
- e)

4.23 All bids will be opened in public

4.23.1 The normal closing period for bids is 14 days and 30 days for transactions above R10 million, after advertising, if supplies are expected to be in stock in the Republic of South Africa or manufactured from material, which is available in the RSA.

4.23.2 Shortening of the closing date will only be allowed provided that:

- a) A submission was made to the Supply Chain Manager.
- b) The latter made a positive recommendation.
- c) The relevant delegated person took a decision in support of the recommendation.
- d) The minimum period for such bids is 5 working days.

4.23.3 In the interest of uniformity, fairness and in order to maintain the bidders' confidence in the system, it is essential that a definite cut-off time is set for submitting bids and it must be strictly observed. The cut-off time for bids is **12:00 pm** on the day indicated on the bid documents.

4.23.4 Advertisements for bids are to be cancelled (unless remedied with all collecting parties of bid documentation) and fresh bids invited if conditions or specifications or any other information has changed before the closing time or if mistakes have been discovered in the documents before the closing time.

4.23.5 The cancellation of a bid must be approved by the Manager: SCM. Approval is subject to report being tabled to the Manager: SCM with relevant reasons for cancellation thereof, by the relevant end user department.

A bid may be cancelled before the award is made if:

- The circumstances have changed, i.e. there is no longer a need for the goods, works or services offered or,
- Funds are no longer available to cover the total envisaged expenditure.
- No acceptable tenders are received.
- There is a material irregularity in the tender process

The decision to cancel a tender must be published in the media in which the original tender invitation was advertised. An organ of state may only with the prior approval of relevant treasury cancel a tender invitation for the second time.

- 4.23.6 In the case of an advertised bid, the bid closing date may be postponed only if the postponed date can be advertised in the local media at least one week before the original closing date. A bid's closing time may be postponed only if all bidders intending to bid can be advised of the postponed date in writing at least one week before the original closing date.
- 4.23.7 Bid documents must be ready before advertisement. Bidders may collect documents. Bid documents will be available on the Stellenbosch Municipality website. The name of the bidder to whom documents were issued, the bid number, the name of the person who collected the bid, the firm/company on whose behalf the document is collected, phone number, fax number, contact person, date and time the document was collected and the date the document was posted where a bidder requests a document by telephone, must be entered in a register. Apart from the fact that the register serves as a record in the event of disputes, it also serve the purpose of providing all the detail of the bidders who collected documents in the event where amendments have to be effected to the bid document
- 4.23.8 Bidders are allowed to deposit their completed bids in the bid box located at Stellenbosch Municipality in Plein Street which is clearly marked "Bid Box". Bid box will be accessible to the public on a 24-hour basis including weekends and public holidays. The following details must be entered:
- a) The bid number
 - b) The closing date of the bid
 - c) The date and time the bid was submitted
 - d) The name of the company/individual submitting the bid
 - e) How the bid was received, i.e. via courier services, or registry
 - f) The state in which the bid was upon receipt, for example was it open or not
 - g) Whether the bid was received in time or late
 - h) Whether the bid was opened by the receiving officials and the reasons why the bid was opened.
 - i) Signature of person that delivered the bid.
 - j) Signature of the person who received the bid.

To ensure that this recording is properly handled, this register will be checked by the Supply Chain Manager or his/her delegate, after each opening process.

4.24 Closing of Bids

- 4.24.1 At the closing time of bid/bids on a particular day, the bid/s will be removed to the Supply Chain Office at 12pm on the particular day where bids will be date stamped on the envelope, sorted according to the particular bid numbers, entered in the **Bids Received Register**.
- 4.24.2 For security purposes, the following pages of the bids received must be date stamped and checked for any correction fluid marks, write-overs, deletions, signature omissions (especially on the bid forms), alternative offers, documents that must have been submitted with the bid, etc. The pages mentioned above are as follows:
- a) Original and valid Tax Clearance Certificate (MBD 2 form).
 - b) Declaration of interest form (MBD4 form)
 - c) Declaration of past SCM practises (MBD 8 form)
 - d) Pricing schedule (MBD3 form)
 - e) Certificate of Independent Bid Determination (MBD 9 form)
 - f) Alternative offers, Development Proposals and documents that were required to be submitted with the bid as per the bid document
- 4.24.3 Where the official who checks the bid finds correction fluid marks, write-overs or deletions, the official must initial next to it and another official must co-initial it.

- 4.24.4 Where certain forms, which require signatures, have not been signed, notes to that effect are made on the temporary covers of the bid. Such bids must still be evaluated.
- 4.24.5 Where certain forms, which should have been submitted with the bid is not attached, such as the MBD 1, MBD 2 and MBD 3, notes to that effect must be made on the temporary covers of the bid. The idea is to bring it to the attention of the evaluation team, the moment they look at the bid.
- 4.24.6 All bids received without envelopes, must be sealed in an envelope, and the bid number and closing date shall be written on the envelope, if ascertainable. Bids received in envelopes (sealed or unsealed) without the bid number on the envelope, must be opened, the bid number established, the envelope sealed and the bid number and closing date is written on the envelope. All bids will then be kept unopened in safe custody until the closing time of the bids.

4.25 Bids received after closing time

Late bids should be handled as follows:

- a) Bid received late will not be considered
- b) Bids are late if they are received at the address indicated in the bid documents after closure time
- c) Late bids should will not be submitted for consideration and where practicable will be returned unopened (SCM to open to obtain the address) to the bidder accompanied by an explanation
- d) Accounting officers/authorities should re-advertise the bid if no bid or no suitable bid was received by closure time.

4.26 Evaluation Criteria

The evaluation shall be in terms of the size, nature and complexity of the goods or services required by the Municipality. The purpose of bid evaluation is to determine the lowest evaluated responsive bid from amongst the substantially responsive bids. The Stellenbosch Municipality will evaluate and adjudicate bids by means of a point scoring system and which will vary for different classes or contracts as depicted under Chapter 3 of the SCM Policy.

Each responsible Practitioner must determine the responsiveness of each bid that is whether each bid:

- a) has been submitted on the prescribed form and is properly signed;
- b) has been responsive to the requirements of the bid document;
- c) provides any clarification that may be required;
- d) is realistically priced in relation to the goods and services required;
- e) the successful bidder will be the one who has a responsive bid, is awarded the most adjudication points; and
- f) in cases, however where the bid with the highest adjudication points is not recommended, full details must be provided to the Delegated Authority for consideration. The Bid adjudication criteria have to be clearly stated including the manner in which points are calculated.

4.27 Bid Adjudication Committee

- a) The successful bidder whose bid has been determined to be substantially responsive and has been determined to be qualified to perform the contract satisfactorily, must be recommended for award of the contract. A bid evaluation report with the award

recommendation must be prepared. The bid evaluation report should reflect the logical sequence of the bid evaluation process in the following manner:

- (i) Receipt and opening of bids
 - (ii) Examination of bids
 - (iii) Compliance to specification
 - (iv) Substantially non-responsive
 - (v) Correction of arithmetic errors
 - (vi) Currency conversion
 - (vii) Adjustment for nonmaterial deviations
 - (viii) Bids subject to detailed evaluation
 - (ix) Evaluation of bids
 - (x) Comparison of bids
 - (xi) Lowest evaluated responsive bid
 - (xii) Post qualification
 - (xiii) Award recommendation
- b) The bid adjudication committee must –
- (i) consider the report and recommendations of the bid evaluation committee; and
 - (ii) either;
 - depending on its delegations, make a final award or a recommendation to the Accounting Officer to make the final award; or
 - make another recommendation to the Accounting Officer how to proceed with the relevant procurement.
- c) The bid adjudication committee must consist of at least four senior managers of the municipality which must include –
- (i) the Chief Financial Officer or, if the Chief Financial Officer is not available, another manager in the budget and treasury office reporting directly to the Chief Financial Officer and designated by the Chief Financial Officer; and
 - (ii) at least one senior supply chain management practitioner who is an official of the municipality; and
 - (iii) a technical expert in the relevant field who is an official in the line department or external consultant, if such an expert exists.
 - (iv) the relevant Director responsible for the function.
- d) Neither a member of a bid evaluation committee, nor an advisor or person assisting the evaluation committee, may be a member of a bid adjudication committee.
- e) (i) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid;
- check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and
 - notify the Accounting Officer.
- (ii) The Accounting Officer may:
- after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph 4.27(f); and
 - if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
- f) The Accounting Officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.
- g) The Accounting Officer must comply with section 114 of the Act within 10 working days.

4.28 Notification of Award

- a) When the award recommendation has been approved, a notification of award (letter of acceptance) should be sent out immediately to the successful bidder.
- b) Negotiations must not be held with the successful bidder with the intention of getting a reduction in price or a change in the scope of the contract.
- c) Negotiations are only allowed under exceptional circumstances under the supervision of the Municipal Manager.

4.29 Logistics

- a) Goods is linked to inventory
- b) Transit action (Check for quality and quantity on receipt of goods)
- c) Issuing of an order
- d) Effective and efficient use of resources
- e) Coding of items
- f) Distribution of goods/items

4.30 Procurement of banking services

4.30.1 A contract for banking services –

- a) must be procured through competitive bids;
- b) must be consistent with section 7 or 85 of the Act; and
- c) may not be for a period of more than five years at a time.

4.30.2 The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.

4.30.3 The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 4.16. Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

4.31 Procurement of IT related goods or services

4.31.1 The accounting officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.

4.31.2 Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.

4.31.3 The accounting officer must notify SITA together with a motivation of the IT needs if –

- a) the transaction value of IT related goods or services required in any financial year will exceed R50 million (VAT included); or
- b) the transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).

4.31.4 If SITA comments on the submission and the Stellenbosch Municipality disagree with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant Provincial Treasury and the Auditor General.

4.32 Procurement of goods and services under contracts secured by other organs of state

- 4.32.1 The accounting officer may procure goods or services under a contract secured by another organ of state, but only if –
- a) the contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;
 - b) there is no reason to believe that such contract was not valid to procure;
 - c) there are demonstrable discounts or benefits to do so; and
 - d) that other organ of state and the provider have consented to such procurement in writing.
- 4.32.2 Subparagraphs (4.32.1)(c) and (d) do not apply if –
- a) a municipal entity procures goods or services through a contract secured by its parent municipality; or
 - b) a municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

4.33 Procurement of goods necessitating special safety arrangements

- a) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel, should be avoided where ever possible.
- b) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the accounting officer.

4.34 Proudly SA Campaign

The Stellenbosch Municipality supports the Proudly SA Campaign to the extent that, all things being equal after applying the principles of this policy, preference is given to procuring local goods and services from:

- a) Firstly – suppliers and businesses within the municipality or district;
- b) Secondly – suppliers and businesses within the relevant province;
- c) Thirdly – suppliers and businesses within the Republic.

4.35 Appointment of consultants

- 4.35.1 The accounting officer may procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.
- 4.35.2 Consultancy services will be procured through competitive bids if
- a) the value of the contract is equal to or above R200 001.00 (VAT included); or
 - b) the duration period of the contract exceeds one year.
- 4.35.3 In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
- a) all consultancy services provided to an organ of state in the last five years; and
 - b) any similar consultancy services provided to an organ of state in the last five years.
- Please note that this section must be read in conjunction with the requirements of the formal written quotations and/or bids.
- 4.35.4 The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the Stellenbosch Municipality.

- 4.35.5 Consultancy services equal to or below R200 000.00 must be procured from at least three (3) consultants in line with paragraph 2.3.
- 4.35.6 That the accounting officer must only contract with consultants after a gap analysis report has confirmed that the municipality does not have the requisite skills or resources in its permanent employment to perform the services required.
- 4.35.7 Evidence of acute planning of the project must be visible to all relevant persons including the administration and political oversight mechanisms in place at the municipality.
- 4.35.8 Consultants, including construction and infrastructure related services must only be remunerated at the rates equal to or below those :
- Determined in the Guideline on fees for audits done on behalf of the AG South Africa issued by the South African Institute of Chartered Accountants (SAICA) or
 - Guide on hourly fee rates for Consultants by the Department of Public Services and Administration DPSA or
 - Prescribed by the body regulating the profession of the consultant
- 4.35.9 Ensure an exacting specification of the work to be accomplished accompanies the tender and is used as a monitoring tool are appropriately recorded and monitored
- 4.35.10 Ensure that contracts and consultants include retention and penalty clauses for poor performances and in this regard against the above specification, accounting officers must invoke such clauses where deemed necessary
- 4.35.11 Ensure to conclude that value for money i.e matching fees against quality and against benchmarked practices is received
- 4.35.12 Accounting Officers must appoint consultants on a time and cost basis with specific start and end dates
- 4.35.13 Travel and subsistence costs for the appointment of consultants must be in accordance with the travel policy of government and the contract price must specifies all travel and subsistence costs
- 4.35.14 End user departments are urged to develop consultancy reduction plans
- 4.35.15 All engagements of consultants in accordance with the SCM Regulations and the municipalities SCM Policy.

4.36 Deviation from, and ratification of minor breaches of, procurement processes

- 4.36.1 The accounting officer may –
- a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
 - (i) in an emergency (An Emergency is considered as an unforeseeable and sudden event with materially harmful or potentially harmful consequences for the municipality which requires urgent action to address.);
 - (ii) if such goods or services are produced or available from a single provider only;
 - (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iv) acquisition of animals for zoos and/or nature and game reserves; or

(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes.

b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

4.36.2 The accounting Officer must record the reasons for any deviations in terms of subregulation 1 (a) and (b) and report them to the next meeting of council or board of directors in the case of a municipal entity and include as a note to the annual financial statements.

4.36.3 Subregulation (2) does not apply to the procurement of goods and services contemplated in regulation 11 (2)

4.37 Unsolicited bids

4.37.1 In accordance with section 113 of the Municipal Finance Management, 2003 (Act 56 of 2003), there is no obligation to consider unsolicited bids received outside a normal bidding process.

4.37.2 The accounting officer may decide in terms of section 113(2) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) to consider an unsolicited bid, only if –

- a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
- b) the product or service will be exceptionally beneficial to, or have exceptional cost advantages;
- c) the person who made the bid is the sole provider of the product or service; and
- d) the reasons for not going through the normal bidding processes are found to be sound by the accounting officer.

4.37.3 If the accounting officer decides to consider an unsolicited bid that complies with paragraph 4.37 of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, 2000 (Act 32 of 2000), together with –

- a) reasons as to why the bid should not be open to other competitors;
- b) an explanation of the potential benefits if the unsolicited bid were accepted; and
- c) an invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.

4.37.4 The accounting officer must submit all written comments received pursuant to subparagraph 4.37.3, including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.

4.37.5 The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the accounting officer, depending on its delegations.

4.37.6 A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.

4.37.7 When considering the matter, the adjudication committee must take into account –

- a) any comments submitted by the public; and
- b) any written comments and recommendations of the National Treasury or the relevant Provincial Treasury.

4.37.8 If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the accounting officer must submit to the Auditor General, the relevant provincial

treasury and the National Treasury the reasons for rejecting or not following those recommendations.

4.37.9 Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the Stellenbosch Municipality to the bid may be entered into or signed within 30 days of the submission.

4.38 Prevention and combating of the abuse of supply chain management system

4.38.1 The accounting officer must–

- a) take all reasonable steps to prevent abuse of the supply chain management system;
- b) investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –
 - (i) take appropriate steps against such official or other role player; or
 - (ii) report any alleged criminal conduct to the South African Police Service;
- c) check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
- d) reject any bid from a bidder–
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the Stellenbosch Municipality, or to any other municipality or municipal entity, are in arrears for more than three months; or
 - (ii) who during the last five years has failed to perform satisfactorily on a previous contract with the Municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
- e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;
- f) cancel a contract awarded to a person if –
 - (i) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
- g) reject the bid of any bidder if that bidder or any of its directors –
 - (i) has abused the supply chain management system of the Stellenbosch Municipality or has committed any improper conduct in relation to such system;
 - (ii) has been convicted for fraud or corruption during the past five years;
 - (iii) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - (iv) has been listed in the Register for bid Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004).
- h) The accounting officer must inform the National Treasury and relevant Provincial Treasury in writing of any actions taken in terms of subparagraphs 4.38.1(b)(ii), (d) or (f) of this policy.

4.39 Prohibition on awards to persons whose tax matters are not in order

- a) The Accounting Officer must ensure that, irrespective of the procurement process followed, no award above R 30 000 (VAT included) is given to a person whose tax matters have not been declared by the South African Revenue Service to be in order.
- b) Before making an award to a provider or bidder, a tax clearance certificate from SARS must first be provided as contemplated in paragraph 4.2.1
- c) In terms of the new Tax Compliance Status System implemented by SARS on 18 April 2016, taxpayers are now able to issue the municipality with a TCS Pin which will be used to

verify a bidder's tax status online via SARS E-filing. This option will be used to verify the status of the service provider (which should be active or compliant) and will determine if the offer will be further evaluated or omitted. Service provider's status which is found inactive or non-compliant their offers will be omitted. Bidders who are not in possession of an original Tax Clearance Certificate must issue the municipality with the following:

Tax Reference Number:
Tax Compliance Status Pin:

4.40 Prohibition on awards to persons in the service of the state

The Accounting Officer must ensure that irrespective of the procurement process followed, no award may be made to a person –

- (a) who is in the service of the state; or
- (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
- (c) who is an advisor or consultant contracted with the municipality in respect of a contract that would cause a conflict of interest.

4.41 Awards to close family members of persons in the service of the state

The notes to the annual financial statements must disclose particulars of any award of more than R2 000 (VAT included) to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –

- (a) the name of that person;
- (b) the capacity in which that person is in the service of the state; and
- (c) the amount of the award.

4.42 Right of Appeal and the handling of objections, disputes, complaints and Queries

The legislative framework that governs the following different administrative processes is as follows:

Administrative Process	Legislative Framework
Handling of objections , disputes, complaints and queries	Section 49 of the Municipal Supply Chain Management Regulations

Documentation submitted to the Municipal Manager in terms of any of the abovementioned administrative processes must contain the following minimum details:

- 4.42.1 reasons and/ or grounds
- 4.42.2 the way in which the person's rights have been affected; and
- 4.42.3 the remedy sought.

CHAPTER 5: DISPOSAL MANAGEMENT

5.1 Objective

A supply chain management policy must provide for an effective system of disposal management for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to section 14 and 90 of the Act.

5.2 A supply chain management policy must-

- 5.2.1. specify the way in which assets may be disposed of, including by-
- 5.2.2. transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;
- 5.2.3. transferring the asset to another organ of state at market related value or, when appropriate, free of charge;
 - (a) selling the asset; or destroying the asset;
 - (b) stipulates that:
 - (i) Immovable property may be sold only at market related prices except when the public interest or the plight of the poor demands otherwise
 - (ii) Movable assets may be sold either by way of written price quotations , a competitive bidding process , auction or at market related prices, which is the most advantageous to the municipality or municipal entity
 - (iii) In the case of the free disposal of computer equipment, the provincial department of education must first be approached to indicate within 30 days whether any of the local schools are interest in the equipment; andIn the case of the disposal of firearms, the National Conventional Arms Control Committee has approved any sale or donation of firearms to any person or institution within or outside the Republic;
 - (iv) In the case of the disposal of firearms the National Conventional Arms Control Committee has approved any sale or donation of firearms to any person or institution within or outside the Republic
 - (c) provided that provided that immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise

and all fees, charges, rates,tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed and
 - (d) provided that- Ensure the where assets are traded in for other assets, the highest possible trade-in price is negotiated.
- 5.2.4. All matters relating to the alienation of movable and immovable assets shall be dealt with in terms of Council's Asset Transfer Policy and the Asset Transfer Regulations, 2008.

- 5.2.5. Notwithstanding the provisions above, the following statutory powers of Stellenbosch Council in respect of the alienation of immovable property, are reserved to be exercised by Council –
- (a) To decide on reasonable grounds that an asset is not needed to provide the minimum level of basic municipal services; and
 - (b) To considered the fair market value of the asset and the economic and community value to be received in exchange for the asset, and
- 5.2.6. Notwithstanding the above, the Accounting Officer must determine the most advantageous way for the disposal or letting of movable
- 5.2.7. capital assets, i.e. written price quotations, competitive bidding, or auction, except when public interest or the plight of the poor demands otherwise.
- 5.2.8. 5.2.7 The Accounting Officer is hereby authorized to dispose of movable capital assets below a value of R 500,000 (excluding the approval for selling of assets via public auction process) and to make the determinations in terms of Section 14(2)(a) and (b) of the MFMA, provided that, in respect of capital assets above a value of R 200,000 not being auctioned, the Accounting Officer shall first consider a recommendation from the Supply Chain Management Bid Adjudication Committee.

CHAPTER 6: RISK MANAGEMENT

6.1 Introduction

- 6.1.1 This section covers the control measures that the Municipality will apply to prevent fraud and corruption involving officials and Stellenbosch Municipality. A declaration schedule will form an integral part of all the Municipality's bid documents. Bidders will be required to complete the schedule as a prerequisite to the bid. Employees of any Organ of State will be required to complete the Schedule as a pre-requisite to the bid.
- 6.1.2 Stellenbosch Municipal officials, Councillors involved in the assessment and adjudication of bidders will be required to complete the Declaration of interest schedule. Consultants or any other service provider who are involved in the preparation of bid documentation and bid reporting will also be required to sign a Declaration of Interest Schedule. The Declaration of Interest seeks disclosure on any interest that a councillor, official, consultant and/or service provider may have with regards to bid being adjudicated. The schedule states in principle that there has been no undue influence by a councillors or officials to influence the awarding of the bid under consideration. The schedule must be completed prior to the award of a bid.

6.2 General risk management measures that will be applied by the Stellenbosch Municipality will include the following:

- (a) Business Plans where applicable will be required for approval prior to the commencement of all projects.
- (b) Feasibility and/or design reports will be required by the Stellenbosch Municipality before bid for projects are called.
- (c) As far as possible tender documents will be specific and detailed.
- (d) The applicable project standards will be made available for public perusal.
- (e) Consultants and/or Stellenbosch Municipality officials will ensure time, cost and quality control while projects are being implemented.
- (f) Bidders, where applicable, will be required to take public liability insurance to cover the Stellenbosch Municipality.
- (g) Variation orders(Expanded or varied by not more than 20% for construction related goods, services and/ or infrastructure projects and 15% for all other goods and/ or services of the original value of the contract) to projects will require the approval of the delegated approval authority as stipulated under item 2.4, prior to execution on site. Any expansion or variation in excess of these thresholds must be dealt with in terms of the provisions of section 116(3) of the MFMA, which will be regarded as an amendment to the contract in accordance with the National Treasury MFMA Circular No.62 – SCM: Enhancing compliance and accountability.

6.3 Contract Risk

- 6.3.1 Sureties are normally required for construction projects. Surety requirements are classified under the following categories:

AMOUNT	PERCENTAGE
Up to R300 000	Nil
R300 001-R1 000 000	2.5%
R1 000 001-R3 000 000	5%
R3 000 001-R5 000 000	7.5%
R5 000 001- and above	10%

- 6.3.2 In the event that a contractor is unable to raise the required surety, the Chief Financial Officer may allow such surety to be deducted in full or part from monies that are to become due to the contractor. This may take the form of deductions from the first three [3] payment certificates due to the contractor.
- 6.3.3 At the discretion of the Municipality, it may waive the requirement for a surety on construction contracts that are estimated to be equal to or lower than one million rand [R1 000 000]. The Municipality would only consider waiver of sureties to assist and facilitate the entry of emerging entrepreneurs in the small works sector of the construction industry. The waiver will be allowed in exceptional cases where a surety, guarantee or bridging finance cannot be accessed through any financial institution and written proof thereof must be submitted to Stellenbosch Municipality. In the event surety is waived Stellenbosch Municipality will underwrite the risk of such contracts in order to provide opportunities that will target HDIs. Service providers/Contractors will not be allowed to engage in more than two contracts at a time where sureties have been waived. Surety will be released on application to Stellenbosch Municipality subsequent to Stellenbosch Municipality approving the completion certificate for the contract.

6.4 Retention and Penalties

- 6.4.6 The Stellenbosch Municipality requires a percentage of the project costs for all construction projects to be set aside as retention. A 10% retention fee up to a maximum of 5% of the contract sum will be applied on all contracts. Half of the retention amount will be released on issue of the completion certificate for the contract. The balance of the retention will be released on the completion of the defects liability period of the contract. All contracts must include a penalty clause.

6.5 Cession of Payment

- 6.5.1 To provide an opportunity to service providers who cannot raise the necessary capital to procure services and goods, the Municipality may at its discretion, enter into a cession of payment agreement with a service provider once approval has been received from the participating service provider and the Municipal Manager.

CHAPTER 7: PERFORMANCE MANAGEMENT

7.1 Supplier Performance

7.1.1 Stellenbosch Municipality will monitor the Performance of a Service Provider. Performance will be used as one of the criterion to assist Stellenbosch Municipality with the distribution when procuring services. A service provider's name will be place on list labelled "Poor Performing Service Providers" when service providers fail to complete projects on time, within Budget and to the required standard of the Stellenbosch Municipality or its duly appointed representative. Consideration will be given to Poor Performing Service Providers due to poor support especially in relations to HDIs. Depending on the reasons for Poor Performance, service providers would be placed on the list for at least one year.

7.1.2 The process of monitoring contracts runs transversally through both the Demand and Acquisition Management stages within the Supply Chain Management system. As such, it is dealt with under a chapter 3 separate from either of the two. The following existing practices are therefore handled below:

- a) Constant monitoring is essential to ensure that contractors meet their contractual obligations and that contracts run with as little disruption as possible. There are several ways in which monitoring can be undertaken:
- b) Regular site inspections. In respect of a service, where the service is being rendered at a Municipal site or at the contractor's own site, the Municipality must visit the site regularly to ascertain whether the service is still being rendered in accordance with the contract. Regular meetings with contractors to discuss contract issues i.e. progress, foreseeable contract problems, price variations etc.

7.2 Reporting

7.2.1 Regular reports from contractors as well as the Supply Chain Management Unit are crucial for efficient contract management.

7.2.2 Contractors must be informed via the Service Level Agreement that reporting must take place on predetermined issues. The timeframes for this reporting must also be known to the contractors prior to the start of the contract. As far as products are concerned a contractors can be requested to report on the following issues:

- a) Number of orders received
- b) Date of orders;
- c) Quantities ordered on individual items;
- d) Delivery date of orders

7.2.3 The information must be scrutinised and matched with the Municipal's records to ascertain whether there are any abnormalities in the rendering of the service or delivery of the product.

7.2.4 When the Municipality starts with the renewal/new contract, these reports can play a crucial role in the Demand Management phase as it can provide crucial historical/current contract/item information.

7.2.5 This in turn has a direct influence on the Acquisition Management phase as it influences the form of bidding used.

7.3 Enforcement & cancellation of contracts

7.3.1 Breach of contract is when one of the parties to the agreement breaches a term thereof, does not comply thereto or indicates that he/she will not comply with the terms of the agreement.

7.3.2 Breach can be committed in several ways, i.e.:

- a) A debtor may fail to perform on or before the date fixed for performance and the debtor would then be said to be in failure to comply in time in respect of the obligation in question.
- b) Where no definite time for performance is agreed upon, the Municipal (as creditor) must demand performance within a specified time (must be reasonable in the circumstances) and if the contractor or service provider (as debtor) has failed to perform in that time, he/she is regarded as being in mora (breach of time aspect).
- c) The debtor may render performance on time, but deviate from the performance required by the agreement. (i.e. use materials of inferior quality).
- d) The debtor may repudiate his/she obligation(s) in the sense that he/she may, before or after the due date for performance, make it plain by his/her words or actions that he/she does not intend to perform, or perform properly, in terms of his/her obligation(s). The test in each case is whether the debtor has acted in such a way as to lead a reasonable person to the conclusion that he/she does not intend to fulfil the obligation(s) or is not in a position to fulfil his/her obligation(s). If a debtor repudiates his/her obligations after having breached it in some way or the other, the Municipal must claim relief on the basis of either form of breach.

7.4 Remedies for Breach

The Municipality will ensure that all contracts provide for appropriate legal remedies in case of breach.

CHAPTER 8: CODE OF CONDUCT

8.1 Introduction

- 8.1.1 This Code of Conduct is designed to convey the obligations and standards of behaviour expected of staff of the Stellenbosch Municipality and to help staff resolve any ethical issues that may arise during the course of their duties.
- 8.1.2 It is in the interests of all staff members and the Supply Chain Management Unit in particular to maintain the highest possible ethical standards including commitment, accountability, accuracy, honesty, cooperation, tolerance and acceptance of obligations as well as rights.
- 8.1.3 The Supply Chain Management Unit is committed to the principles of equal opportunity and encourages staff to think and behave ethically, pursue equity in all aspects of their activities, promote a high standard of professional ethics in the Unit in conjunction with other role players. This code of conduct is part of the Municipality's procurement policy document to enable all bidders to be informed about it. The code should therefore serve as an aid in developing and presenting short training courses for all Supply Chain unit employees. This can assist in maintaining public confidence, integrity and impartiality of the Stellenbosch Municipality. Thus, the following code will guide all persons in the service of Stellenbosch Municipality. It should be emphasized that the development of this code is a dynamic process and that it may require revision from time to time.
- 8.1.4 The values we hold among ourselves to be essential to responsible professional behaviour include: honesty, trustworthiness, respect and fairness in dealing with other people, a sense of responsibility toward others and loyalty toward the ethical principles espoused by the Unit. It is important that these values and the tradition of ethical behaviour be consistently demonstrated and carefully maintained.

8.2 Financial Interest/Conflict of Interest

- 8.2.1 A potential conflict of interest may arise when a staff member has a financial interest in a company and is in a position to influence contracts for business between that company and the Stellenbosch Municipality. In many cases, only the individual staff member will be aware of the potential for conflict of interest. Therefore the onus is on that official to notify the Supply Chain Manager, if a potential or actual conflict of interest arises.
- 8.2.2 Any Municipal staff member who is directly affected by the potential or actual conflict of interest may refer the matter to the Supply Chain Management Practitioner or Supply Chain Manager.
- 8.2.3 Failure to disclose by employees of the Municipality, the potential or actual conflict of interest can render decisions null and void, and can lead to disciplinary procedures under the relevant Local Government Basic Conditions of Service and Treasury Regulation.

8.3 Acceptance of gifts or benefits

- 8.3.1 The Stellenbosch Municipality acknowledges that relationships can develop between service providers (suppliers) and staff and does not seek to unduly interfere with such relationships.
- 8.3.2 However, staff should not solicit or encourage gifts or benefits in relation to their professional duties. Receipts of gifts may be perceived as an inducement by others, thus creating a potential

conflict of interest. The National Treasury Guidelines on Conflict of Interest and Close Personal Relationships cover financial as well as other types of assets. It requires staff to avoid actual as well as potential conflicts of interest.

- 8.3.3 Issues of cultural sensitivity are important in our Municipality, as many of our Suppliers are from different backgrounds where certain practices may be acceptable. However, staff are required to comply with Constitutional standards, the National Treasury's Code of Conduct and Municipality's Guidelines. All gifts must be declared in writing. A gift register will be available at the office of the Supply Chain Manager. All gifts and benefits received by staff and councillors; must be declared, irrespective the value thereof.

8.4 Combative Practices

- 8.4.1 Combative practices are unethical and illegal and should be avoided at all cost. They include but are not limited to:
- a) Suggestions to fictitious quotations;
 - b) Reference to non-existent competition;
 - c) Exploiting errors in price quotations/bids;
 - d) Soliciting price quotations/bids from bidders/contractors whose names appear on the Register for Bidder Defaulters.

8.5 Protecting confidential information

- 8.5.1 All employees of the Stellenbosch Municipality must adhere to the principles of confidentiality outlined in the National Treasury Regulation and have a duty to maintain the confidentiality and security of any personal information for which they are responsible, including computerised data. No information regarding any bid/contract/bidder/contractor may be revealed to anyone on the relevant bidder's, unless the Bid Adjudication Committee has approved it.
- 8.5.2 Within the Supply Chain Management Unit, no staff member other than the officials in the unit shall have access to matters of confidential nature in the possession of Supply Chain Manager about any bidder, without that bidder's consent unless a responsible Practitioner/Manager of the Unit is satisfied that the staff member is acting in the course of his or her duties and that the information is relevant to the purpose for which it is sought.
- 8.5.3 Personal information about staff of the Supply Chain Management Unit will generally not be released to a third party unless the subject is informed of the reason for its collection and provides full written approval other than in special circumstances where the disclosure may prevent a serious and imminent threat to the life or health of the individual concerned or of another person. However, the Supply Chain Management Unit is legally obliged to respond to any request for information in the form of a police warrant, subpoena, summons or other court order.

8.6 Reporting corrupt conduct, maladministration and serious and substantial waste of Stellenbosch Municipal resources

Employees in the Stellenbosch Municipality are urged to report suspicions of corrupt conduct, maladministration and serious and substantial waste of Municipal resources. When an employee of the Municipality or the public, suspects corrupts conduct, they may report the allegation in confidence to the Office of the Municipal Manager. Any such allegations will be treated in strict confidence and investigated as considered appropriate.

8.7 The Supply Chain Management Unit's Approach to Complaints

- 8.7.1 The Stellenbosch Municipality treats all complaints seriously and makes every effort to investigate complaints expeditiously.
- 8.7.2 The Municipality will apply the principles of natural justice in investigating complaints. The Municipality acknowledges that there are multiple pathways to deal with complaints. It is useful, prior to making a complaint, to consult with appropriate persons to identify the best way to proceed. These could include the Unions and other relevant structures. Employees are encouraged to consider all potential complaints carefully and should not make frivolous, malicious or vexatious complaints.

8.8 Harassment in the Stellenbosch Municipality (Sexually, racist or religious)

It is the policy of the Stellenbosch Municipality that harassment of applicants and employees on the basis of race, religion, colour, national origin, ancestry, handicap, medical condition, disability, marital status, age, sexual orientation and sex, including sexual harassment (all as defined and protected by applicable law), is unacceptable and will not be tolerated. This policy applies to all employees. It covers harassment by employees of the Municipality (including Supervisors and Managers), customers, vendors or other third parties with whom the Stellenbosch Municipality has business dealings.

8.9 Bid Evaluation Team

All members of the evaluation committee and Supply Chain Management staff involved in any way with the bid evaluation committee must be fully aware that the bid evaluation process up to the award of the contract is confidential, and this confidentiality must be respected and fully adhered to. Any effort by the bidder or its agent to influence the employer's evaluation bids or award decision, including the offering or giving of bribes, gifts, or other inducement should be reported to the evaluation committee. Such actions could result in the invalidation of its bid and the forfeiture of its bid security. Contacts between the Supply Chain Management staff, including the evaluation committee, bidders or their agents should be restricted to essential official communication only, such as the request for and receipt of clarification. All such information must be in writing. All Supply Chain Management staff must not entertain calls or informal communication, meetings, or other contacts with any of the bidder or its agent. (Refer to paragraphs 4.22 and 2.1.4)

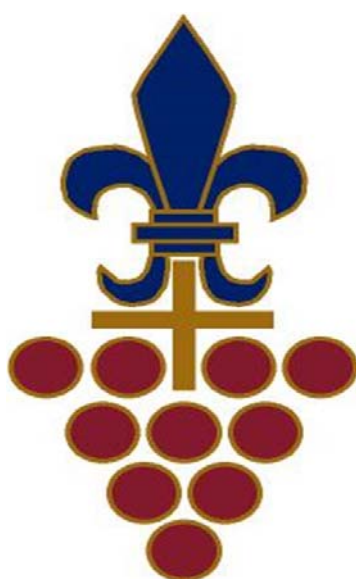
CHAPTER 9: CONCLUSION

As a general rule, all Suppliers, Service Providers and Contractors who want to do business with Stellenbosch Municipality should ensure that they are registered in the Stellenbosch Municipality's Supplier Register / Database. The onus is on the Service Provider to obtain the required documentation from Supply Chain Management Unit, Finance Department. For Consultants, Contractors and Service Providers to be considered for appointment that has offices based outside Stellenbosch Municipality or outside the area of jurisdiction, proof of registration as a levy payer with the Local, District or Metropolitan Council in whose area the office is based is required.

Registration should be subject to the observance of the Procurement Code of Conduct. Enterprises and Individuals, who meet the requirements for direct preferences, need to apply for accreditation in order to qualify for additional points.

APPENDIX 9

STELLENBOSCH MUNICIPALITY



**TRAVEL AND SUBSISTENCY
POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY TRAVEL AND SUBSISTENCE POLICY

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1. OBJECTIVE

It is essential that representatives of this municipality from time to time travel in order to establish and maintain links and relationships with other municipalities, government bodies, and other parties, institutions and organizations operating in the sphere of local government. It should also be read together with paragraph 2 of MFMA Circular 82 of 30 March 2016 as far as it is applicable to travel and subsistence issues.

This policy sets out the basis for the payment of a subsistence travel allowance, hourly rate when applicable and for the purpose of such official traveling.

2. TRAVEL

2.1 *Responsibilities of Representatives who travel on Business of the Municipality*

- a) Every representative who travels on the business of the municipality must comply with this policy in letter and in spirit.
- b) Representatives who travel on the business of the municipality must take note that their actions, conduct and statements must be in the best interest of the municipality, and they must comply with any specific mandates they have been given.

2.2 *Car Rental, Travel Costs and rates*

- a) Only "A" or "B" category vehicles may be rented, unless it is more cost-effective to hire any other category (for example, when the number of representatives involved could justify the hire of a micro-bus).
- b) Car rental must be approved as part of the travel package before the trip is embarked on. A representative who rents a vehicle whilst traveling on the business of the municipality without having received prior authorization will only be reimbursed for the cost of the vehicle rental if proof of expenditure can be produced and the representative can demonstrate that vehicle rental was reasonably but unexpectedly necessitated by the circumstances.
- c) All flights by representatives of the municipality shall be in economy class, unless another class of travel is specifically authorized by-

- (i) the executive committee, with regard to Holders of Public Office and the Municipal Manager, or
 - (ii) the Municipal Manager, with regard to officials and applicants for interviews.
- d) Parking and toll fee – actual cost will be reimbursed via Petty Cash after the submission of proof.
- e) If a representative has to utilize his or her personal motor vehicle he or she will be reimbursed at:
- i) Holders of Public Office:
As per circulars from Minister at Local Government
 - ii) Officials with vehicle/car allowance:
 - A flat rate of R4.00 per kilometre for motor vehicles,
 - A flat rate of R2.00 per kilometre for motor cycles.
 - iii) Officials who are in receipt of an Essential User Transportation Allowance will be reimbursed according to the official Cost Tables of the “Essential User Scheme: Transport Allowance” circulars of SALGBC applicable.
 - iv) Officials without a car allowance and Members of a Committee: established in terms of applicable legislation, as per the SARS Guide for employers in respect of allowances. The distance to which the reimbursement applies, must be the shortest distance between the municipality’s offices and the location where the official business is to be transacted. If the total number of kilometers for which such reimbursement is received exceeds 8 000 in any tax year, reimbursement for the excess kilometers over 8 000 must be taxed for PAYE purposes. If the cost exceeds that of an air ticket, the lesser amount will be paid.

The number of employees travelling to conferences or meetings on official duty for the same matter is limited to three (3) employees, unless otherwise approved in advance by the relevant accounting officer.

- f) Similar to the above, the number of employees travelling by air to other centres to attend an official engagement on the same matter is also limited to three (3) employees, unless otherwise approved in advance by the relevant accounting officer

- g) For the purpose of this policy, domestic travel shall mean travel within South Africa, and international travel shall mean travel to any country other than South Africa.
- h) The Accounting Officer will when appropriate determine an hourly rate for the different committees serving Council.
- i) Notwithstanding the above provisions, all employees must make use of shuttle services if the cost of such services is below the cost of hiring a vehicle.

3. SUBSISTENCE

3.1 Subsistence Allowance

A daily subsistence allowance is an amount of money paid by the municipality to a representative to cover the following expenses-

- a) meals (including reasonable gratuities);
- b) Incidental cost such as refreshments, snacks, drinks, telephone and newspapers.

A subsistence allowance does not cover any personal recreation, such as visits to a cinema, theatre or nightclubs, or sightseeing. No further expenses may be claimed.

3.2 Entitlement to a Subsistence Allowance

- a) A representative may claim a daily subsistence allowance as provided in this policy with the understanding that all authorized personal expenses are covered by the subsistence allowance. No further expenses, with the exception of certain business expenses (see below), may be claimed.
- b) A daily subsistence allowance will only be applicable where-
 - (i) official business unavoidably entails one or more nights to be spent away from home, or
 - (ii) Where the representative will be on official business for a period exceeding 12 hours, without being away from home for one or more nights.
- c) A representative of the municipality must claim his or her subsistence allowance, as provided in this policy before embarking on any official trip, with the exception where such claim reaches the creditors section at least three days before the trip; in which case such

claim must be submitted after the event. Such a claim must be accompanied by details of the conference or workshop or emailed/faxed invitation.

- d) No subsistence allowance will be paid, and no representative will be entitled to a subsistence allowance, if the trip or travel is not related to the official business of the municipality. All travel on business of the municipality must be approved as such before a representative is entitled to a subsistence allowance.

- e) For the purpose of a subsistence allowance, a representative shall mean-
 - (i) mayor or executive mayor, as the case may be
 - (ii) deputy-mayor
 - (iii) speaker
 - (iv) members of the executive committee or mayoral committee, as the case may be
 - (v) other councillors specifically authorized to represent the municipality on a particular occasion
 - (vi) municipal manager
 - (vii) directors
 - (viii) any other official/representative specifically authorized to represent the municipality on a particular occasion
 - (ix) any official or councilor who is a member of a recognized professional institution and is granted permission to attend meetings and conferences of such institution.

f) A subsistence allowance of:

an amount equivalent to R397.00 per day .

Comment [A1]: In line with SARS

g) The subsistence allowance of international travel will be the lesser of:

- (i) an amount equivalent to the rates as determined by the SARS , at the beginning of 1 July every year.

Or

- (ii) US\$190 per day where the exchange rate of ZAR is more than 5:1 in relation to the currency of the destination country; and

- (iii) US\$100 per day where the exchange rate of ZAR is less than, or equal to 5:1 in relation to the currency of the destination country;

4. ACCOMMODATION

4.1 Accommodation Costs

- a) Representatives who travel on the business of the municipality, where the business unavoidably entails one or more nights to be spent away from home, may stay in a hotel, motel, guesthouse or bed and breakfast establishment.
- b) The actual cost of accommodation will be borne by the municipality, subject to a maximum of 3- to 4 star rating for the accommodation itself in respect of domestic travel. Where such accommodation is available, the rate for a single room will be payable.
- c) If no such accommodation is available, higher rating accommodation can be used subject to the prior approval of the Municipal Manager.
- d) If a representative stays with a relative or friend, no accommodation allowance may be claimed, but the representative may claim a subsistence allowance of R353.00 per day.
- e) The recoverable cost of accommodation for international travel may not exceed US\$350 per day.
- f) The municipality will at all times firstly consider accommodation where the National Treasury has negotiated discounts for rates as per MFMA circular 82. In the absence of such accommodation or failure to secure space, only then will the municipality consider accommodation outside the "NT negotiated accommodation".
- g) Withstanding the provisions of 4 (1)(c), the procurement of all accommodation services will be subjected to the municipality's SCM policy and preferential procurement policy.

5. TRAVEL AND SUBSISTANCE ALLOWANCES FOR APPLICANTS INVITED FOR INTERVIEWS

- (a) If a representative has to utilize his or her personal motor vehicle he or she will be reimbursed at the same rates as stipulated in paragraph 2.2(e)(ii) of this policy.

6. AUTHORISATION

6.1 For purposes of implementing this policy

- a) Only the Municipal Manager may authorize any travel to be undertaken by Directors, but provided the expenses to be incurred are on the approved budget of the relevant department. Claims by other officials to be authorized by directors concerned.
- b) Only the Director Strategic and Corporate Services or the Municipal Manager may authorize payments to be made for persons invited for interviews, but provided that the expenses to be incurred are on the approved budget.
- c) Only the Executive Mayor together with the relevant director may authorize any travel to be undertaken by Holders of Public Office, or the municipal manager, but provided the expenses to be incurred are on the approved budget of the municipality.
- d) Only Directors may authorize any travel to be undertaken by employees in the respective Directorate, but provided the expenses to be incurred are on the approved budget of the municipality.
- e) As far as is practically possible, authorization for the above must be obtained prior to the occasion by any representative who travels on the business of the municipality.

An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such workshop or event. The required authorization must still be obtained from the municipal manager or executive mayor, executive committee or director as the case may be.

7. COUNCIL DELEGATES

Council delegates or representatives to any conference, workshop or meeting must ensure that they arrive on time and attend until the conclusion of such event. If any representative fails to do so, the executive mayor or executive committee, the municipal manager or director as the case may be, may recover all allowances and disbursements paid to enable such delegate or representative to attend such event, provided that such delegate or representative is afforded the opportunity to submit reasons for not being able to be present from the commencement to conclusion of such event.

8. COMMITTEES ESTABLISHED AS A RESULT OF PRESCIBED LEGISLATION

Any committee established as a result of prescriptions in relevant legislation, will for the purposes of application of this policy, qualify for an allowance as determined by the Municipal Manager from time to time.

9. AUTHORITY

Any deviation from this policy for whatsoever reason must be authorized by the Municipal Manager and in the case of the municipal manager, the Executive Mayor will authorize.

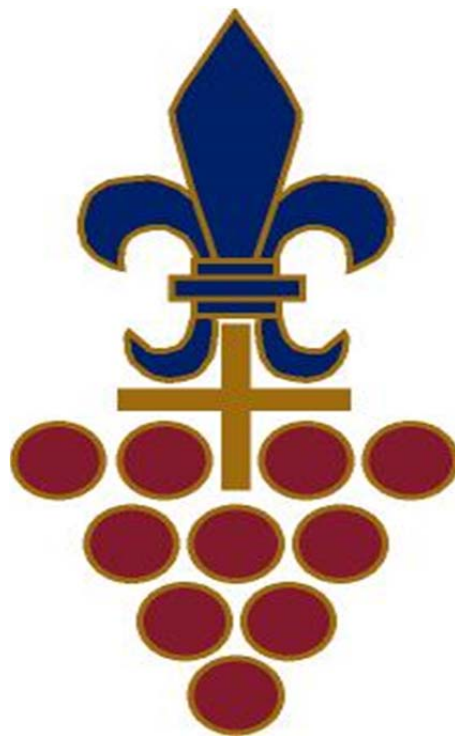
In any instance where a delegate did not attend business as approved in accordance with this policy, any expenditure incurred by the council should be refunded by the representative. All deviations in this regard must be approved by council.

10. TRAVEL AND SUBSISTANCE ALLOWANCE CLAIM FORM

The official Travel and Subsistence Allowance claim form, as prescribed by Chief Financial Officer must be used with regard to Travel and Subsistence Allowance applications. The approved form should reach the creditors office 3 days before the intended day of departure in order for allowances to be paid to the representative timeously.

APPENDIX 10

STELLENBOSCH MUNICIPALITY



INDIGENT POLICY

2017/2018



STELLENBOSCH MUNICIPALITY

INDIGENT POLICY

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PREAMBLE

The Stellenbosch Municipal Council accepts and acknowledges its Constitutional duties and mandate in terms of Section 96 of the Local Government: Municipal Systems Act No 32 of 2000 towards the community/consumers of Stellenbosch Municipality (WC024).

Council further acknowledges that due to the level of unemployment and consequential poverty in the municipal area, there are households incapable of paying for basic municipal services.

Indigent relieve measures are thus a fundamental requirement that is achievable only within sustainable budgets set by Council as well as support and direction via National Government.

Concomitantly, it must be stated that indigent households equally have the responsibility of managing their levels of consumption and that they are responsible for the payment of municipal services that are consumed in excess of the Free Basic Services levels as described in this Policy.

In order to give effect to the foregoing, the Council of Stellenbosch Municipality has adopted a policy relating to indigence as set out hereinafter.

1. DEFINITIONS AND QUALIFICATIONS

The introduction of free basic services will ensure that indigent consumers have access to basic services.

“Basic Services” is that level of services delivered by Stellenbosch Municipality at reduced or at no cost to the Indigent consumer and which the Council has considered reasonable and sustainable within budget constraints.

1.1 Subsidy:

Subsidies are granted from external funds, allocated by the National Government as an Equitable Share allocation, to subsidize Indigent households with specified levels of basic services; This is based on a:

- (a) Level of income enabling Indigent households to pay for a basic package of municipal services; and/or
- (b) Municipal property value that sets the level at which indigent support may be granted.
- (c) Subsidy scheme that is promoted through the press and by means of personal referral, but principally via referrals by the credit control and debt recovery section of Stellenbosch Municipality.

1.2 Family (Household):

- (a) A natural family (household) is defined as a family unit comprising of the head of the family, being a natural person. The family may include blood related or adopted dependants.
- (b) The head of the family must be a South African citizen and have permanent residency.
- (c) The head of the family should be the registered owner or part owner of the property, the registered lessee of a Council housing unit, or the registered lessee of a Government owned housing unit, or a person being the head of the family who is incapable of paying for basic municipal services and who must reside in said property/unit. The head of the child-headed family shall be deemed to meet these criteria.
- (d) To register as an indigent consumer the head of the family must personally complete and sign the registration form.
- (e) A child-headed household for purposes of this Policy will mean a household where the main caregiver of said household is not older than 18 years of age and is a child as defined in Section 28(3) of the Constitution.

Child-headed households will only be approved on the basis of the following criteria:

- (i) both parents of the household are deceased, or one parent and/ or guardian is deceased and the other is totally alienated from the household;
- (ii) a minor has assumed the role of caregiver in respect of the another minor(s) in the household;
- (iii) such minors reside permanently on the property;
- (iv) such minors, and exclusively only minors occupy the property as their normal residence;

- (v) such minors are scholars or unemployed and if income is derived, the household earns less than the qualifying income as envisaged in paragraph 1.5(b) of this Policy;
 - (vi) the situation pertaining to the household has been verified by Stellenbosch Municipality and
 - (vii) the situation pertaining to the household will be reviewed when the main caregiver reaches the age older than 18 years.
- (f) Indigent households living in homes for senior citizens shall be eligible to qualify for assistance and support under this Policy, subject to the following rules and procedures:
- (i) The onus will be on the unit owner or lessee to apply and submit proof that the electricity connection is in the name of the Indigent consumer and not the corporate body for the purposes of passing/issuing the free basic electricity units.
 - (ii) In the event of the unit being occupied by a single individual without any dependents as per paragraph 1.2(a) above, the level of income to qualify shall be equal to or less than 50% (fifty percent) of the Indigent Income Threshold (as per paragraph 1.5(b) of this Policy) per month.

1.3 Basis of Subsidy:

- (a) Only formal or informal housing units utilized for residential purposes will be taken into consideration for the purpose of this subsidy, being the provision of free basic services.
- (b) All informal structures where a prepaid electricity meter has been installed by Stellenbosch Municipality will qualify for this subsidy. In the cases where off-grid electricity is supplied by an authorised service provider appointed in terms of paragraph 1.7.2 of this Policy such households will also qualify for a subsidy, which subsidy will be paid directly to the authorised service provider.
- (c) Applications deviating from the above will only be considered after a detailed investigation and evaluation by Stellenbosch Municipality.

1.4 Liability for payment of municipal accounts:

- (a) Subsidies will only be granted to households liable for the payment of municipal service fees.
- (b) Subsidies will only be granted by means of a credit on municipal accounts and free basic electricity vouchers or in the form of subsidy paid directly to the authorised service providers of off-grid electricity as envisaged in paragraph 1.3(b) of this Policy. No subsidy will be paid directly to any Indigent consumer or household in the form of cash or any such disbursement.
- (c) Households are liable for the payment of fees, as stated on the monthly account, for any service in a given month that exceeds that service's subsidy.
- (d) Monthly accounts, as well as the instalments arranged in respect of the repayment of debt, must be paid punctually and in full. If required, and after reasonable alternatives have been exhausted, the process to recover debt from indigent consumers will be dealt with in terms of the Credit Control and Debt Collection Policy and procedures of the Municipality.
- (e) Prepaid electricity meters will be installed on all properties of formal households before receiving indigent subsidies to prevent escalation of debt.

- (f) Water management devices may be installed on properties of formal households before receiving indigent subsidies to prevent escalation of debt.

1.5 Qualifying income:

- (a) Gross household income is defined as the earnings of the head of the family, plus any other financial contribution towards the household income by any other dependant or occupant.
- (b) The maximum qualifying income level for a household as described in paragraph 1.2 of this Policy will be equal to or less than R 6 000 per month (to be known as the Indigent Income Threshold). Proof must be produced in the form of pay slips, unemployment certificates, income certificates or other acceptable proof of income.
- (c) Should proof of income not be available, income may be declared by means of a sworn statement. Such applications will be verified by means of a full investigation and a socio-economic survey.

1.6 Targeting mechanisms:

The following principles for the granting of free basic services apply:

- (a) Properties in respect of which property tax is levied on a maximum municipal valuation amount as per paragraph 8.2.1 of the Stellenbosch Municipality's Rates Policy per residential property or for a residential unit occupied by the registered lessee of a Council housing unit will qualify as follows:
 - (i) The municipal valuation of a property will be used as the guiding threshold. The Valuation Threshold will be set by the municipal valuation as per paragraph 8.2.1 of the Stellenbosch Municipality's Rates Policy for residential properties.

1.7 Free basic services :

Stellenbosch Municipality will provide the following basic services at reduced or at no cost to the Indigent consumer:

1.7.1 Formal Households

Free basic services for Formal households will consist of the following:

- (a) 100 kWh electricity per household per month subject to it being supplied via a prepayment metering system as the qualifying criteria for a registered indigent household to be placed on the Lifeline Electricity Tariff; Should the Indigent Household choose not to install a pre-paid meter, no free electricity units will be applicable;
- (b) a basic charge for water and a maximum of 10 kl water per household per month;
- (c) a service subsidy not exceeding the cost of one refuse unit in respect of a single residential property not exceeding an area of 250m² and a maximum valuation not exceeding the amount as per paragraph 8.2.1 of the Stellenbosch Municipality's Rates Policy;
- (d) a service subsidy not exceeding the cost of one sewerage service unit supplied to residential properties with a maximum area of 250m²; and/or
- (e) 50% of the applicable tariff for clearances of septic tanks.

1.7.2 Informal Settlement Households

Free basic services for Informal Settlement Households will consist of the following:

- (a) 100 kWh electricity per household per month; or
- (b) a maintenance and operations subsidy (equivalent in rand value to 100 kWh electricity per household per month) for off-grid solar home systems, operated by a municipal approved service provider or Energy Service Company (ESCO).

(In the case of off-grid electricity subsidies as contemplated above, Stellenbosch Municipality may, subject to a detailed review by the Revenue Section appoint an authorised service provider to provide the maintenance and operations function for a group or groups of indigent recipients of off-grid electricity at a maximum rand equivalence of the value of 100 kWh electricity per household per month.)

- (c) Other services (specifically water, sewerage and refuse removal services) are not billed for.

1.7.3 Indigent households residing in homes for senior citizens

Free basic services for qualifying households residing in homes for senior citizens as per paragraph 1.2(f) of this Policy will consist of 100 kWh electricity per household per month.

1.8 Free bulk services

Free Bulk Service shall be the provision of services (water stand pipes, high mast lighting, ablution facilities and refuse removal) to informal settlements.

The cost of the provision of free bulk services is recovered from the Equitable Share Allocation from National Government and processed monthly.

1.9 Other concessions

- (a) Registered indigent consumers limited to the immediate family occupying the property excluding any extended family members could qualify for a discount of up to 50% (fifty percent) on the approved fees and tariffs for non-trading services (refer paragraph (d) below) as defined by Council from time to time subject to application to the Director: Community and Protection Services.
- (b) Proof of registration as an indigent consumer must be obtained from the Credit Control Section of Financial Services prior to the application for the discount being made.
- (c) For the purposes of clarity, other categories of consumers (other than registered indigent consumers) such as back yard dwellers, farm workers and lessees of other property earning equal to or below the Indigent Income Threshold per month, may also qualify for the concessions (i.e. a discount of up to 50% (fifty percent) on the approved fees and tariffs, limited to the services envisaged in paragraph (d) below.
- (d) Discounted non-trading Services; refers to:
 - (i) Community hall discounts.
 - (ii) Burial fees in sections of cemeteries without head stones (i.e. crosses or flat stone areas only) and cremations when available. This concession is only applicable for burials on Mondays to Saturdays, excluding Public Holidays. Farm workers must provide written confirmation regarding the burial site from the farm owner.

2. ALLOCATION OF SUBSIDIES

- (a) The subsidy in any given month and service will be an amount not exceeding the amount as reflected in the Council's approved Tariff Schedules for services as per paragraphs 1.7 and 1.9 of this Policy for Indigent households.
- (b) Only one subsidy per service per household may be allocated in any given month.
- (c) Subsidy levels may be adjusted from time to time, depending on the availability of funds.
- (d) Lessees of subsidized housing units already receiving a municipal subsidy for the alleviation of municipal service costs included in rentals will not qualify for an Indigent subsidy. Should the latter subsidy be more advantageous, such a lessee may request that the Indigent subsidy replace the Rental subsidy.

3. APPLICATIONS FOR INDIGENT SUBSIDIES

- (a) Self-targeting applications (i.e. applications submitted by individuals) will be required if the property does not qualify within the Valuation Threshold parameter as described in paragraph 1.6 (a) of this Policy or if a household considers themselves to be an indigent household.
- (b) Self-targeting applications lodged by means of the prescribed application form will be considered by Stellenbosch Municipality.
- (c) Such households may be visited by employees of Stellenbosch Municipality or approved service providers, where after a written recommendation would be considered.
- (d) The maximum subsidy may be granted to households with no income, even if the corresponding accounts are not paid in full. The status of any change of employment must be reported to Stellenbosch Municipality for the purposes of reviewing the subsidy.
- (e) Indigent subsidy applications must be renewed every 12 months to ensure that circumstances did not change to such an extent that it could have an influence on the granting of such a subsidy. An Indigent consumer shall automatically be de-registered if an application is not renewed and such subsidy will be cancelled. Normal credit control procedures will be applicable on arrear accounts of such cancelled applications.
- (f) The municipality has the right to disclose a list of Indigent households for public inspection, which may include the publication thereof.
- (g) In a case of misrepresentation or any other transgression of the conditions for the provision of subsidies, the subsidy will be withdrawn with immediate effect and not be reconsidered for a period of at least 12 months. Legal actions may be instituted to recover subsidies obtained under false pretences.
- (h) Indigence relief will not apply in respect of property owners with more than one property, whether such property is situated inside or outside the area of jurisdiction of Stellenbosch Municipality (WC024).
- (i) Subsidies will not be granted on a pro-rata basis and applications received after the twentieth day of a month will be granted in the following month.

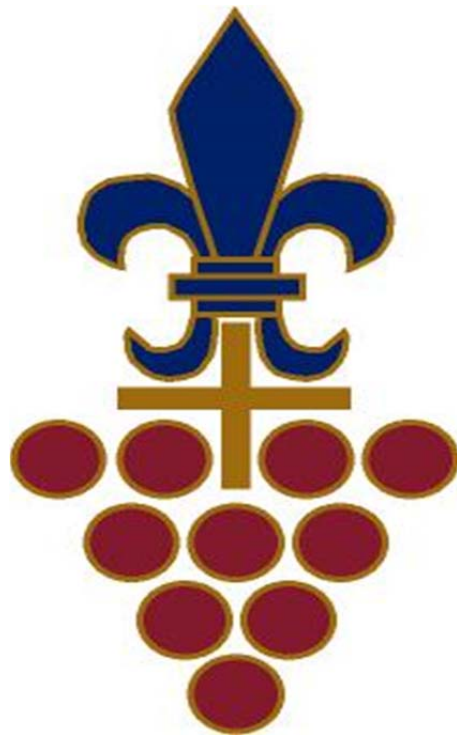
4. PROPERTY TAX REBATES BASED ON MUNICIPAL VALUATION

This Policy only addresses indigent subsidies and any form of rates rebate is addressed as provided for in the Rates Policy of Stellenbosch Municipality.

5. SHORT TITLE

This Policy is the Indigent Policy of the Stellenbosch Municipality.

STELLENBOSCH MUNICIPALITY



**CREDIT CONTROL AND
DEBT COLLECTION POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

CREDIT CONTROL AND DEBT COLLECTION POLICY

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PREAMBLE

In terms of Section 96 of the Local Government: Municipal Systems Act, (Act 32 of 2000) a Municipality shall-

- (a) collect all money due and payable to it, subject to the provisions of said Act and any other applicable legislation and By-laws; and
- (b) for this purpose, implement and maintain a credit control and debt collection system which is not in conflict with its Rates and Tariffs policies and which complies with the provisions of said Act.
- (c) In order to give effect to the afore going provisions of said Act, the Council of the Stellenbosch Municipality has adopted a policy relating to credit control and debt collection as set out hereinafter.

1. PRINCIPLES

This Policy supports the following principles:

- (a) Human dignity must be upheld at all times.
- (b) This Policy must be implemented with equity, fairness and consistency.
- (c) Endeavours shall be focused such that data related to debtors and accounts are correct at all times.
- (d) The implementation of this Policy shall be based on sound business principles, which may include credit worthiness checks and assessments of the credit risks involved.
- (e) New services will only be provided if supported by the relevant service contract(s) and payment of a consumer deposit.
- (f) Interest on overdue accounts will be charged at rates approved by Council from time to time, and will be levied on accounts outstanding after the relevant due dates thereof. For the purposes of calculation, a portion of a month will be deemed to constitute a full month.
- (g) Deposits will be utilised to proactively mitigate the potential of unnecessary credit risk exposure to Council.
- (h) An administration fee and/or collection fee will be charged on overdue accounts, according to Council's approved tariffs and the By-laws of Stellenbosch Municipality (WC024). Such fees will not apply to the accounts of registered indigent consumers.
- (i) The rates components on overdue accounts may be processed in terms of Sections 28 & 29 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) (MPRA) and as described in the Rates Policy of Stellenbosch Municipality.

2. MUNICIPAL ACCOUNTS and ADDITIONAL MECHANISMS

2.1 Notices and Demands

The Owner's/Debtor's/Consumer's attention is drawn to the note on the municipal account, which states that the supply of services will be discontinued/restricted without further notice if the accounts are not settled in full. This serves as a warning to a defaulting owner/debtor/consumer that services will be discontinued/ restricted upon defaulting on payments.

Notices, e-mails, cell phone text messages (SMS) or any available informative actions will however be issued to account holders as a first attempt (first notice) immediately after the due date as a means to recover debt and to remind consumers/debtors/owners of their obligation to pay for services.

The aim of such reminders is to get co-operation to settle accounts without the necessity to employ more drastic steps and to offer the opportunity to make arrangements to pay off such debt where the financial position of a consumer is such that relief is possible as per criteria in the Municipality's Rates or Indigent Policies.

Failure to respond to the first notice as alluded to above will result in the disconnection and/or restriction of services and a final demand being issued where applicable. Failure to respond to a final demand and in the event of arrears not being settled within the period stipulated in the

final demand, or an arrangement not being concluded, legal action may be instituted (with the Municipality's rights reserved, notwithstanding the fact that services were disconnected/restricted or not) to recover the full outstanding debt. In this regard the municipality may consolidate any separate accounts of a debtor, credit a payment by a debtor against any account of that debtor and implement any of the measures provided for in this policy or the Credit Control and Debt Collection Bylaw in relation to any arrears of any of the accounts of such a debtor. In the case of housing rental contracts the Municipality may consider procedures for eviction or right sizing.

2.2 Additional Mechanisms

2.2.1 *Electricity Services:*

In the event of an owner/debtor/consumer other than a registered Indigent consumer regulated by Stellenbosch Municipality's Indigent Policy, failing to pay for electrical services due and payable, and in the event of such consumer having been placed on the disconnection list 3 times within a twelve (12) month period prior to such event, then Stellenbosch Municipality will have the right to install pre-paid electricity meters in a bid to limit credit risk. The municipality may also consider upward adjustment of the relevant consumer deposit.

2.2.2 *Water Services:*

The Stellenbosch municipality may in the event of an owner/debtor/consumer exhibiting a trend of non-payment of accounts during a twelve (12) month period prior to a non-payment event (i.e. 3 times or more non-payment events) consider the installation of water demand management devices in a bid to limit credit risk. The municipality may also consider upward adjustment of the relevant consumer deposit.

2.2.3 *Rental Services:*

Actions against defaulters are regulated to a degree by the contracts involved.

All contracts must at minimum and where appropriate, include the following criteria/requirements:

- (i) Due date for payments.
- (ii) Applicable procedures upon the defaulting of payments.
- (iii) Handover procedures.
- (iv) Eviction or right sizing actions.

3. ARRANGEMENTS

Should account holders/owners/debtors/consumers wish to make arrangements to pay off accounts in arrears, the following guidelines shall apply:

- (a) The main aim of arrangements should be to ensure that current accounts (which may include penalties/interest and/or any admin fees) are at least paid in full, before entering into acceptable arrangements to pay off arrears.
- (b) Care must be taken to ensure that all reasonable financial and social assistance, as provided for in this Policy, is rendered to assist owners/debtors/consumers before drastic action is taken to recover debt e.g. subsidies for Free Basic Services and rebates on property tax.
- (c) All arrangements must be accepted in writing and the debtor must be provided with a copy of it.
- (d) Arrangements must be entered into that are both affordable to the consumer and protect the Municipality's interest.
- (e) Arrangements should be final and debtors will not be allowed to re-arrange debt repayments. The Municipality may for a meritorious case, upon presentation of proof of current difficulties, consider to delay the receipt of the arranged instalment. This delay may not exceed 3 months.
- (f) It is of vital importance to ensure that the settlement of current accounts (which may include penalties/interest and/or any admin fees), together with the debt repayment instalment, is seen as the minimum requirement for any agreement.
- (g) Arrangements must be compiled in a format that facilitates legal action, upon breach of contract. Written arrangements must as far as possible be in the form of agreements in terms of Section 57 of the Magistrate's Courts Act, (Act 32 of 1944) and as amended by the Jurisdiction of Regional Courts Amendment Act, (Act 32 of 2008) (hereinafter referred to the Section 57 Agreements).

All debt repayment arrangements will be logged on the computer system to ensure maximum accessibility and to enable the effective administration of such repayments.

- (h) Arrears of Councillors must be settled in full or arrangements to pay off such amounts, by means of salary deductions, may be entered into. This includes the seizure of bonuses or any other additional allowances (this paragraph must be read in conjunction with the relevant Sections of the Systems Act, (Act 32 of 2000)).

The Stellenbosch Municipality is allowed to recover all arrears more than ninety days from municipal officials by means of salary deductions and proportionally from increases and/or the official's thirteenth cheque/performance bonus. In this regard, all temporary contract workers are also regarded as municipal officials.

- (i) No interest will be levied on outstanding amounts for which arranged agreements have been entered into.
- (j) It is a preferable that a water demand management device and/or a prepaid electricity meter be installed when any arrangement is entered into.
- (k) Arrangements may only be concluded upon submission of the following documentation:
 - (i) Proof of identification;

- (ii) Proof of Income;
- (iii) Supporting documentation relating to expenses;
- (iv) Three-month bank statements and/or payslips; and/or
- (v) Any other documentation as may be requested by the Credit Control Section.

4. ADJUSTMENT OF DEPOSITS

Deposits may be increased to cover the additional risk as regulated in terms of the Municipality's By-Laws. Increases in deposits shall be utilised to cover the additional risk resulting from default payments.

5. FURTHER ACTIONS

- (a) Should arrangements not be made, or not be accepted or not be adhered to, services are discontinued or restricted; or pre-paid services are restricted, provided that a fair and equitable procedure, including reasonable notice of the intention to discontinue or limit is followed. Where legislation does not allow for the complete termination of services, the Credit Control Section will determine the appropriate minimum level of service provision where after, all amounts owing become due and must be paid in full before services are restored to full capacity.
- (b) Should amounts owed not be settled by the final date, i.e. after the date for payment set out in a final demand, such accounts and the relevant Section 57 Agreements, where applicable, will be handed over to the Municipality's Collection Attorneys for recovery and/or to consider instituting further legal action.
- (c) The Municipality shall at its own discretion and without limiting the measures provided for in the Municipality's By-Laws, be entitled to withhold or limit the supply of services until the total costs, penalties, other fees, tariffs and rates due and owing to the Municipality have been paid in full. This will include the restriction of supply of water or electricity to a debtor who is found guilty by the Municipality or any Court of Law:
 - (i) of fraud or theft of water and electricity,
 - (ii) any another criminal activity relating to the supply or unauthorised consumption of water and electricity, or
 - (iii) if it is evident that fraud, theft or any other criminal activity has occurred relating to such supply or consumption.
- (d) Stellenbosch Municipality may consider an auxiliary levy on the purchase of pre-paid electricity to recover arrear debt.
- (e) Stellenbosch Municipality may consider black-listing consumers in cases where the consumer was handed over to institute legal proceedings.

6. NEW APPLICATIONS FOR SERVICES

- 6.1 No transfer of services from an owner to a tenant (Municipal property excluded) will be allowed. The status quo of contracts signed before 01 July 2011 will be maintained, provided that the tenant does not default on payments.
- 6.2 The owner or his/her proxy applying for a service to be rendered must be positively identified by means of a generally acceptable means of identification as used by financial institutions. A

copy of the identification details (such as a copy of the person's ID and proof of residence (for business users)) must be kept for reference purposes.

- 6.3 The payment of a service deposit will be based on tariffs as determined by the Council.
- 6.4 Adjustments to deposits will be determined by the debtor's payment record of municipal accounts and consumption levels.
- 6.5 The provision of all services not regulated by acts and by-laws will be subject to the signing and acceptance of the conditions of supply contained in a service contract.
- 6.6 Where the consumer is not the owner of a property, the owner must, on his/her request, regularly be served with a copy of a statement of the amount due.
- 6.7 The Municipality may subscribe to the services of a credit bureau in order to enhance the effectiveness of credit checks.

7. THE RENDERING OF ACCOUNTS

- 7.1 Accounts must be rendered regularly and timeously to all property owners and consumers utilising municipal services.
- 7.2 Accounts must be consumer friendly and must clearly reflect the following minimum information:
 - (a) the name, address and contact numbers of Stellenbosch Municipality;
 - (b) the name and postal address of the account holder;
 - (c) details of the property in respect of which the account is issued;
 - (d) the contents of the account will be reflected in at least one of the three official languages of the Western Cape province;
 - (e) the balance brought forward from the previous account, as well as a summary of transactions for the present period;
 - (f) all services for which the account is rendered, as well as amounts billed for such services;
 - (g) the final amount payable;
 - (h) the final date for payment;
 - (i) soft reminders in respect of interest levies and discontinuation of services; and
 - (j) the situation of payment facilities, and modes of payment accepted and hours for payment.

8. ACCOUNT QUERIES

- 8.1 Consumers have the right to query accounts. In order to ensure the correctness of accounts and the satisfaction of consumers, all queries must be attended to swiftly and effectively.
- 8.2 Claims of not having received an account do not constitute a valid reason for non-payment of accounts. Queries regarding such non-receipt must be followed up with the Revenue Section in order for same to be addressed. A consumer liable for any services rendered by, or rates due to the Municipality must furnish the Municipality with an address where correspondence can be directed to. Consumers should be encouraged to provide the municipality with e-mail addresses where accounts could be sent to, rather than traditional postal addresses.

- 8.3 Duplicate accounts shall be available upon request at a cost.
- 8.4 Accounts in Dispute
- 8.4.1 Should an account be disputed, the concerned consumer must at minimum pay the average amount of the previous 12 (twelve) month's accounts. This shall be applicable only for the month in which the dispute was raised. Subsequent accounts issued in months thereafter (barring any new dispute raised) shall be considered unrelated to the dispute in question.
- 8.4.2 The dispute in question shall be considered to be resolved after all actions have been taken by Stellenbosch Municipality:
- (i) to determine the correctness of the account;
 - (ii) when relevant procedures were taken to adjust the account accordingly; and
 - (ii) a written notice to such effect has been given to the concerned consumer.
- 8.4.3 In the event that a consumer declaring a dispute does not adhere to paragraph 8.4.1 above the disputed account will be subject to the normal Credit Control and Debt collection procedures.

9. DUE DATES OF ACCOUNTS

Accounts are payable by the 7th day of each month or the first working day thereafter, should it fall on a weekend or public holiday.

10. ALLOW SUFFICIENT TIME TO SETTLE ACCOUNTS

In order to allow sufficient time to settle accounts, the account should, where possible, be ready for delivery at least two weeks before the due date.

This necessitates proper scheduling of all processes leading to the issuing of accounts to meet the Municipality's commitment to its consumers.

11. CONSOLIDATION OF ACCOUNTS

In order to reduce cost and to enhance credit control and debt collection measures, separate accounts for services rendered in respect of a property or separate accounts of a debtor will be consolidated as far as possible. This will not be limited to consumer accounts only, but may be extended to any other amount payable arising from any liability or obligation due to the municipality.

12. PAYMENT OF ACCOUNTS – GENERAL

- 12.1 In order to promote the payment of accounts, payment facilities and hours for payment must be convenient to consumers, but the establishment of such facilities should still be subject to normal business principles and the economy of the provision of such services.
- 12.2 The following facilities are presently available – with the office hours and modes of payment indicated. Facilities are extended on an on-going basis.

Facility	Hours	Payment methods accepted
Cash offices at Stellenbosch, Franschhoek and Pniel	Office hours: Monday to Friday	Cash, cheques, debit cards
Debit orders	Application during office hours	Bank transfers
EasyPay and Pay@: Countrywide outlets of Pick 'n Pay, Shoprite/Checkers, Pep Stores, Ackermans and other stores	Trading hours: 7 days per week	Cash, cheques, credit cards, debit cards
Internet payments	All hours	Bank transfers
Direct bank deposits	Banking hours	Bank transfers
Personnel deductions	Office hours	Direct deductions from earnings
24 hour Utility shops at petrol stations	All hours	Cash, cheques, credit cards, debit cards
Ontec Vending Agents	Trading hours	Cash, cheques

12.3 The use of correct account references for electronic payments and/or direct deposits is a requirement to ensure correct allocation of payment and to avoid any penalties and admin costs. It is the responsibility of the consumer making the payment to ensure that the correct reference number is made known to the municipality.

12.4 All payments by means of Electronic Funds Transfer (EFT) or payments via the facilities as approved must be made in time so as to reflect in the Municipality's bank account before close of business on the due date.

13. DISHONoured PAYMENTS

13.1 Receipts issued in respect of dishonoured cheques and ACB deductions must be written back upon receipt of such notices. Interest on arrears must be raised where applicable and administration costs be debited to debtors account. Debtors must be notified and debt recovery actions be instituted where necessary.

13.2 Should payments be dishonoured twice, the debtors system must be encoded not to accept cheques or debit order transactions of such a debtor and he/she must be informed thereof in writing.

13.3 If payments are dishonoured twice in a financial year, consumer deposits may be adjusted to mitigate increased financial risk.

14. PENDING LEGAL ACTIONS AGAINST CONSUMERS

Legal actions, such as notices of intended sales in execution, press releases regarding pending insolvency's, etc. may be followed up to evaluate the credit rating of such debtors in order to take steps to minimize the risk of financial loss for the Municipality.

15. INTEREST

15.1 Interest will be raised on all balances of all services (excluding housing services), property rates or arrangements as per paragraph 3 of this Policy remaining unpaid after the due date of such accounts.

15.2 A portion of a month is deemed to be a full month for the purposes of calculation of interest

payable.

- 15.3 Interest on outstanding accounts after the due date will be calculated and charged at a rate of prime plus one percent.

16. GENERAL AND OTHER SERVICES

16.1 Monthly Consumer accounts:

- 16.1.1 Debtor's records must be coded correctly and timeously to ensure the rendering of accurate accounts to consumers.
- 16.1.2 The supply of water and electricity must conform to the conditions of supply set out in the By-Laws for Stellenbosch Municipality, as promulgated in the *Provincial Gazette*.
- 16.1.3 Due to the step rate tariffs employed for these services, care must be taken to ensure meter readings are taken accurately and at intervals as close as possible to 30 days. Should this not be possible, consumption may be estimated as set out in the Municipality's By-Laws. As a general rule it is accepted that deviations in consumption periods exceeding 10% should be guarded against.

16.2 Sundry Services:

- 16.2.1 Accounts for recovery of cost encountered by the Municipality in respect of sundry services rendered are issued if and when such services are rendered to consumers.
- 16.2.2 As these services are usually not based on formal service contracts, it is essential that it be billed as soon as possible and the recovery of such debt must receive priority As the risk of loss to the Municipality is more eminent than in the case of other services.
- 16.2.3 Care should be taken to obtain full and accurate information of such debtors and to obtain prepayment for such services where possible.
- 16.2.4 Actions applied to follow up unpaid accounts will be determined by the nature and size of the debt and the cost effectiveness of such actions.

17. CONDITIONS RELATING TO RENTAL AND PURCHASING OF MUNICIPAL PROPERTY

- 17.1 Municipal property may only be leased or sold after approval of such transactions and the signing of a rental or purchase agreement. Such approvals may be by way of specific Council resolutions or in the form of delegations.
- 17.2 The conditions for payment of instalments and deposits are regulated by the contents of the rental and purchase agreements and the Municipality explicitly reserves its rights to discontinue services for non-payment not only limited to the leased property but any other property of the lessee within the jurisdiction of Stellenbosch Municipality (WC024).
- 17.3 Other specific rental and purchase agreements are tailored to the specific nature and requirements of such transactions.
- 17.4 Full details of remedies for defaulting lessees and purchasers and procedures to address such defaults must be contained in the relevant contracts, but must not have the effect of limiting the Municipality in terms of this or any other Policy regulating arrears.
- 17.5 These remedies usually commence with written reminders, leading to the cancellation of the contracts and the institution of further legal action where necessary.

- 17.6 Rental and purchase agreements represent formalised individual contracts that form the basis of all actions by the parties involved. Both parties are bound to such conditions, failing which may lead to the cancellation of such contracts by the parties involved and claims for damages.
- 17.7 Lessees whom may qualify for rental subsidies must be referred to the housing office to apply for such subsidies in an effort to make rentals more affordable.

18. RENTALS IN RESPECT OF MUNICIPAL EMPLOYEES

Apart from the general conditions applicable to general rental the following conditions will also be applied:

- (a) Rent will be based on the principle of market related rentals as required by Municipal Supply Chain Management (SCM) Regulation 40.
- (b) Rent, and optionally rates and service charges, where applicable, may only be paid by means of salary deductions. A specific clause to this effect must form part of the contract.
- (c) The relevant Director, or his/her delegated official, must co-sign rental agreements of employees to ensure that financial conditions are met.

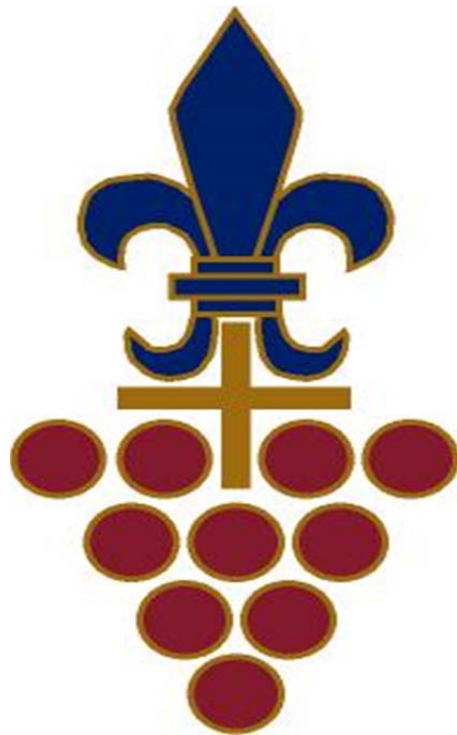
19. INDIGENT CONSUMERS

- 19.1 The Stellenbosch Municipality supports the principle of providing support to indigent consumers by way of providing free basic services in accordance with the provisions of the Municipality's Indigent Policy. All effort must be made to limit the re-occurrence or accumulation of indigent debt of such consumers.

20. SHORT TITLE

This Policy is the Credit Control and Debt Collection Policy of the Stellenbosch Municipality.

STELLENBOSCH MUNICIPALITY



**IRRECOVERABLE DEBT
POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

IRRECOVERABLE DEBT POLICY

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PREAMBLE

The Stellenbosch Municipal Council accepts and acknowledges its Constitutional duties and mandate towards the community/consumers of Stellenbosch Municipality (WC024).

Council further acknowledges that in order to deliver services in a sustainable manner, that same be managed in terms of Council's Credit Control and Debt Collection Policy having due regard of its limited financial resources and the need to manage cash flows.

Council therefore is very aware of its duty to prepare financial statements that gives a true reflection of the financial position for a given period.

1. Requirements before writing-off debt

Before any debt, owed to the municipality for any reason whatsoever will be considered for writing-off, all applicable actions as contained in the approved Credit Control and Debt Collection Policy of Stellenbosch Municipality must have been executed/implemented. However, in special cases where the requirements in terms of the Municipality's Credit Control and Debt Collection Policy were impossible/impractical to implement, the administration must motivate such write-off.

2. Bad Debt Recovered

Bad debt recovered after having been written-off will be treated in terms of the Municipality's Accounting Policy.

3. Thresholds for writing-off of debt

3.1 The writing-off of debt:

- (i) Above twenty thousand rand (R20 000) will be effected after Council approval.
- (ii) Amounting to twenty thousand rand (R20 000) and below may be effected after motivation to and approval by the Chief Financial Officer (CFO) or his/her delegate.
- (iii) Amounting to ten thousand rand (R10 000) and below may be effected after motivation to and approval by the Manager: Treasury.
- (iv) Amounting to five thousand rand (R5 000) and below may be effected after motivation to and approval by the Head Revenue.

3.2 The writing-off of any interest (or part thereof) component of debt, providing that the debt excluding the interest component is paid in full:

- (i) Above one hundred thousand rand (R100 000) will be effected after Council approval.
- (ii) Amounting to one hundred thousand rand (R100 000) and below may be effected after motivation to and approval by the Chief Financial Officer (CFO).

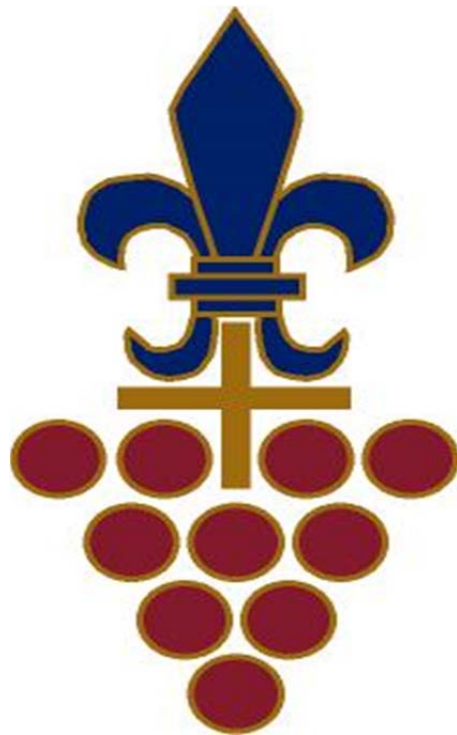
4. Provision for irrecoverable debt

Provision for bad/irrecoverable debt will be dealt with in terms of the Municipality's Accounting Policy.

5. Short Title

This Policy is the Irrecoverable Debt Policy of the Stellenbosch Municipality.

STELLENBOSCH MUNICIPALITY



TARIFF POLICY

2017/2018



STELLENBOSCH MUNICIPALITY

TARIFF POLICY

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PREAMBLE

In accordance with Section 74 of the Local Government Municipal Systems Act, Act 32 of 2000, Stellenbosch Municipal Council must adopt and implement a tariff policy on the levying of tariffs for municipal services which complies with the provisions of the Municipal Systems Act and with any other applicable legislation.

Tariffs represent the charges levied by Council on consumers for the utilization of services provided by the Municipality and rates on properties. Tariffs will be calculated in various ways, dependent upon the nature of the service being provided.

In furtherance of reusable energy, Council may consider tariffs pertinent to the purchase of surplus energy from consumers.

1. OBJECTIVE

The objective of this Tariff Policy is to ensure the following:

- (a) Tariffs must conform to acceptable policy principles;
- (b) Municipal services must be sustainable;
- (c) Tariffs must comply with the applicable legislation; and
- (d) Tariffs should take indigent consumers into consideration.

2. LEGAL FRAMEWORK

The following legislation is applicable for the determination of tariffs for municipal services delivered or for the purchase of surplus energy:

The Constitution of the Republic of South Africa, Act 108 of 1996

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

Local Government: Municipal Systems Act, Act 32 of 2000

Water Services Act, Act 108 of 1997

Electricity Regulation Act, Act 4 of 2006

Local Government: Municipal Property Rates Act, Act 6 of 2004

3. TARIFF PRINCIPLES

The following principles will apply in the Stellenbosch Municipal Area of jurisdiction (WC024):

- (a) Users of municipal services are treated equitably in the application of tariffs;
- (b) The amount individual users pay for services are generally in proportion to their use of that service;
- (c) Indigent households have access to at least basic services through:
 - (i) Special or life line tariffs for low levels of use or consumption of services or for basic levels of service; or
 - (ii) Any other direct or indirect method of subsidisation of tariffs for poor households.

- (d) Tariffs reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration, replacement costs and interest charges;
- (e) Tariffs are set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned. A service is financially sustainable when it is provided in a manner that would ensure its financing from internal and external sources is sufficient to cover the costs of the initial capital expenditure required, operating the service, maintaining, repairing and replacing the physical assets used in its provision;
- (f) Provision is made in appropriate circumstances for a surcharge or a rebate on the tariff for a service;
- (g) Provision is made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;
- (h) The economical, efficient and effective use of resources, the recycling of waste and other appropriate environmental objectives are encouraged;
- (i) The extent of subsidization of tariffs for poor households and other categories of users are fully disclosed; and
- (j) The safeguarding of the integrity of the electrical distribution network and the continued economic viability for the purchasing of surplus energy from consumers.

It is further stated that tariffs, rates and the employment of resources, in general, take into account the Council's Integrated Development Plan (IDP) principles and goals.

4. CLASSIFICATION OF SERVICES

Traditionally, municipal services have been classified into five groups based on how they are financed. The five groups are as follows:

- (a) Trading services Water and Electricity Services

These services must generate a surplus which will be used to subsidize community services other than economical services.

- | | | |
|-----|---------------------|--|
| (b) | Economical services | Refuse Removal and Sewerage Services |
| | | <p>These services' charges must cover the cost of providing the services, i.e. it must at least break even. In the event of the latter not being possible within a period, the shortfall will be financed from the Municipal Property Rates revenue.</p> |
| (c) | Rates Services | The revenue from Municipal Property Rates is utilized for Rates related services. |
| (d) | Housing Services | Housing Schemes |
| | | <p>These services are ring-fenced in the Housing Development Fund and the net operating balance is set off as a contribution to/from the Housing Development Fund.</p> |
| (e) | Sundry Services | Various Services |
| | | <p>All Services not defined in paragraphs (a) to (d) above.</p> |

5. CALCULATION OF TARIFFS FOR MAJOR SERVICES

5.1 Water Tariffs

Although a fairly large proportion of the water needs is supplied from own sources, water is also purchased from external suppliers, such as the City of Cape Town. The increase in water tariffs are largely influenced by the changes in the Consumer Price Index (CPI), the purchase price of water and the need for financing bulk water infrastructure expansion.

Water is bought at a one-part tariff expressed in Rand per kilolitre. For this reason, it is found that water tariff structures for end-users follow the same trend. In order to manage consumption, an inclining block rate tariff structure is applied in the Stellenbosch Municipal area of jurisdiction.

The first block rate for domestic consumers represents the Life Line volume in kilolitres (kl) per month (considered to be the lowest sustainable water volume per household), which is supplied at a rate well below cost. Losses incurred in this tariff category are recovered by contributions from the higher tariff categories, conforming to the principle of cross-subsidization.

Tariff structures for water supply are applied in the form of a sliding scale for households and a flat tariff for other consumers in the area of jurisdiction of Stellenbosch Municipality.

The specific sliding scale(s) linked to each consumer group or the service charge types and the applicable tariffs, including any specific tariffs that would be applicable when Council adopts water restriction strategies, are reflected in the Water Tariff Schedule as approved by Council.

The following table illustrates the principals for tariff charges applied to various consumers or the specialised water service charge types for water consumption in the Stellenbosch Municipal Area:

(a) Domestic:

Includes residential erven and Sectional Title Units as well as residential erven managed by body corporates, each being served by an individually metered water connection.

(b) Domestic Cluster:

Refers to a cluster (block of flats) served by a single water connection.

(c) MASO:

A MASO tariff for the affected parties will be applied.

(d) Bulk Users:

A sliding scale tariff will be applied on water consumption for irrigation of sports grounds of schools, irrigation of Council property by sports clubs, as well as irrigation of parks and other grounds or properties serviced by Council's Parks and Recreation Department.

(e) Business, Commercial and Industrial:

A single tariff for all business, commercial and industrial consumers will apply.

(f) All other consumers and Miscellaneous cases:

A single tariff for all other consumers and miscellaneous cases will apply.

(g) Leakages:

Different tariffs may apply to Municipal, Domestic, Business, Commercial or Industrial consumers.

(h) Basic Charge:

A Basic (a fixed monthly) charge will be applied to each domestic consumer, a domestic cluster consumer and all other non-domestic consumers, irrespective whether a gated/non-gated development is supplied via a bulk meter.

The Basic charge will be applied to Indigent Households as per the Indigent Policy of the Municipality.

(i) Availability Fee:

An availability fee is charged on properties not connected to the water network, should it be available. This fee aims to recoup capital and maintenance costs of networks as well as certain fixed administrative costs in respect of such properties.

5.2 Electricity Tariffs

In addition to general cost factors, the following is taken into account when determining a tariff structure for electricity:

- (i) Electricity is supplied by a sole supplier, Eskom, and distributed by the Municipality.
- (ii) Minimum standards for distribution are determined nationally and must be adhered to in order to conform to both safety and continuity of supply norms.
- (iii) Due to the fact that a large part of the operating expenditure consists of bulk electricity purchases, tariff structures and levels are very sensitive to any change in the cost of supply by Eskom.
- (iv) Electricity is supplied under a distribution license, granted by the National Electricity Regulator of South Africa (NERSA) for a specific area of jurisdiction. All tariff structures and tariffs must be approved by NERSA prior to application thereof by a distributor on an annual basis.

Electricity is distributed by Stellenbosch Municipality in the towns of Stellenbosch and Franschhoek.

Eskom distributes electricity in Jamestown, Raithby, Kylemore, Klapmuts and the rural areas. Drakenstein Municipality supplies electricity to Johannesburg and Pniel. In these areas, the distribution is managed, operated and controlled by the applicable service provider.

Export of surplus energy from an approved and certified consumer to the Municipality's distribution network shall be subject to special and specific agreements embracing in broad terms the operational and financial imperatives for a sustainable and economically viable alliance.

In order to manage consumption, inclining block rate tariff structures are applied in the Stellenbosch Municipal areas of distribution, or any part or area incorporated where due course was followed. In these areas, different tariff structures may be implemented for consumers using renewable energy for own use and/or where the export of surplus energy is approved under the proviso of specific conditions, limits on energy export and reimbursement of exported energy.

Additional fees may be levied on consumers for which maximum demand changes are in effect and who have exceeded specific limits.

The specific inclining block rate(s), any other charges linked to the tariff structure and the applicable tariffs are reflected in the Electricity Tariff Schedule as approved by Council.

The following table illustrates the principals for tariff charges applied to various consumers or the service charge types for electricity consumption or export in the Stellenbosch Municipal Area:

(a) Domestic Life Line (PP):

Domestic Life Line Tariffs will apply to prepaid Indigent consumers in order to promote the affordability of the service. A fixed monthly charge will not be applied to this category of consumers.

(b) Domestic Regular:

Domestic Regular tariffs will apply, in various service charge types, to other domestic consumers other than Indigent consumers on either conventional and prepaid metering systems. A fixed monthly charge is applied to this category of consumers.

(c) Commercial Life Line Low energy rate:

A Commercial Life Line energy rate tariff will apply in respect of prepaid commercial low consumers. A fixed monthly charge will not be applied to this category of consumers.

(d) Commercial Low energy rate:

Commercial Low energy rate tariffs will apply, in various service charge types, in respect of conventional and prepaid commercial low consumers. A fixed monthly charge will be applied to this category of consumers.

(e) Commercial Regular energy rate:

Commercial Regular energy rate tariffs will apply, in various service charge types, in respect of conventional and prepaid commercial regular consumers. A fixed monthly charge is applied to this category of consumers.

(f) Agricultural energy rate:

Agricultural energy rate tariffs will apply, in various service charge types, in respect of agricultural use. A fixed monthly charge is applied to this category of consumers.

(g) Industrial energy rate:

Industrial energy rate tariffs as well as various types of energy demand tariffs will apply, in various service charge types, in respect of Industrial use. A fixed monthly charge is applied to this category of consumers.

(h) Municipal energy rate:

Municipal energy rate tariffs will apply, in various service charge types, for municipal consumption for street and traffic lights and for municipal buildings. A fixed monthly charge will not be applied to this category of consumers.

(i) Non-profit Organisations (NPO) energy rate:

Non-profit organisation's tariffs will apply, in various service charge types, to Non-profit Organisations in order to promote the affordability of the service for Non-profit Organisations. A monthly fixed charge will not be applied for this category of consumers.

(j) Sport Organisations energy rate:

Sport energy rate tariffs will apply and a Maximum Demand Charge may apply on sports fields as per approved contracts being classified as either Low Consumers or High Consumers. A fixed monthly charge will not be applied to this category of consumers.

(k) Time-of-Use energy rate:

Different fixed monthly tariffs as well as various types of energy demand tariffs will apply during the low demand and the high demand tariff periods (also referred to as the summer and winter periods respectively) in respect of low and medium voltage consumers. For the purpose of these tariffs the low demand period shall be defined as being the summer period and the high demand period as the winter period.

(l) Availability fee:

An availability fee is charged to properties not connected to the electricity network, where it is available. This fee aims to recoup capital and maintenance costs of networks as well as certain fixed administrative costs.

5.3 Refuse (Solid Waste) Removal Tariffs

The specific services rendered, any other charges linked to the service and the applicable tariffs are reflected in the Solid Waste Tariff Schedule as approved by Council.

(a) Residential properties:

Residential refuse (solid waste) will be removed once a week. Households are allowed 3 bags or one "Otto"-type container per week.

Refuse removal tariffs are based on a flat rate per household.

Single residential properties with a plot extent not exceeding 250m² and a maximum valuation not exceeding the amount as per Section 8.2 of the Stellenbosch Municipality's Rates Policy, are charged a lower rate.

(b) Business and industries:

Business and industry refuse (solid waste) are removed by means of "Otto"- type or bulk containers. Each container (size in volume) is accepted as a refuse unit at a specific tariff and number of removals per week.

(c) Availability Fee:

An availability fee is charged to all vacant properties, businesses, flats, developments not making use of the municipal collection services.

5.4 Sewerage Tariffs

Tariff structures for sewerage are applied uniformly in the area of jurisdiction of Stellenbosch Municipality.

The tariff structures for specific services rendered, any other charges linked to the service and the applicable tariffs are reflected in the Sewerage Tariff Schedule as approved by Council.

(a) Residential properties:

A tariff structure utilizing plot sizes is applied to allocate the sewerage costs to a specific property.

(b) Business and industries:

A tariff structure utilizing plot sizes, as well as floor areas per usage is applied to allocate the sewerage costs to a specific property.

The removal of industrial effluent is charged at a cost per kilogram removed (chemical oxygen demand).

(c) Septic Tanks:

The clearance of septic tanks is charged per 5 000 litre or part thereof.

(d) Availability Fee:

An availability fee based upon a tariff structure utilizing plot sizes will apply to all vacant properties.

6. CALCULATION OF OTHER TARIFFS

6.1 Sundry Tariffs

(a) Tariff Structure:

- (i) The tariff structure as reflected in the Sundry Tariffs Tariff Schedule as annually approved by Council will be used to determine regulatory community and subsidized services.

(b) Method of calculation:

- (i) Existing tariffs will be revised annually, for application during the next financial year, by adjusting the tariff that applied during the current financial year by a percentage (suitable rounding will be applied) to recover increased costs or to compensate for any cost reductions where appropriate.
- (ii) New tariffs will be calculated based on the estimated actual cost where appropriate or to recover some costs depending on the type of community service.

6.2 Rates Tariffs

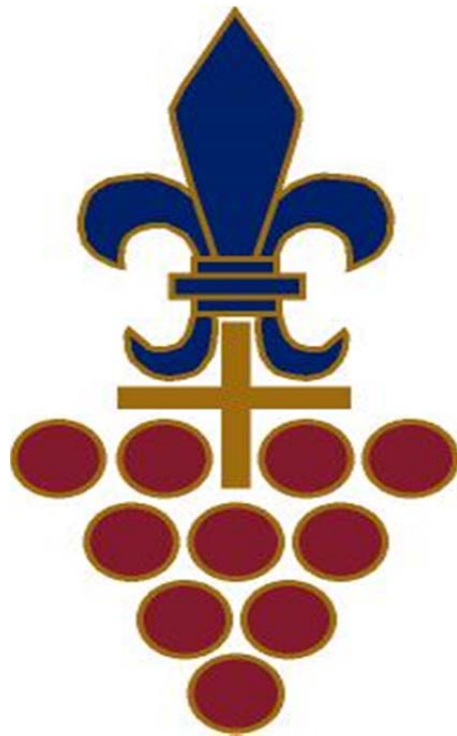
Refer to the Stellenbosch Municipality's Rates Policy dealing with the application of property rates for the various categories of owners and properties.

The tariff structures for the applicable categories, any other charges linked to the service and the applicable provisions for relief measures are reflected in the Property Rates Tariff Schedule as approved by Council.

7. SHORT TITLE

This policy is the Tariff Policy of the Stellenbosch Municipality.

STELLENBOSCH MUNICIPALITY



**GRANTS-IN-AID
POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

GRANTS-IN-AID POLICY

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1. DEFINITIONS

“**Appendix A**” means the application for grant-in-aid, detailed more fully below, and provided for in clause 5.2.

“**Appendix B**” refers to the memorandum of agreement (MOA), detailed more fully below, and provided for in clause 10.

“**Capacity building**” Capacity building refers to a process which enables human beings to realize their potential, build self-confidence and lead lives of dignity and fulfillment. These Capacity Building programs have to align to the basket of services of the Directorate: Social Development and Early Childhood Development i.e. Early Childhood Development, Youth Development, Substance Abuse, Poverty Alleviation, Vulnerable Groups and Street People.

“**Community Based Organization (CBO)**” are nonprofit groups that work at a local level to improve life for residents. The focus is to build equality across society in all streams – health care, environment, quality of education, access to technology, access to spaces and information.

“**Early Childhood Development (“ECD”) Facility**” means any place, building or premises, including a private residence, maintained or used partly or exclusively, for the reception, protection and temporary or partial care of more than six children that shall be registered, managed and maintained in terms of the Children’s Amendment Act, 41 of 2007.

“**Grant-in-aid**” means a grant-in-aid or allocation, as referred to in Section 17 (3) (j) (iv) of the MFMA, made by the municipality to any organisation or body referred to in Section 67(1) and to be utilised to assist the municipality in fulfilling the Constitutional mandates including social developmental and arts and culture programmes as set out therein.

“**Local Agenda 21**” means the international program, adopted by South Africa to put sustainable development into practice.

“**Memorandum of agreement (MOA)**” means the agreement entered into between the municipality and any organisation or body which receives a grant in- aid in terms of this Policy and Appendix A.

“**Non-governmental organisation (NGO)**” means a non-governmental organisation (NGO) that is a legally constituted non-profit organisation that operates independently from any form of government.

“**Non-profit company (NPC)**” means a company whose Memorandum of Incorporation must set out at least one object of the company and each such object must be either a public benefit object or object relating to one or more cultural or social activities, or communal or group interests as required by Item 1(1) of Schedule 1 of the Companies Act, 71 of 2008.

“**Non-profit organisation (NPO)**” means a non-profit organisation registered in terms of Section 13 of the NPO Act, 71 of 1997, established for public purpose and which income and property thereof is not distributable to its members or office-bearers, except as reasonable compensation for services rendered.

“**Stellenbosch Environmental Management Framework (SEMF)**” means legal and moral obligations of Stellenbosch Municipality as it relates to the environment, and provides a dynamic vision, goals and objectives, and spatial and strategic directives towards giving effect to such obligations.

2. PURPOSE, AIMS AND OBJECTIVES

- 2.1. This policy aims to provide a framework for grant-in-aid to non-governmental organisations (NGOs), community-based organisations (CBOs), non-profit organisations (NPOs) or non-profit companies (NPC) and bodies that are used by government as an agency to serve the poor, marginalised or otherwise vulnerable as envisaged by Sections 12 and 67 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).
- 2.2. The purpose of the Grant-in-Aid Policy is to complement the goals, objectives, programmes and actions of the Stellenbosch Municipality's Integrated Development Plan (IDP), in order to create a sustainable, credible and caring municipality by empowering and building communities and enhancing growth and sharing through partnerships. Priority ward needs as Identified through Council's IDP MUST be the guiding factor in developing these partnerships.
- 2.3. Grants-in-Aid should not duplicate services already provided for by Council or which falls within the geographical jurisdiction in which Council operates, being WC024.
- 2.4. Grant-in-Aid should improve the opportunity for Council to elicit the support of external organisations to deliver those services to communities which fall within the Council's area of responsibility in a way that allows the Stellenbosch community and town to create an enabling environment for community development.

3. LEGAL FRAMEWORK

All transfers of funds in terms of this policy shall comply with the: Constitution of the Republic of South Africa, 1996 as amended (Constitution); Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) as amended (MSA); Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA); and any other applicable legislation, regulations and policies that may govern the transfer of municipal funds and that are not in contradiction to the above.

4. RESTRICTIONS

- 4.1 The Policy applies to all transfers of grants made by the Municipality towards support of services for the poor, marginalized or otherwise vulnerable people. Individuals may not apply for Grant-in-Aid and no payment may be made under this policy to individuals. Council may however set aside a specific amount from which the Municipal Manager, after consultation with the Executive Mayor, may, at his/her discretion, make donations to support individual, meritorious cases in order to assist and/or recognise individual excellence in whichever field. Bursaries to individuals are treated according to the Council's Bursary Policy.
- 4.2 The total expenditure on grants may not exceed 1% of the operational budget of the Municipality.
- 4.3 Grants will only be made for services rendered in the WCO24.
- 4.4 Transfers made to categories A and B
 - 4.4.1 Transfers provided for those listed in Category A below may be made to a maximum of R40 000-00 per organisation or body per annum.

- 4.4.2 Transfers in Category B may exceed this amount where funding relates to night shelters or addresses specific ward priorities identified and specified in the IDP and upon proper motivation contained in a business plan to address said issue. Consideration for grants larger than R 40 000, 00 requires audited financial statements, schedule of estimated annual costs and a business plan as provided for in 6 below. The decision to grant an amount more than R 40 000 is solely at the discretion of council and subject to available funds.
- 4.5 Grant-in-Aid transfers/payments shall be restricted to deserving organisation and bodies serving, especially those working with the poor/aged/youth/disabled/women, as per the eligible categories in 5, provided that such organisations or bodies:
- (i) Operate as a separate legal entity and are recognised as such by South African legislation;
 - (ii) Are governed by their constitutions, have regular meetings with their membership and subscribe to sound accounting practices; and
 - (iii) Are located and serve communities and individuals who are most in need within the jurisdiction of the Municipality.
- 4.6 No Grant-in-Aid may be made to any political body, rate payers association or for any religious purposes.
- 4.7 No grant will be allocated, under this policy, to organisations or bodies in cases where a member of Council, an official of Stellenbosch Municipality or close relatives of said individuals receive any financial or other gain.
- 4.8 Funds may only be transferred to an organisation or body if provision has been made for the expenditure on the budget or appropriations budget.
- 4.9 An organisation or body is only entitled to one allocation per financial year, but disbursements can be made more often.

5. PUBLIC ADVERTISEMENT

- 5.1 The advertisements must meet the following requirements:
- 5.1.1. The Municipal Manager must, place a public advert in local newspapers distributed in the Stellenbosch Municipal area, calling for proposals.
 - 5.1.2. This advert must be placed in time to complete all relevant processes prior to the approval of the annual draft budget or any adjustment budget in order to invite public comment on the proposed donations prior to the approval of the final or adjustment budget.
 - 5.1.3. Advertisements should clearly specify the categories for which proposals are called, the closing date for applications, who the proposal should be addressed to, and where and how to obtain the relevant documentation pertaining to such applications/proposals, including the prescribed forms. 5.1.4 Advertisements should also clearly reflect the Municipality's right not to make an award, as well as the fact that awards will not be made to organisations that have received funds in the previous year but have not submitted a final report on the projects or previous expenditure.

- 5.1.4. The advertisement should also clearly state that final approval is reliant on the approval of the budget and that **no late submissions will be considered.**
- 5.2 Only applications made on the prescribed form, being Appendix A, may be considered.
- 5.3 Funds may not be transferred to any organisation or body that has not submitted a proposal in response to a public advertisement and after the attendance of a compulsory briefing session and that have not signed a Memorandum of Agreement with the Municipality.

6. GENERAL GUIDELINES AND CATEGORIES

6.1 General Guidelines

Funding of applications shall proceed on the basis listed below in response to an advertisement issued after the expiry of the relevant period associated with the specific category and after a compulsory workshop explaining the policy, application process and the required documentation has been attended by the applicants. Subject to the MOA provided for in clause 10, all funding is unrequited, provided there is compliance with said MOA. Funding of application in –

- 6.1.1. Category A will be considered on an annual basis; and
- 6.1.2. Category B shall be considered on a three year basis subject to a monthly review at the discretion of the Municipality which may result in early termination for unsatisfactory and reckless expenditure.
- 6.1.3. Council in 6.1.1 and 6.1.2 reserve the right not to fund an organisation for two periods in succession and to cancel said funding in accordance with the MOA concluded.
- 6.1.4. Funding however will not be considered in the following instances:
- (i) Where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding;
 - (ii) Where in Council's opinion, an organisation receives sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and a budget for the ensuing financial year;
 - (iii) Where only an individual will benefit;
 - (iv) For political or ratepayers organisations/groupings;
 - (v) Projects outside the boundaries of the Municipality;
 - (vi) Where expenses have already been incurred, and
 - (vii) Where applications were received after the due date and time for submissions.
- 6.1.5. Funding of projects and to organisations shall exclude travel costs, subsistence, accommodation, food or entertainment expenses of any kind, staff salaries, bursaries, payments in lieu of rates or other municipal charges except for where the transport is intended for beneficiaries/participants in the projects in question. The Municipality may also exercise their discretion to allow funding to extend to the

above costs on a needs basis for the organisation or body clearly motivated for in the application.

6.1.6. Subsequent requests from applicants to cover overspending on projects will not be considered.

6.2 Categories Eligible for Grant-in-Aid

The following categories currently apply. Cognisance should be taken that these categories are not exhaustive. Other than the general guidelines and conditions set out above, categories now indicated may require specific criteria applicable to its projects/programmes:

Category A

6.2.1. Health

Projects/programmes include the following but are not limited to:

- (i) Public Health interventions inclusive of TB, STDs and HIV/Aids;
- (ii) Preventable lifestyle diseases e.g. drug/alcohol abuse, tobacco related illnesses; and
- (iii) Promotive and preventative services to infants, children and women.

6.2.2. Environment

Purpose: To stimulate the development of sustainable leisure, aesthetic and environmental projects within the municipal area; to increase the awareness of the environment by promoting “Greening of the City”; to promote swimming skills and water safety.

Projects/programmes include the following but are not limited to:

- (i) Voluntary rescue organisations;
- (ii) Lifesaving clubs and swimming organisations;
- (iii) Environmental groups/organisations; and
- (iv) Organisations promoting community involvement as a means of sustaining leisure, aesthetic or environmental projects.
- (v) Projects which further the Council's aims and the strategies of SEMF (Strategic Environmental Management Framework) and including but not limited to the sustainable management of:
 - o Riverine corridors;
 - o Biodiversity;
 - o Natural and built environment;
 - o Heritage resources;
 - o Quality urban spaces;
 - o Ecological conservation areas;
 - o Urban agricultural complexes;
 - o Bioregional planning;
 - o Nature area management;
 - o Wetlands;
 - o Local Agenda 21 projects;

6.2.3. Solid Waste (Cleansing)

Purpose: Waste Reduction and awareness.

Projects/programmes include the following but are not limited to:

- (i) Waste reduction and awareness;
- (ii) Educational programmes/projects addressing litter and waste handling; and
- (iii) Waste minimisation solutions.

6.2.4. Social Development

Purpose: The promotion of projects/programmes which stimulates the Stellenbosch Municipality's Integrated Development Plan (IDP) focusing especially on the needs of the most marginalised sectors in the greater Stellenbosch as identified in the ward priorities.

Projects/programmes include the following but are not limited to:

- (i) Poverty alleviation;
- (ii) Urban renewal;
- (iii) Capacity building of communities;
- (iv) Youth development;
- (v) Women and gender development;
- (vi) Early childhood development;
- (vii) Street people programmes;
- (viii) Arts and culture programmes
- (ix) Facilitation of public participation processes; arts and culture programmes
- (x) Development of disabled persons, and
- (xi) Development of elderly people

6.2.5. Sports and Recreation

Purpose: To stimulate the development of sustainable Sport and Recreation infrastructure and programmes within the municipal area especially targeting disadvantaged communities; encourage creativity and self-reliance on the part of grassroots sport and recreation bodies or groups; to increase participation in sport and recreation programmes and activities.

Projects/programmes include the following but are not limited to:

- (i) Local sport and recreation clubs;
- (ii) School sport teams
- (iii) Local sport and recreation councils or associations
- (iv) Informal sport and recreation groups; and
- (v) Community and non-government organisations.

Category B

6.2.6. Night Shelters

Purpose: Provision of shelter for vulnerable individuals living on the street, without homes, in the need of shelter at night. Shelter is provided on a temporary basis and residency should not be provided for on a permanent basis nor should it be construed as the provision of emergency housing. The Municipality aims to reduce the number of people living on the streets of Stellenbosch and as such the organisation or body's goals should align with this vision. Further the Municipality aims to reduce the socio-economic effects of poverty on the community of Stellenbosch. The organisation or body must therefore present to Council a clear business plan with a comprehensive response to the prevention, reduction, outreach and stabilisation of street

people. Organisations or bodies that provide a continuum of services and that collaborate with businesses, government departments and other organisations are preferred. Street people programmes listed in Category A shall fall under this category if provision is made for overnight stay.

Projects/programmes must include the following but are not limited to:

- (i) Provision of basic services (overnight facility, shower, morning and evening meals)
- (ii) Provision of social work services inclusive of referrals
- (iii) Family re-integration services
- (iv) Social support
- (v) Community work programme
- (vi) Facility maintenance (Infrastructure and operational equipment)

6.2.7. Projects aligned to the strategic objectives of the municipality as described in the IDP

Purpose: The promotion of projects/programmes which stimulates the Stellenbosch Municipality's Integrated Development Plan (IDP) focusing on the strategic objectives of the Municipality and identified ward priorities. The organisation must therefore present to Council not only a clear business plan detailing how they intend to address the specific issue but how they intend to partner with other organisations to achieve a unified approach to that particular challenge. Organisations or bodies that provide a continuum of services and that collaborate with businesses, government departments and other organisations are preferred.

Projects/programmes include the following strategic objectives but are not limited to:

Those listed in Category A that address specific ward priorities identified and specified in the IDP and upon proper motivation contained in a potential plan to address said issue.

- (i) Preferred Investment Destination
- (ii) Greenest Municipality
- (iii) Dignified Living
- (iv) Safest Valley
- (v) Good governance and Compliance

7. APPLICATION PROCEDURE

Applications and proposal for Grant-in-Aid must be on the prescribed form stated in 5.2 above, a copy of which is attached hereto as **Annexure A and B for Category A and B respectively**. Applications must be accompanied by a covering letter on the letterhead of the organisation or body, signed by the head of the organisation or body and must include the following information:

- 7.1 The applicant's legal name and a brief description of the applicant organisation's or body's business;
- 7.2 if the applicant claims to be a non-profit organisation, the registration number and the certificate;
- 7.3 the date of establishment, details of the applicant's member founding documents, including constitution and certificates of incorporation;

- 7.4 a contact name, full street address, telephone number and an e-mail address;
- 7.5 if funding is required for a specific project, a brief description of the project what it aims to achieve, as well as the detailed budget for and duration of the project;
- 7.6 a description on how the project aligns with the needs identified in the community through the IDP process and which ward priorities will be addressed through the project;
- 7.7 if the request is for general support, the organisation's or body's overall budget must be included;
- 7.8 references, independent of the applicant and its executive;
- 7.9 most recent audited financial statements (subject to MFMA, section 67(4)) statements; or at least statements signed off by the treasurer and chairperson of the organization in the case of small emerging organizations;
- 7.10 a summary of past achievements;
- 7.11 a declaration by the head of the organization to the satisfaction of the Municipal Manager, that the organisation or body implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfers of funds; and
- 7.12 notwithstanding the above requirements, the CFO after considering the merits of an application not complying with the minimum application criteria and after consulting the Municipal Manager, may for the purpose of this policy approve a deviation from the norm;
- 7.13 Applications for Category B **must** include a schedule of annual costs, business plan and audited financial statements.

8. OBLIGATIONS OF THE APPLICANT

- 8.1 The head of the organisation or body must acknowledge in writing to the Municipal Manager that the money was received in its bank account and that the amount is/will be utilised to the benefit and in accordance with the role of the organisation or body in society. The funds should be used as outlined in the application form.
- 8.2 The organisation or body shall regularly report, if and when required but at least once a year, to the Municipal Manager regarding the activities conducted, the ward within which activities are conducted, as well as the number of people benefiting from the activities.
- 8.3 If funding is required for a specific project, a brief description of the project and what it aims to achieve, as well as the detailed budget for and duration of the project.
- 8.4 The applicant must attend a compulsory workshop on the Grant-in-Aid policy and application procedure prior to submission of the application

- 8.5 If successful with the application, the applicant must spend funds according to the approved Grant-in-Aid funding request. Should the need change over the funding period, written consent needs to be obtained from the municipality prior to spending the funds on alternative needs. Failure to spend funding on approved projects can result in the applicant being required to return the funding and/or the applicant being excluded from future applications for a period of 5 years.

9. RIGHTS OF THE MUNICIPALITY

- 9.1 The Municipality shall be entitled, from time-to-time, to verify and inspect the existence and activities of the organisation or body. The municipality will therefore have the right to physically visit the premises where the organisation, or the funded project, is based; to peruse the budgets and any progress reports related to the project (in contract).
- 9.2 The Municipality shall manage contracts entered into with organisations or bodies by receiving reports and doing the necessary site visits and inspections to ensure that this policy and contract are being complied with.
- 9.3 The Municipality has the right not to give a Grant-in-Aid to any or all organisations applying for grants. Having been awarded a grant previously does not give an applicant the right to receive a grant again.
- 9.4 The Municipality will run proposed donations through a public participation process before final awards are made.

10. AGREEMENT

Before any funds are transferred to an organisation an agreement (Annexure B) must be concluded by the Municipal Manager with the beneficiary to protect the interest of the Municipality.

11. DEVIATION

This policy constitutes the entire framework for Grant-in-Aid and no deviation will be entertained.

12. COMMENCEMENT

This Policy takes effect on the date on which it is adopted by the Council of Stellenbosch Municipality.



APPLICATION FOR GRANT-IN-AID: 2017/18

NOTE: ATTENDANCE OF THE GRANT-IN-AID WORKSHOP IS COMPULSORY

PLEASE COMPLETE THE FOLLOWING					
A	REGISTERED NAME OF ORGANISATION				
B	DATE AND YEAR IN WHICH THE ORGANISATION WAS FOUNDED: (include a brief description of the business or activities of the organization)				
C	ADDRESS OF REGISTERED ORGANISATION				
	PHYSICAL ADDRESS			POSTAL ADDRESS	
	CODE:			CODE:	
D	CONTACT DETAILS (Details of the person to contact regarding this GIA application)				
	NAME & SURNAME:				
	POSITION:				
	TEL:	()		FAX:	()
	MOBILE:		ALTERNATIVE:		
	EMAIL ADDRESS:				

E REGISTRATION:					
	Is the organization a NP/NG Organisation?	YES		NO	
	If YES, please provide the Registration Number: (Attach a copy of the registration certificate or proof of other affiliation where applicable)				
F BOARD/COMMITTEE MEMBERS OF THE ORGANISATION:					
(List ALL Board/Committee Members of the Organisation) Insert a separate page if the space is not enough).					
1	NAME & SURNAME:				
	POSITION:				
	ADDRESS:				
	CONTACT NUMBER:				
2	NAME & SURNAME:				
	POSITION:				
	ADDRESS:				
	CONTACT NUMBER:				
3	NAME & SURNAME:				
	POSITION:				
	ADDRESS:				
	CONTACT NUMBER:				
4	NAME & SURNAME:				
	POSITION:				
	ADDRESS:				

	CONTACT NUMBER:	
5	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
	CONTACT NUMBER:	
6	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
	CONTACT NUMBER:	
7	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
	CONTACT NUMBER:	
8	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	

	CONTACT NUMBER:	
9	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
		CONTACT NUMBER:
10	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
		CONTACT NUMBER:
G	PREVIOUS FUNDING:	
	Have you successfully applied and received Stellenbosch Municipal Grant-In-Aid funding previously?	
	If yes for which financial year?	
	What amount was received?	
	Did you submit Financial Reports for the funds received?	
	Do you receive any other sources of funding? (If YES please provide details)	

H	CATEGORY A: For more information refer to the Grant-In-Aid Policy for general guidelines and categories (Please categorize your application by marking the appropriate category with X)				
	HEALTH				
	ENVIRONMENT				
	SOLID WASTE				
	SOCIAL DEVELOPMENT				
	SPORTS & RECREATION				
	CATEGORY B: For more information refer to the Grant-In-Aid Policy for general guidelines and categories (Please categorize your application by marking the appropriate category with X)				
	NIGHT SHELTER				
	OTHER (Please specify)				
I	REQUEST FOR FUNDING:				
	Is funding required for the ensuing year?	YES		NO	
	Is funding required for a specific project? (If YES attach details separately)	YES		NO	
	Is funding required for General Support? (If YES, attach a copy of the Organisation's Overall Budget)	YES		NO	
	Budgeted amount requested				
	Duration of project?				
J	SERVICE FOCUS				
	Ward number in which services are delivered				
	Which Ward Priority/ies are addressed through the service: (Please provide details below)				
	Which Municipal Strategic Goal/s is linked to the services: (Please mark with a X)				
	Preferred Investment Destination				
	Greenest Municipality				
	Dignified Living				
	Safest Valley				
	Good governance and Compliance				
K	THE FOLLOWING MUST BE ATTACHED TO THIS APPLICATION: (Please use this form as a check-list, to ensure that you comply to the specified requirements)				
1	AUDITED FINANCIAL STATEMENTS (A copy of the latest audited financial statements. Should the organization be classified as an emerging organization, the financial statements MUST be dated and signed by the Treasurer and Chairperson and MUST include a monthly income and expense statement for the months that the organization has been in existence or for the last 12 months)				
2	ORGANISATIONAL CONSTITUTION (A signed and dated copy of the Organisation's Constitution, as well as a signed copy of the Minutes of the AGM, to verify the acceptance of the Constitution.)				
3	PROJECT PROGRAMME/BUSINESS PLAN (A copy of the project/program description and/or a business plan for the ensuing financial year. Please ensure that the following is included in the project/program and or business plan, by using the below mentioned bullet points as a guide). ❖ Full details of the proposal/project/business plan including objectives;				

	❖ The number of people who will benefit and how the project/program will contribute or enhance the strategic objectives of Stellenbosch Municipality;	
	❖ The project/program commencement and completion dates;	
	❖ Information on the total costs of the project/program budget;	
	❖ A breakdown of costs and an outline of any contributions by fundraising and / or own contributions;	
	❖ A list of all other sources of funding together with the assessments;	
	❖ A summary of past achievements;	
	❖ Reference independent of the applicant and its executive/board or committee members.	
4	SIGNED AND STAMPED CREDITOR CONTROL FORM (An original signed copy of a correctly completed Creditors Control form of the Stellenbosch Municipality)	
5	ACCOUNT ON EXPENDITURE FOR PRECEDING FUNDING (If you have received funding from Stellenbosch Municipality in the preceding financial year, expenditure of the funds received needs to be accounted for with this new application). Please refer to Section K for the format.	
6	PROOF OF REGISTRATION/AFFILIATION (Attach a copy of the organisation's Registration Certificate of Affiliation)	
L	FORMAT FOR FEEDBACK REPORT (Please ensure that your feedback of previous funding received, includes the following)	
1	Narrative report on the project including numbers reached, outcomes reached, outcomes reached, evaluation of the project indicating successes and failures/lessons learned.	
2	Pictures of the project/program.	
3	Financial report on expenditure regarding previous donation separate from the annual financial statements. (Attach proof of expenditure).	
M	THE FOLLOWING SHALL APPLY:	
1	The allocation of Grant-In-Aid will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein.	
2	An applicant who has been registered as a non-profit organization in terms of Section 13 of the Non-Profit Organisation Act, 1997, and the necessary proof thereof is submitted together with this application.	
3	Applicants must in their submission clearly indicate/specify and motivate what the funds will be utilized for.	
4	The Grant-In-Aid must be exclusively utilized for the purpose defined and the successful applicant must submit the necessary undertaking to this effect.	
5	Applicants must in their submission satisfy the Council of their ability to execute the project successfully.	
6	Organisations who have already received financial or other assistance from the Council during the previous financial year MUST specify same in their application.	
7	No funding will be considered for political groupings, churches or ratepayers organisations.	
8	No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain.	
9	Projects outside the boundaries of the Council will not be considered.	
10	Expenditure that will not be funded includes: travel costs (unless it is for the transport of beneficiaries), subsistence, accommodation, food (unless intended for the beneficiaries) or entertainment expenses of any kind, staff salaries including bonuses, bursaries and payments in lieu of rates or other municipal charges.	
11	Subsequent requests from the applicants to cover overspending on projects will not be considered.	
12	Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance management Act no. 56 of 2003 which inter alia stipulates that the organization or body has to:-	

	<ul style="list-style-type: none"> ❖ Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting financial management and auditing requirements as may be contained in such an agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programs of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion.
	<ul style="list-style-type: none"> ❖ Report monthly on the actual expenditure of the amount allocated to it. Should monthly allocations be made.
13	The Council reserves the right not to give a Grant-In-Aid to any organization applying for grants. Having been awarded a grant previously does not give an applicant the right to receive a grant again.
14	Funding will not be considered where a project or organization is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.
15	Funding will not be considered where in Council's opinion, an organization received sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.
16	Organisations having received funding from Stellenbosch Municipality during the previous financial year, are required to attach to any new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of Section 17 of the Non-profit Organisation Act, 1997 and Section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).
17	Funding will not be considered where expenses have already been incurred on a project by the applicant. (The Council's Grant-In-Aid Policy must be consulted for the sake of completeness).
N DECLARATION OF INTEREST:	
The beneficiary declares that the following municipal employees and/or councillors have a vested interest in the business of the beneficiary. However, they do not benefit directly from this donation and were not part of the decision making process in the allocation of the donations:	
Name & Surname:	
Designation:	
Name & Surname:	
Designation:	
O UNDERTAKING:	
	<p>I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of a grant-in-aid as set out above and in the GIA Policy have been read and is understood and will be complied with.</p> <p>I/We also declare that the organization implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.</p>

Thus completed and signed at Stellenbosch on this ____ day of _____
20____.

Chairperson/Authorised Representative

Secretary/Duly Authorised Signatory

P

PLEASE TAKE NOTE:

(Completed application forms, together with all the required supporting documentation must be posted to):

The Director: Planning & Economic Development

**P O Box 17
Stellenbosch
7599**

Or hand delivered to:

**The Manager: Community Development
58 Andringa Street
Stellenbosch
7600**

The submission of applications closes at 13H00 on the closing date as per the advertisement.

PLEASE NOTE: Neither LATE nor INCOMPLETE applications shall be considered.



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

APPENDIX B

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT
MEMORANDUM OF AGREEMENT

Entered into and between

STELLENBOSCH MUNICIPALITY

(hereafter called the "**MUNICIPALITY**")

Herein represented by **Geraldine Mettler**, in her capacity as **Municipal Manager**, being duly authorised

and

(hereafter called the "**BENEFICIARY**")

Herein represented by _____ in his/her capacity as _____,
being duly authorised.

WHEREAS Section 67(1) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (MFMA) oblige the Accounting Officer of a **MUNICIPALITY** to satisfy himself that, before transferring funds of the **MUNICIPALITY** to an organisation or body outside any sphere of government otherwise than in compliance with a commercial or other business transaction, that such organisation or body:-

- (a) has the capacity and has agreed-
 - (i) to comply with any agreement with the **MUNICIPALITY**;
 - (ii) for the period of the agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement;
 - (iii) to report at least monthly to the Accounting Officer on actual expenditure against such transfer (should transfers be done on a monthly basis); and
- (b) implements effective, efficient and transparent financial management and internal control systems to guard against fraud, theft and financial mismanagement; and

- (c) has in respect of previous similar transfers complied with all the requirements as set out above; and
- (d) give permission to site visits done by the **MUNICIPALITY**.

Stellenbosch Municipality – Grants-in-Aid Memorandum of Understanding

WHEREAS the **MUNICIPALITY** has approved a Grants-in-Aid Policy, in terms whereof applications are considered;

WHEREAS the **BENEFICIARY** has applied for a grant-in-aid as per the official grant-in-aid application form; and

WHEREAS the **MUNICIPALITY** has approved such application, subject to certain conditions;

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. TRANSFER OF FUNDS

1.1 The **MUNICIPALITY** hereby undertakes to transfer an all-inclusive amount of

R40 000.00 (Forty thousand, rand only), being a donation for the period **01 July 2017 to 30 June 2018** to the **BENEFICIARY**.

1.2 Bank Account details: (The following are confirmed through a correctly completed Creditors Control Form.)

Account number : _____
Name of financial institution : _____
Name of account holder : _____
Branch code : _____
Type of account : _____

1.3 The all inclusive amount will be transferred in equal amounts on the following dates (if applicable):

2. OBLIGATIONS OF BENEFICIARY

2.1 The **BENEFICIARY** must acknowledge in writing to the Municipal Manager that the amount(s) was(were) received in it's bank account.

2.2 The **BENEFICIARY** hereby certifies that the money will be utilised in accordance with the role of the organisation or society, to the benefit of the community and in accordance with the project(s) / programme(s) as indicated in the application form.

Stellenbosch Municipality – Grants-in-Aid Memorandum of Understanding

2.3 The **BENEFICIARY** undertakes to regularly report on a monthly basis to the Municipal Manager regarding the activities conducted, actual expenditure against such transferred funds, as well as the number of people benefiting from the activities should monthly payments be made. If not, an annual report on the expenditure will be provided.

2.4 The **BENEFICIARY** further undertakes to submit an audited financial statement for its financial year to the Municipal Manager by not later than **30 June 2017**

3. **SPECIFIC CONDITIONS**

3.1 The parties specifically agree on the following:

That the organization will commit to active involvement in any programme run by the municipality in the area of operation of the organization when such a programme is active in the community.

Other conditions:

4. **DECLARATION OF INTEREST**

The beneficiary declares that the following municipal employees and/or councillors have a vested interest in the business of the beneficiary. However, they do not benefit directly from this donation and were not part of the decision making process in the allocation of the donations: (Name and designation)

5. **ACQUISITION OF ASSETS**

- 5.1 Should the **BENEFICIARY** wish to acquire any moveable or immovable assets with the money donated in terms of this Agreement, the **BENEFICIARY** hereby undertakes to:-
- 5.1.1 adhere to the principles as per the **MUNICIPALITY'S** Supply Chain Management Policy, and
- 5.1.2 take all reasonable steps to ensure that such assets are maintained and that a system of internal control of such assets is in place.

Stellenbosch Municipality – Grants-in-Aid Memorandum of Understanding

6. RIGHTS OF THE MUNICIPALITY

- 6.1 The **MUNICIPALITY** shall be entitled, from time to time, to verify the existence and to inspect the activities of the **BENEFICIARY**, having regards for its right to privacy as entrenched in terms of the Constitution of the Republic of South Africa..
- 6.2 The **MUNICIPALITY** shall further be entitled to peruse the budgets and any progress reports related to the project / programme as per this Agreement.

7. FAILURE TO COMPLY

- 7.1 Failure by the **BENEFICIARY** to comply with the obligations as set out in Clause 2 of this Agreement, may lead to the cancellation of this Agreement, in which case the **MUNICIPALITY** may demand that the organisation pays back any unspent funds as per this Agreement. The **MUNICIPALITY** may even, depending on the circumstances leading to the non-compliance by the **BENEFICIARY**, demand that the organisation pays back the full amount paid to the **BENEFICIARY**.

8. INDEMNIFICATION

- 8.1 The **BENEFICIARY** hereby acknowledges that it receives the grant voluntarily and that it shall keep the **MUNICIPALITY** indemnified at all times against any loss, cost, damage, injury or liability suffered by the **MUNICIPALITY** resulting from any action, proceeding or claim made by any person (including themselves) against the **MUNICIPALITY** caused directly or indirectly by the use/spending of the grant.

9. DISPUTE RESOLUTION

9.1 Any dispute arising from this Agreement shall be mediated between the Parties by a mutually agreed upon and suitably skilled mediator. Should the mediator be unsuccessful and the Parties fail to reach agreement, the dispute may be referred by the aggrieved Party to the arbitration of a single arbitrator, to be agreed upon between the Parties, or failing agreement, to be nominated on the application of any Party, by the President for the time being of the South African Association of Arbitrators. The decision of the single arbitrator shall be final and binding on the Parties.

10. NOTICES AND DOMICILIA

10.1 The parties choose as their *domicilia citandi et executandi* their respective addresses as set out in this clause for all purposes arising out of or in connection with the agreement at which addresses all processes and notices arising out of or in connection with this Agreement, its breach or termination, may validly be served upon or delivered to the Parties.

10.2 For purposes of this Agreement the Parties' respective addresses shall be:

10.2.1 The **MUNICIPALITY:**

Town House
Plein Street
Stellenbosch
7600
Fax: 021 – 808 8025

10.2.2 The **BENEFICIARY:**

email address: _____

or at such other address of which the Party concerned may notify the other(s) in writing provided that no street address mentioned in this sub-clause shall be changed to a post office box or poste restante.

10.3 Any notice given in terms of this Agreement shall be in writing and shall-

10.3.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;

10.3.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 8th (eighth) day following the date of such posting;

10.3.3 if transmitted by facsimile be deemed to have been received by the addressee on the day following the date of despatch;

Stellenbosch Municipality – Grants-in-Aid Memorandum of Understanding

10.4 Notwithstanding anything to the contrary contained or implied in this Agreement, a written notice or communication actually received by one of the Parties from another, including by way of facsimile transmission, shall be adequate written notice or communication to such party.

11. ENTIRE AGREEMENT

This Agreement, including the **Grant-in-Aid policy and application form**, reflects the entire Agreement between the Parties and no variation, amendment or addendum shall be of any force and effect between the Parties unless contained in writing, signed and agreed on by both Parties.

Signed at Stellenbosch on this _____ day of _____ 2017.

.....
for the **MUNICIPALITY**

WITNESS: 1.
2.

Signed at Stellenbosch on this _____ day of _____ 2017.

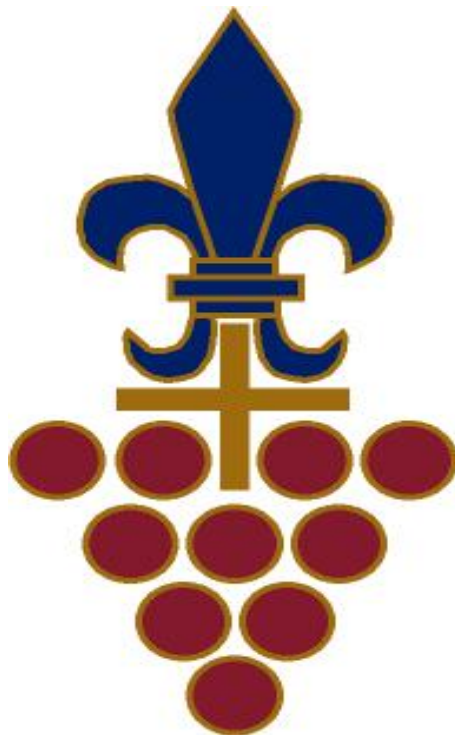
.....

for the **BENEFICIARY**

WITNESS: 1.

2.

STELLENBOSCH MUNICIPALITY



**SPECIAL RATING AREA
POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

SPECIAL RATING AREA POLICY

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1. DEFINITIONS

In this Policy, words or expressions shall bear the meaning assigned to them and, unless context otherwise indicates:–

“**additional rate**” means an additional rate contemplated in sections 19(1)(d) and 22(1)(b) of the Property Rates Act and in section 12(2) of the By-Law;

“**applicant**” means any owner who makes an application for the determination of a special rating area in accordance with provisions of Chapter 1, or if a management body is established in terms of section 10 any reference to “**the Applicant**” means the management body;

“**By-Law**” means the Stellenbosch Municipality’s Special Rating Area (SRA) By-laws;

“**CFO**” means the Chief Financial Officer of Stellenbosch Municipality, or his or her nominee;

“**Council**” means Council of Stellenbosch Municipality;

“**implementation plan**” means an Implementation Plan as contemplated in section 6 of the By-Law;

“**majority**” means the majority of property owners as contemplated in section 22 of the Property Rates Act;

“**management body**” means the management body of a special rating area to be establishment in accordance with the provision of section 10 of the By-Law;

“**motivation report**” means a motivation report as contemplated in section 6 of the By-Law;

“**owner**” has the meaning assigned to it in section 1 of the Property Rates Act;

“**Policy**” means the policy for the determination of special rating areas and will be referred to as this Policy;

“**Property Rates Act**” means the Local Government: Municipal Property Rates Act, 2004 (Act No.6 of 2004);

“**rateable property**” has the meaning assigned to it in section 1 of the Property Rates Act;

“**special rating area**” means a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act and section 8 of the By-Law.

2. INTRODUCTION

- 2.1 This policy for the establishing of special rating areas must be read together with the Local Government: Municipal Property Rates Act, Act 6 of 2004 and the Municipality’s Special Rating Area (SRA) By-law, as in force from time to time.
- 2.2 All words and phrases defined in the Property Rates Act and the By-Law have the same meaning in this Policy.
- 2.3 In the event of any conflict between the provisions of the By-Law and the provisions of this Policy, the By-Law prevails.
- 2.4 This Policy needs to be read together with the Municipality’s Rates Policy.

3. AIM OF THE POLICY

This Policy aims to –

- 3.1 Set out Council’s position on special rating areas and the factors that will influence Council’s decision whether or not to institute a particular Special Rating Area.
- 3.2 Provide guidance to members of the local community and to decision-makers within the Municipality in relation to the establishment of special rating areas; and
- 3.3 Strike an appropriate balance between facilitating self-funded community initiatives that aim to improve and/or upgrade neighbourhoods by –
 - (a) making use of Council resources and structures; or
 - (b) making use of a Non-Profit (previously known as a Section 21) company structure (refer paragraph 8.2.5 of this Policy); and to
 - (c) ensure commitment to good, fair and transparent governance by the managing body, by implementing a transparent process when appointing service providers to improve

and/or upgrade the special rating area in the public areas and ensuring that these improved and/or upgraded services and not provided on private properties.

4. POLICY STATEMENT

- 4.1 The special rating area model is aimed at preventing the degeneration of towns and the consequential urban decay, and facilitating their upliftment, economic growth and sustainable development.
- 4.2 The purposes of a special rating area are to –
- (a) enhance and supplement the municipal services provided by Stellenbosch Municipality;
 - (b) facilitate investment in the special rating area;
 - (c) facilitate a cooperative approach between Stellenbosch Municipality and the private sector in the provision of municipal services;
 - (d) halt the degeneration and facilitate the upliftment of distressed business and mixed-use areas; and
 - (e) promote economic growth and sustainable development and in this way, assist the Council in the fulfilment of its objects and developmental duties as set out in its Integrated Development Plan (“IDP”).
- 4.3 Stellenbosch Municipality regards special rating areas as a potential tool for allowing it to fulfil its constitutional and statutory obligations to promote;
- (a) social and economic development; and
 - (b) a safe and healthy environment in a way which balances the guiding principles underlying its Rates Policy.
- 4.4 Special rating areas allow property owners within an explicitly defined geographical area to improve and upgrade their area by means of a property rate in addition to the standard property rate.
- 4.5 Special Rating Areas do not give property owners or the management structures of the Special Ratings Area the right to infringe on any of the constitutional rights as enshrined in the Bill of Rights, Chapter Two of the Constitution of South Africa, 1996 of any juristic or natural person in any way. Specifically, the right to freedom of movement and residence of any juristic or natural

person referred to in Section 21 of the Constitution must be guaranteed by the Special Rating Area as a pre-requisite for approval by the municipality.

5. FACTORS CONSIDERED WHEN DETERMINING A SPECIAL RATING AREA

The Council will consider instituting a special rating area where the requirements of Section 22 of the Property Rates Act are complied with, including that –

- 5.1 the purpose of the special rating area is to allow an additional rate to be levied on property in the defined area to raise funds for improving or upgrading the area;
- 5.2 the special rating area will not be used to reinforce existing inequities in the development of the Stellenbosch Municipality's (WCO24) area of jurisdiction;
- 5.3 the determination of the special rating area is consistent with Stellenbosch Municipality's IDP;
- 5.4 residential special rating area refers to an area in which more than 40% (forty percent) of the rates based municipal valuation consists of Residential Property as defined in the Rates policy.
- 5.5 any residential special rating area must comply fully with the provision of the By-Law, save that, with reference to the majority support the applicant must provide written proof to the Council that owners of rateable property within the boundary of the special rating area who own not fewer than 60% (sixty percent) in number of such properties, approve the formation of the special rating area.
- 5.6 the majority of members of the local community who will be liable for paying any additional rate in the special rating area, other than residential special rating areas, have consented to its establishment;
- 5.7 the procedural requirements of Section 22 of the Property Rates Act as well as the By-Law and this Policy are complied with, including the community consultation requirement, as determined by the Municipality's Chief Financial Officer (CFO);
- 5.8 the proposed improvement or upgrade has been clearly and fully defined;
- 5.9 the proposed improvement or upgrade can be clearly and logically linked to a geographical area, the boundaries of which must be clearly determined;
- 5.10 there is evidence that it will be financially viable to use a special rating area to raise funds for the proposed improvement or upgrade;

- 5.11 Stellenbosch Municipality is satisfied with the institutional arrangements proposed in respect of the special rating area; and
- 5.12 Ultimately, the decision whether or not to determine a special rating area rests with the Council in its sole discretion.

6. APPLICABILITY OF STELLENBOSCH MUNICIPALITY'S RATES POLICY AND OTHER POLICIES

- 6.1 When Stellenbosch Municipality grants any rebate to Senior Citizens, Disabled Persons and Non Profit Organisations in terms of the Rates Policy, or registered indigents in terms of the Indigent Policy, the relevant property owner will be granted a full (100%) rebate in relation to the additional special ratings area rate.

7. PROCESS

This Policy sets out –

- (a) the institutional arrangements for special rating areas (paragraph 8 of this Policy)
- (b) the establishment requirements which must be followed (paragraph 9 of this Policy);
- (c) the information which needs to be submitted to Stellenbosch Municipality in order to motivate a request for determination of a special rating area (paragraph 10 of this Policy);
- (d) the annual requirements which must be followed (paragraph 11 of this Policy);
- (e) the amendments and/or extension of term for a special rating area (paragraph 12 of this Policy);
- (f) the dissolution requirements which must be followed (paragraph 13 of this Policy)
- (g) financial arrangements (refer paragraph 14 of this Policy).

8. INSTITUTIONAL ARRANGEMENTS

Section 22 of the Property Rates Act is not prescriptive as to the structural arrangements which need to be put in place to administer a special rating area. The structural arrangement that will be considered by the municipality is the following:

8.1 Administration by a Non-Profit Company

- 8.1.1. Stellenbosch Municipality will require the ratepayers within the special rating area to establish and participate in an appropriate structure to carry out planning, contracting, financial control and administrative functions within the special rating area.
- 8.1.2. This does not entail ratepayers setting the additional rate, which under law can only be done by Stellenbosch Municipality (paragraph 14 of this Policy).
- 8.1.3. This places funds collected by government in the hands of the private sector, thus the requirements set out in this Policy must be met.
- 8.1.4. The functions of the Non-Profit Company would include:
- (a) Determining the funding required each year (refer paragraph 14.2 of this Policy);
 - (b) Appointing contractors or service providers to effect the improvement/s or upgrade/s;
 - (c) Receiving the additional rate collected by Stellenbosch Municipality and expending the funds in accordance with the approved Business Plan.
- 8.1.5. Structural requirements of the Non-Profit company:
- (a) Before Stellenbosch Municipality will consider allowing ratepayers in a special rating area to carry out administrative and other functions in relation to the area, the Steering Committee must establish a Non-Profit company (company not for gain) as per the Companies Act, Act 71 of 2008 (as amended or replaced) (“the Companies Act”) for that purpose. The provisions of the Companies Act must be complied with, particularly those relating to non-profit companies (which effectively replaced Section 21 companies as per the old Companies Act, Act 61 of 1973), subject to the transitional provisions contained therein;
 - (b) The founding documentation (“the Memorandum of Incorporation”) in relation to the structure established by ratepayers (this is equivalent to the Memorandum and Articles of Association, as per the old Companies Act, Act 61 of 1973), must be as per the prescribed format determined by the CFO;
 - (c) The Non-Profit company must be managed under the Companies Act, and also comply with any other legislation as a result of the financial connections to Council; and

- (d) The Non-Profit company must give a written notice by ordinary mail to all the property owners within the special rating area of the intention to hold an Annual General Meeting (AGM) on the date stated in the notice;
- (e) A Special General Meeting (“SGM”) must be called within 6 months of the establishment of the Non-Profit Company. The purpose of the SGM is to:
 - (i) Accept new members;
 - (ii) Appoint directors;
 - (iii) Amend the Memorandum of Incorporation if required; and
 - (iv) Approve the following year’s Budget and Implementation Plan (refer paragraph 14.2 of this Policy).

9. APPLICATION FOR THE ESTABLISHMENT OF A SPECIAL RATING AREA

- 9.1 The process for establishing special rating areas as set out in Chapter 1 of the By-Law must be followed.
- 9.2 The special rating area application must be submitted by end of September of the financial year preceding the establishment of the special rating area.
- 9.3 Further to section 7.2 of the By-Law the applicant must hold another public meeting within 30 days after submitting the application to confirm that it was lodged and to discuss details with the community.

10. MOTIVATING A SPECIAL RATING AREA

The Motivation Documentation must comprise of the following:

10.1 Business Plan –

The Business Plan must clearly define and indicate all the required improvements or upgrades and must contain -

- 10.1.1. Introduction;
 - (a) an executive summary of the improvement or upgrade proposed for the special rating area as set out in the Implementation Plan;
 - (b) An explanation of how the proposed improvement or upgrade is linked to the geographical area of the proposed special rating area;

- (c) An explanation of why the proposed special rating area will not reinforce existing inequities in the development of Stellenbosch Municipality;
- (d) An explanation of how the special rating area, if instituted, will be consistent with Stellenbosch Municipality's IDP as per the Service Departments' Business Plans;
- (e) An explanation of the institutional arrangements proposed in relation to the special rating area.

10.1.2. Vision;

10.1.3. Mission;

10.1.4. Goal;

10.1.5. A diagram clearly indicating the boundaries of the proposed special rating area;

10.1.6. Management;

- (a) Administrative policies of the Non-Profit company;
- (b) Proposed management structure:
 - Composition of the management body including allocation of portfolios and;
 - Operational Arrangements

10.1.7. Services;

Service providers must be appointed as per paragraph 3.3(c) and 10.1.1(d) of this Policy.

10.1.8. Financial Impact;

- (a) Provide details regarding the calculation of the cent-in-the-rand and as acted on the municipal valuation value of each property;
- (b) Provide details of criteria to qualify for exemption of additional rate;

10.1.9. A list of all rateable properties within the proposed special rating area, contact details of owners and the value of each property as set out in the Council's municipal valuation role. Differentiation between categories of properties, as provided for in Section 8 of the Property Rates Act and used in the valuation role, must be considered;

- 10.1.10. Proof of the consent of the majority of the members of the local community as per paragraph 5.5 of this Policy, in the proposed special rating area who will be liable for paying the additional rate;
- 10.1.11. Proof of the notice of the public meeting or meetings contemplated in the By-Law;
- 10.1.12. Minutes of the public meeting or meetings; and
- 10.1.13. Compilation date.

10.2 **Implementation Plan**

The Implementation Plan is a schedule of goals to implement improvements or upgrades as per the motivation report and must at least address the following:

- 10.2.1 Milestones;
- 10.2.2 Tasks per milestone;
- 10.2.3 Start and finish date per task;
- 10.2.4 Assign responsibility per goal, milestone & task; and
- 10.2.5 Performance indicators per milestone.

10.3 **Budget Plan**

The Budget Plan for the proposed improvements or upgrades must at least address the following:

- 10.3.1 a budget line item should be set for each milestone or task and grouped in such a way that there is a clear indication how the Implementation Plan is financially structured;
- 10.3.2 an annual budget per line item commencing on 01 July of the first year and end on 30 June of the last year of the term; and
- 10.3.3 a budget split for the provision of improvements or upgrades between the different categories of properties.

11. **ANNUAL REQUIREMENTS**

- 11.1 Confirm property data base (Register of members in the special rating area);

- 11.2 Submit an audited financial Statement and Trail Balance as approved/accepted at a SGM called for that purpose and
- 11.3 Submit an annual budget and an Implementation Plan as approved at the Annual General Meeting (AGM) by 31 January (refer paragraph 14.2 of this Policy).

12. AMENDMENT AND/OR EXTENSION OF TERM

In the event that a special rating area seeks to extend the term over which it will operate or amend the goals as per its Implementation Plan, then the procedures set out in Chapter 3 of the By-Law must be followed and submitted by the end of October.

13. DISSOLUTION

The special rating area may be dissolved by resolution of the Council, subject to the provision of section 16 of the By-Law.

14. FINANCIAL CONTROL

- 14.1 As stated in the By-Law, the amount of any additional rate levied in a special rating area is determined by the Council. The additional rate is imposed by the Council, is debt owing to Stellenbosch Municipality and is payable and collected in the same manner as other property rates imposed by the Council.
- 14.2 The management structure must recommend the annual budget amount of the additional rate to the Stellenbosch Municipality by 31 January, with appropriate motivation including an Implementation Plan and a Budget Plan for the next financial year, and the Council will consider the recommendation during its budgeting process.
- 14.3 Before Stellenbosch Municipality will pay over any additional rate collected to the management structure, the management structure and Stellenbosch Municipality must have concluded a written finance agreement regulating, amongst other things;
- (a) the mechanisms and manner of payment;
 - (b) how the additional rate is to be held by the management structure;
 - (c) any parameters relating to expenditure; and
 - (d) any obligations on the management structure to take out and maintain appropriate insurance.

14.4 The financial year of the Municipality shall be deterministic and shall be applied to the Budget plan and all financial transactions.

15. COMMENCEMENT AND IMPLEMENTATION

15.1 Implementation of this Policy will commence on 01 July 2017.

15.2 Where Stellenbosch Municipality is legally empowered to do so, requirements set out in this Policy may be imposed as conditions attached to the determination of a special rating area.

15.3 This Policy and its implementation will be reviewed annually.

16. COST

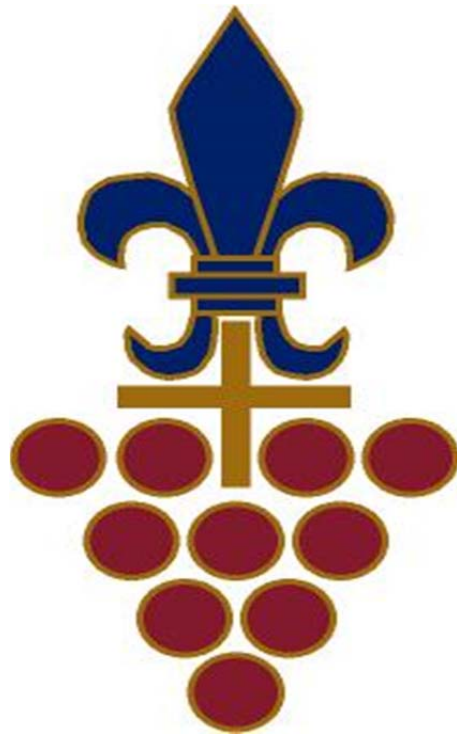
Stellenbosch Municipality shall not be liable for any costs incurred by ratepayers within the relevant proposed special rating area in respect of the implementation of the steps set out in this Policy and in the By-Law.

17. SHORT TITLE

This policy is the Special Rating Areas Policy of the Stellenbosch Municipality.

APPENDIX 16

STELLENBOSCH MUNICIPALITY



**DEVELOPMENT CHARGES
POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

DEVELOPMENT CHARGES POLICY

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1. DEFINITIONS

In this policy, unless the context indicates otherwise -

- 1.1 **'applicant'** means a person who makes a land development application;
- 1.2 **'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 Master Plan;
- 1.3 **'By-Law'** means the Stellenbosch Municipality: Land Use Planning By-Law published in the Western Cape Provincial Gazette Extraordinary of 20 October 2015;
- 1.4 **'capacity'** means the extent of availability of a municipal infrastructure service, based on the capital infrastructure asset or combination of capital infrastructure assets installed for provision of such municipal infrastructure services;
- 1.5 **'capital infrastructure asset'** means a capital asset which is required for provision of a municipal infrastructure service, limited to immovable assets and insofar as movable assets are concerned, specialised vehicles, used for waste collection and disposal only;
- 1.6 **'developer'** means an applicant for land development whose land development application is approved, in whole or in part, by the Municipality or the Municipal Planning Tribunal or municipal official authorised to determine land development applications;
- 1.7 **'development charge'** 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 Municipality's expenditure on capital investment in municipal infrastructure services;
- 1.8 **'engineering services installation agreement'** means an agreement concluded between the Municipality and a developer, recording their detailed and specific respective rights and obligations regarding the provision and installation of the external engineering services required for an approved land development, and regarding the associated development charge;
- 1.9 **'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, provided that in circumstances where the characteristics of a specific area or the design of the relevant engineering service so requires, such services can be located within the boundaries of a land area;
- 1.10 **'impact zone'** means a zone within which the capital infrastructure assets or system of capital infrastructure assets required to provide bulk services to an approved land development are located (see Annexure A as far as civil bulk services are concerned);
- 1.11 **'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;

- 1.12 **‘land development’** means the erection of buildings or structures on land, or the change of use of land, including township establishment, the subdivision or consolidation of land or any deviation from the land use or uses permitted in terms of an applicable land use scheme;
- 1.13 **‘land development application’** means an application for land development submitted with the Municipality or referred to the Municipal Planning Tribunal or other decision-making body for approval, in accordance with applicable national or provincial legislation, including the National Building Regulations and Building Standards Act 103 of 1977 (including any regulations promulgated thereunder), the SPLUMA, the LUPA and the By-Law;
- 1.14 **‘land use’** means the purpose for which land is or may be used lawfully in terms of a land use scheme, existing scheme or in terms of any other authorisation, permit or consent issued by a competent authority, and includes any conditions related to such land use purposes;
- 1.15 **‘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;
- 1.16 **‘LUPA’** means the Western Cape Land Use Planning Act, 2014, Act. 3 of 2014 (PN 99/2014 of 7 April 2014);
- 1.17 **‘Municipality’** means the Stellenbosch Municipality (WCO24) established in terms of Provincial Notice 489 of 22 September 2000 in terms of the Local Government: Municipal Structures Act, 117 of 1998, and includes all political structures or office bearers and municipal staff members to whom authority has been delegated to take decisions in terms of the Municipality’s delegation system;
- 1.18 **‘municipal infrastructure service’** means any of the following municipal services:
- 1.20.1 potable water;
 - 1.20.2 sewerage and wastewater treatment;
 - 1.20.3 electricity distribution
 - 1.20.4 municipal roads;
 - 1.20.5 street lighting
 - 1.20.6 storm water management;
 - 1.20.7 solid waste disposal;
 - 1.20.8 public transport, including non-motorised transport;
 - 1.20.9 social infrastructure services;
- 1.19 **‘Municipal Planning Tribunal’** means a Municipal Planning Tribunal referred to in Chapter 6 of SPLUMA;
- 1.20 **‘Social Infrastructure services’** means community services provided in terms of the functions which are the responsibility of the Municipality in terms of the Constitution, which includes, but is not limited to:
- 2.2.1 Early Childhood Development Centres;
 - 2.2.2 Public Open Spaces, parks, sports fields;
 - 2.2.3 Fire Fighting and Emergency Services;
 - 2.2.4 Local Tourism;
 - 2.2.5 Cemeteries;
 - 2.2.6 Burial of animals;

- 2.2.7 Noise pollution; and
 - 2.2.8 Municipal health services;
- 1.21 ‘**SPLUMA**’ means the Spatial Planning and Land Use Planning Act, 16 of 2013;
- 1.22 ‘**Systems Act**’ means the Local Government: Municipal Systems Act, 2000, Act 32 of 2000).

2. INTRODUCTION

- 2.1 In terms of Section 152 of the Constitution, the objects of local government include the provision of services to communities in a sustainable manner and the promotion of social and economic development.¹ Chapter 8 of the Systems Act provides for the general duty of the Municipality to provide municipal services and the manner in which such services are to be provided.²
- 2.2 Social and economic development has a positive impact on the Municipality’s finances as it increases revenue from property rates, fees, service charges and tariffs by expanding the base of ratepayers. However, development associated with this economic growth has an impact on the demand for municipal infrastructure services as well as social infrastructure services such as clinics, schools and other public amenities. Therefore, infrastructure is needed to support sustainable social and economic development in Stellenbosch. Without infrastructure, both public and private sector investment in Stellenbosch will slow down. The cost to the Municipality for providing this infrastructure is high. Funding to cover these costs is obtained from three sources:
- 2.2.1 Grants are provided by national or provincial government and are generally targeted towards social infrastructure, particularly in support of low-income housing development.
 - 2.2.2 Loans are converted into tariffs and are recovered by user fees paid by all consumers to the Municipality.
 - 2.2.3 Development charges are a more targeted and more equitable way of ensuring that the main beneficiaries of infrastructure make an appropriate and fair contribution to that cost, without unduly burdening the Municipality’s ratepayers. Development Charges are the most important form of capital contribution raised by the Municipality to pay for infrastructure.
- 2.3 The general duty of the Municipality to provide municipal services is inter alia provided for in terms of Section 73(2) of the Systems Act, which section provides as follows:
- “(2) *Municipal services must—*
- (a) *be equitable and accessible;*
 - (b) *be provided in a manner that is conducive to—*

¹ Section 152(1)(b) and (c).

² Section 73(1).

- (i) *the prudent, economic, efficient and effective use of available resources; and*
- (ii) *the improvement of standards of quality over time;*
- (c) *be financially sustainable;*
- (d) *be environmentally sustainable; and*
- (e) *be regularly reviewed with a view to upgrading, extension and improvement.”*

2.4 The goal of this policy includes the following:

- 2.2.1 Striving to make Stellenbosch the preferred town for investment and business, where investment inflows and new enterprise translate into jobs and prosperity.
- 2.2.2 Establishing the greenest municipality which will not only make Stellenbosch attractive for visitors and tourists, but will also provide a desirable environment for new businesses and appropriate industries.
- 2.2.3 Ensuring a dignified living for all Stellenbosch citizens, who feel that they own their town, take pride in it and have a sense of self-worth and belonging.
- 2.2.4 Creating a safer Stellenbosch, where civic pride and responsibility supplant crime and destructive behaviour.

3. OBJECTIVES

- 3.1 The objectives of this policy are to provide a sustainable and equitable framework for the financing of capital infrastructure assets and to ensure that:
 - 3.1.1 The Municipality is able to provide capital infrastructure assets in a timely and sufficient manner to support land development;
 - 3.1.2 Development charges complement other sources of capital finance available to the Municipality and are not utilised as a general revenue source;
 - 3.1.3 Development charges are managed in a predictable, fair and transparent manner; and
 - 3.1.4 Unnecessary litigation in the administration of development charges is minimised.

4. PRINCIPLES OF THE POLICY

- 4.1 Four key principles underlie the system of development charges. These are:

- 4.1.1 **Equity and Fairness:** Development charges should be reasonable, balanced and practical so as to be equitable to all stakeholders. The key function of a system of development charges is to ensure that those who benefit from new infrastructure investment, or who cause off-site impacts, pay their fair share of the associated costs.

This implies that:

- 4.1.1.1 The Municipality should recover from applicants a contribution that is as close as possible to be full and actual costs of the capital infrastructure assets that are needed to mitigate the impacts of land development and to provide services to new land developments;
 - 4.1.1.2 Development charges are levied to recover the infrastructure costs incurred or to be incurred due to land development, and are thus not a form of taxation;
 - 4.1.1.3 Costs which should be covered by development charges can be determined both in relation to the value of pre-installed capital infrastructure assets resulting from historical investments, and the provision of new capital infrastructure assets to meet new capacity requirements; and
 - 4.1.1.4 Development charges are not an additional revenue source to be used to deal with historical backlogs in provision of services, such as backlogs that exist in some historically disadvantaged areas.
- 4.1.2 **Predictability:** Development charges should be a predictable, legally certain and reliable source of revenue to the Municipality for providing external engineering services, and should be clearly and transparently accounted for. In order to promote predictability in municipal finance systems the costs associated with municipal capital infrastructure assets provided expressly to benefit poor households should be established before subsidies are applied in a transparent manner to fund the liability.
- 4.1.3 **Spatial and Economic Neutrality:** The primary role of a system of development charges is to ensure the timely, sustainable financing of required capital infrastructure assets.

This implies that:

- 4.1.3.1 Development charges should be determined based on identifiable and measurable costs so as to avoid distortions in the economy and in patterns of spatial development;
- 4.1.3.2 Development charges should not be used as a spatial planning policy instrument;
- 4.1.3.3 Costs recovered should be dedicated only to the purpose for which they were raised; and

4.1.3.4 Development charges should be calculated where possible on a sectoral or geographic scale to more accurately approximate costs within a specific impact zone.

4.1.4 **Administrative ease and uniformity:** The determination, calculation and operation of development charges should be administratively simple and transparent.

5. LEGISLATIVE FRAMEWORK

Development Charges are an integral part of the broader legal framework for urban land development and municipal finance. This legal framework has undergone substantial changes at national, provincial and municipal levels with the introduction of the SPLUMA, LUPA and the By-Law.

5.1 Policy context

This policy is consistent with the Final Draft Policy for Municipal Development Charges (Version 10) issued by the National Treasury on 15 December 2015 and which reflects a broadly shared understanding of the role, purpose and legal nature of Development Charges across the country.

5.2 Applicable legislation

The Systems Act

5.2.1 The general power of the Municipality to recover charges is provided for in Section 75A. In terms of Section 75A(2) charges are levied by the Municipality by resolution passed by the Municipal Council with a supporting vote of a majority of its members.

5.2.2 All development charges levied in terms of the general power of the Municipality, as envisaged in terms of Section 75A, will be levied in terms of a Council's Resolution by virtue of which this policy is approved.

5.2.3 When the development charges are determined pursuant to a Council's Resolution envisaged in terms of Section 75A(2), regard must at least be had to the factors provided for in Section 40(3), (4) and (5) of the LUPA read with the changes required by the context. See **Paragraph 5.2.7** below.

LUPA

5.2.4 The LUPA came into force on 1 December 2015 pursuant to Proclamation No 30 of 2015 (Western Cape).

5.2.5 In terms of Section 40(2) the Municipality may, when it approves a land use application³ subject to conditions, impose reasonable conditions which arise from the approval relating to the provision of engineering services and infrastructure and the cession of land or the payment of

³ A land use application is defined in LUPA as an 'application to a municipality contemplated in Chapter IV'.

money.⁴ The aforementioned type of conditions may require a proportional contribution to municipal public expenditure according to the normal need therefore arising from the approval, as determined by the Municipality.

5.2.6 Municipal public expenditure is provided for in Section 40(4) as follows:

“40(4) Municipal public expenditure contemplated in subsection (3) includes, but is not limited to, municipal public expenditure for municipal service infrastructure and amenities relating to—

- (a) community facilities, including play equipment, street furniture, crèches, clinics, sports fields, indoor sports facilities or community halls;*
- (b) conservation purposes;*
- (c) energy conservation;*
- (d) climate change; or*
- (e) engineering services.”*

5.2.7 Section 40(5) provides as follows:

“40(5) When determining the contribution contemplated in subsections (3) and (4), a municipality must have regard to at least—

- (a) the municipal service infrastructure and amenities for the land concerned that are needed for the approved land use;*
- (b) the public expenditure on that infrastructure and those amenities incurred in the past and that facilitates the approved land use;*
- (c) the public expenditure on that infrastructure and those amenities that may arise from the approved land use;*
- (d) money in respect of contributions contemplated in subsection paid in the past by the owner of the land concerned; and*
- (e) money in respect of contributions contemplated in subsection (3) to be paid in the future by the owner of the land concerned.”⁵*

SPLUMA

5.2.8 In terms of Section 49, an applicant is responsible for the provision and installation of internal engineering services and the Municipality is responsible for the provision of external engineering services.

5.2.9 Section 49(4) and (5) provides as follows:

⁴ See Section 40(2)(a) and (b).

⁵ Section 83(7) of the By-Law contains a similar provision.

- “40(4) An applicant may, in agreement with the municipality or service provider, install any external engineering service instead of payment of the applicable development charges, and the fair and reasonable cost of such external services may be set off against development charges payable.
- (5) If external engineering services are installed by an applicant instead of payment of development charges, the provision of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), pertaining to procurement and the appointment of contractors on behalf of the municipality does not apply.”

Stellenbosch Municipality : Land Use Planning By-Law

- 5.2.10 In terms of Section 83(1) of the By-Law, an applicant (as defined in Section 1 of the By-Law) must pay development charges to the Municipality in respect of the provision and installation of external engineering services. The external engineering services for which development charges are payable must be set out in the policy and be reviewed annually by the Municipality. The amount of development charges payable by such applicant must be calculated in accordance with a policy adopted by the Municipality.⁶
- 5.2.11 The provision of engineering services is prescribed in detail in Chapter 8 of the By-Law. Specific reference is made to Section 66(4) and (5). National Land Transport Act 5 of 2009
- 5.2.12 Although public transport infrastructure is not typically included as one of the engineering services covered by development charges, this act allows the Municipality to raise a user charge from 'land, buildings or other developments that generate the movement of passengers, including land or buildings of which the State is the owner, in its area', provided that this money goes into the Municipality's 'land transport fund'.

6. OBLIGATION TO IMPOSE A DEVELOPMENT CHARGE

- 6.1 When the Municipality approves a land development application (as defined in this policy) which will or may result in intensified land use with an increased demand for such municipal infrastructure services, the Municipality must levy a development charge proportional to the municipal public expenditure according to the normal need arising from such approval. The instances when development charges will be levied will include:
 - 6.1.1 When the Municipality approves an application in terms of Section 15(2) of the By-Law and imposes conditions in terms of Section 66 thereof relating to the provision of engineering services and infrastructure and the cession of land or the payment of money;

⁶ See Chapter VIII of the By-Law.

- 6.1.2 The approval of building plans in terms of the National Building Regulations and Building Standards Act 103 of 1977.
- 6.2 A development charge will be determined by the Municipality in terms of and on the basis of the applicable statutory provisions referred to in **Paragraph 5.2** above read with this policy.
- 6.3 A developer must pay to the Municipality the full amount of the applicable development charge prior to the exercise of any rights to use, develop or improve the land arising from the approval of a land development application, unless in the case of a phased land development –
 - 6.3.1 The Municipality authorises phased payments in the land development approval conditions, to take into account the timing of the proposed phases of the land development; and
 - 6.3.2 The developer provides a written guarantee from a registered financial institution, in an amount and subject to terms and conditions agreed in writing by the Municipality.
- 6.4 When approving a land development application, the Municipality must stipulate at least the following matters relating to the development charge –
 - 6.4.1 The total amount of the development charge, including its component charges as contemplated in **Paragraph 8**;
 - 6.4.2 The dates on which the payment or payments must be made and the amount of such payments;
 - 6.4.3 Whether the Municipality requires the developer to install the required link services, as contemplated in **Paragraph 10**;
 - 6.4.4 Whether the Municipality and the developer have agreed that the developer will install any bulk services, as contemplated in **Paragraph 10**; and
 - 6.4.5 Where the developer is to install link services and/or bulk services instead of the payment of some portion or all of a development charge –
 - 6.4.5.1 The nature and extent of the link services and/or bulk services to be installed by the developer;
 - 6.4.5.2 The timing of commencement and completion of the link services and/or bulk services to be installed by the developer;
 - 6.4.5.3 The amount of the developer's fair and reasonable costs of installation, or the process for determining that amount, including the process, after installation, for making any adjustments to an amount specified as determined by the Municipality; and
 - 6.4.5.4 The engineering and other standards to which the installed external engineering services must conform.

- 6.5 The Municipality and a developer may, and in the circumstances provided for in **Paragraph 10** must, conclude an engineering services installation agreement to give detailed effect on the arrangements contemplated in this **Paragraph 6**, provided that an engineering services installation agreement may not permit any intensification of land use beyond that which was approved.
- 6.6 The impact zones with reference to which the Municipality will calculate development charges in respect of civil services, are those indicated on **Annexure A** hereto.
- 6.7 The development charges calculated in terms of **Annexure A** exclude development charges for electricity consumption and infrastructure as provision relating thereto shall be described in a separate policy, conditions of approval or resolution/s of Council.

7. PURPOSE OF DEVELOPMENT CHARGES

- 7.1 Money collected by the Municipality in respect of development charges must be used for purposes of funding or acquiring capital infrastructure assets in a timely and sufficient manner to support current and projected future land development in the area of jurisdiction of the Municipality, and where calculated with reference to a particular impact zone, must be used for capital infrastructures assets in that impact zone.
- 7.2 Development charges are not a general revenue source and money collected in respect of development charges may not be used to fund the operating or maintenance costs incurred by the Municipality in respect of municipal infrastructure services.

8. CALCULATION OF DEVELOPMENT CHARGES

- 8.1 Subject to the provisions of this policy, a development charge shall be calculated with reference to the estimated increased load placed on the external engineering services networks that results from the development in a specific impact zone.
- 8.2 The capital cost of internal engineering services is for the account of the developer.
- 8.3 The development charge shall be calculated in two parts: a *pro rata* estimate based on the project's impact on bulk services (in terms of **Annexure A**); and the actual costs of link services, where they are required. The overall development charge liability is the sum of these two parts.
- 8.4 The purpose of introducing the distinction between bulk services and link services is that the extent of link services is often unknown in advance and is highly variable between developments. Certain developments may require no link services as they are located on bulk networks, while peripheral '*leapfrog*' developments may require substantial amounts of infrastructure to link them to the existing or planned bulk services networks. In order to recover the true costs of development that takes place outside of the planned infrastructure networks, and to maximise on the

availability of existing infrastructure, developers are to pay for link services in addition to the bulk services component.

- 8.5 Where the implementation of an approved land development will entail the installation of bulk services and link services, the Municipality must calculate the amount of a development charge separately for each of the bulk services and link services components, on the basis that there is no duplication of costs for the two components of external engineering services but that the total amount of the development charge reflects the aggregate amounts for bulk services and link services.
- 8.6 Where the implementation of an approved land development will not necessitate the provision of link services, no development charge will be imposed in respect of link services. In the event that the implementation of an approved land development requires the provision of link services and the Municipality in its entire discretion provides and installs these link services, the developer shall remain liable for the full costs thereof.
- 8.7 Subject to **Paragraph 6.2** above and for purposes of calculation of the bulk services component of a development charge, the Municipality must –
- 8.7.1 Determine a unit cost for each municipal infrastructure service, which unit cost must include all land cost, professional fees, materials, labour and reasonable costs of construction, but must exclude the value of any debts incurred by the Municipality for purposes of funding existing capital infrastructure assets, to the extent that such debt has not been repaid by the Municipality;
- 8.7.2 Apply a formula, which formula will –
- 8.7.2.1 Be aimed at determining the impact of the proposed land use on municipal infrastructure services, taking into account current and planned capacity, relative to the impact of the land use occurring at the date of approval of the land development application; and
- 8.7.2.2 Calculate the amount payable by multiplying the unit cost referred to in **Paragraph 8.7.2.1**, by the estimated proportion of the municipal infrastructure services, including current and planned capacity, that will be utilised by the proposed land development.
- 8.8 The basis upon which development charges will be determined, as envisaged in **Paragraph 8.7**, will be as recorded in the report of iCE Tygerberg Consulting Engineers, which report is incorporated into this policy with reference thereto and attached hereto as **Annexure A**. The aforementioned report does not provide for the calculation of development charges in respect of all components of municipal infrastructure services. Development charges in respect of any component of municipal infrastructure services not provided for in **Annexure A**, will be determined and calculated in terms of a separate policy, conditions of approval or Council's Resolution/s.
- 8.9 For purposes of calculation of the link services component of a development charge, if any, the Municipality will use the actual costs of installation of the required link services, as the basis for determining the amount payable.

- 8.10 The Municipality must adjust the unit cost for each municipal infrastructure service on an annual basis during the budget preparation process referred to in Section 21 of the Local Government: Municipal Finance Management Act 56 of 2003, to take account of inflationary impacts and must publish the adjusted unit costs within two months of approving the municipal budget. The Municipality will use the Contract Price Adjustment Factor to determine the annual effect of inflation.
- 8.11 The Municipality must re-calculate the unit cost for each municipal infrastructure service at least once every five years or within such longer period as is approved in advance by the Council of the Municipality, to take into account the current and planned capacity for each municipal infrastructure service at the date of re-calculation, and any other relevant factors.

9. ACTUAL COSTS

- 9.1 Notwithstanding the provisions of **Paragraph 8.7**, the Municipality may at its own instance or on request by a developer, increase or reduce the amount of the bulk services component of a development charge so as to reflect the actual cost of installation of the required bulk services, where:
- 9.1.1 Exceptional circumstances, as determined by the Council, justify such an increase or reduction; or
- 9.1.2 a particular land development exceeds the size or impact thresholds set out in the applicable Municipal Development Charges By-Law or as determined by Council from time to time.
- 9.2 Where the Municipality adjusts the amount of the bulk services component of a development charge on the basis of actual costs in terms of this section
- 9.2.1 the developer is responsible for the costs of performing the calculation of such adjustment, which must be carried out by a registered professional civil engineer appointed by the developer with appropriate experience and expertise having regard to the nature and extent of the proposed land use; and
- 9.2.2 the actual cost must include, where applicable and without limitation, land costs, professional fees, materials, labour, the reasonable costs of construction and any tax liabilities: provided that all such costs would otherwise have been borne by the municipality, in the provision and installation of the bulk services concerned.

10. INSTALLATION OF EXTERNAL ENGINEERING SERVICES INSTEAD OF THE PAYMENT OF DEVELOPMENT CHARGES.

- 10.1 The Municipality may agree with a developer that the developer installs all or part of the external engineering services required for an approved land development instead of the payment of the applicable development charge. Provided that the

Municipality may require, in its Development Charges By-Law, that all developers must install the required link services, if any, instead of the payment of that component of the development charge.

- 10.2 Where a developer installs external engineering services to the technical standards required by the Municipality, as reflected in the applicable conditions of approval of the land development application or as agreed with the Municipality in writing, the developer may set off the fair and reasonable cost of such installation, as determined by the Municipality, against the applicable development charges.
- 10.3 Any capital infrastructure assets forming part of an external engineering service installed by a developer instead of payment of any part of a development charge shall, upon installation, become the property of the Municipality, and-
 - 10.3.1 the developer shall bear the responsibility of ensuring that ownership or other relevant rights to the affected capital infrastructure assets is or are transferred to the Municipality;
 - 10.3.2 the Municipality must include the applicable capital infrastructure asset gain in its next adjustments budget, in accordance with regulations relating to asset gains, made in terms of the Local Government: Municipal Finance Management Act 56 of 2003.
- 10.4 The Municipality may require that a developer installs external engineering services to accommodate a greater capacity than that which would be required for the proposed land use alone in accordance with any master plan approved by the Municipality, in order to support planned future development in the vicinity of the approved land development. Where the total fair and reasonable cost of installation of such required external engineering services exceeds the development charge payable by the developer, the Municipality may reimburse the developer the amount in excess of the development charge, in accordance with a written agreed payment schedule, provided that such infrastructure has been provided for in accordance with an approved master planning programme for such service and which has been approved as a capital project in terms of the budget of the Municipality.
- 10.5 When a developer installs external engineering services instead of payment of a development charge, he or she must adopt the most cost-effective and efficient approach to meet the Municipality's technical standards. When a developer installs external engineering services on behalf of the Municipality, the developer shall be obliged to comply with Chapter 11 of the Local Government: Municipal Finance Management Act, 56 of 2003 as far as the procurement of goods and services is concerned.

11. NON-PROVISION BY THE MUNICIPALITY.

- 11.1 Where the Municipality has agreed to install the required external engineering services and fails to do so within a period of twelve months from the date for completion stipulated in such agreement, the Municipality must return the development charge paid by the developer, to the developer, with interest charged at the applicable rate for debts owed to the state.

- 11.2 Notwithstanding the provisions of **Paragraph 11.1**, the Municipality and the developer may agree to:
- 11.2.1 an extension of the time period for the installation of the required external engineering services by the Municipality: provided that such extended time period may not exceed twenty-four months and provided further that where the Municipality completes the installation within such extended time period, it has no obligation to return the development charge paid by the developer, to the developer; or
 - 11.2.2 an engineering services installation agreement, or revised engineering services installation agreement, in terms of which the developer agrees to install the required external engineering services in whole or in part and, where agreeing to install in part, the time period within which the municipality will install those external engineering services for which it remains responsible: provided that the extended time period for installation by the Municipality may not exceed twenty-four months and provided further that where the Municipality completes its portion of the installation within such extended time period, it has no obligation to return that portion of the development charge paid by the developer which pertains to the external engineering services installed by the Municipality, to the developer.

12. WITHHOLDING CLEARANCES AND APPROVALS.

- 12.1 The Municipality shall be entitled to withhold any consent, clearance or approval in respect of a land development in the event where development charges owed by the developer remain unpaid or the developer fails to install external engineering services in accordance with an engineering services installation agreement entered into with the Municipality.
- 12.2 The Municipality shall not be obliged to allow any internal or link services to be connected to the bulk services of the Municipality until all development charges have been paid by a developer.

13. EXEMPTIONS

- 13.1 The Municipality may only exempt a developer from the payment in full or in part of a development charge where it does so in accordance with a development charges exemption policy approved by the Municipal Council.
- 13.2 A development charges exemption policy referred to in **Paragraph 13.1** –
 - 13.2.1 may permit the Municipal Council to approve individual exemptions from the obligation to pay a development charge, for developers or land development applications falling within one or more categories as specified in the policy;

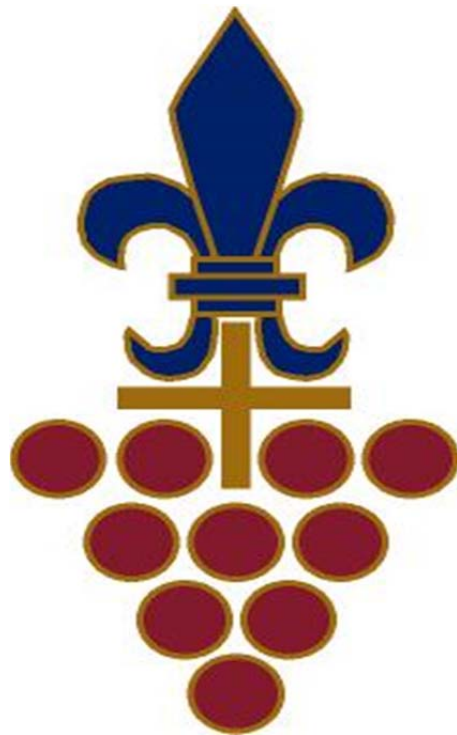
- 13.2.2 must include a mechanism to ensure that the revenue to be forgone as a result of any exemption approved by the Municipal Council is reflected in the Municipality's budget; and
- 13.2.3 must provide for budgetary provision for the realisation of the revenue forgone to be made, from another realistically available source of revenue.
- 13.3 The Municipal Council may not delegate the power to approve the development charges exemption policy or an individual exemption from the obligation to pay a development charge, to an official, a Municipal Planning Tribunal or any other person or body.
- 13.4 Before the Municipality grants an individual exemption in terms of this **Paragraph 13** and in accordance with the Municipality's Development Charges Exemptions Policy, it must:
 - 13.4.1 calculate the applicable development charge as if it were payable; and
 - 13.4.2 ensure that the monetary value of the exemption, together with the amount of any other payment or payments received by the Municipality towards the capital costs of external engineering services for an approved land development, is at least equal to the development charge calculated in accordance with **Paragraph 13.4.1**.

ANNEXURES

1. Annexure A : Development Charges Calculation Report

APPENDIX 17

STELLENBOSCH MUNICIPALITY



VIREMENT POLICY

2017/2018



STELLENBOSCH MUNICIPALITY

VIREMENT POLICY

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1. Preamble

Cognisance taken of the need that may arise to transfer within approved votes due to the change in circumstances and priorities.

2. Definitions

"Approved budget," means an annual budget-

- a) approved by a municipal council, or
- b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA;

"Budget transfer" means transfer of funding within a vote subject to limitations.

"Capital budget" means a financial plan catering for large and long-term sums for investment in property, plant and machinery, over a period greater than the period considered under an operating budget.

"Chief Financial Officer" means a person designated in terms of section 80(2) (a) of the MFMA;

"Delegation", in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

"Financial year" means a twelve months period commencing on 1 July and ending on 30 June each year

"Municipal council" or "council" means the council of a municipality referred to in section 18 of the Municipal Structures Act;

"Municipality"-

- a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
- b) when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

"Official", means-

- a) an employee of a municipality or municipal entity;
- b) a person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
- c) a person contracted by a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity otherwise than as an employee;

"Operating budget" An operating budget is the annual budget of an activity stated in terms of Budget Classification Code, functional/sub-functional categories and cost accounts. It contains estimates of the total value of resources required for the performance of the operations in terms of revenue and expenditure including reimbursable work or services for others;

"Overspending"-

- a) means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
- b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
- c) in relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;

"Virement" refer to the definition of budget transfer

"Vote" means-

- a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the
- b) municipality; and
- c) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

3. Legislative Framework

Paragraph 4.6 of Circular 51 of the MFMA states that:

“The MFMA and the Municipal Budget and Reporting Regulations seek to move municipalities away from the traditional approach of appropriating/approving budgets by line item. The aim is to give the heads of municipal departments and programmes greater flexibility in managing their budgets. To further facilitate this, each municipality must put in place a council approved virements policy, which should provide clear guidance to managers of when they may shift funds between items, projects, programmes and votes.”

4. Objective of Policy

This policy shall give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the Approved budget.

The policy sets out the virement principles and processes which Stellenbosch Municipality will follow during a financial year.

These virements will represent a flexible mechanism to effect budgetary amendments within a municipal financial year.

The policy shall apply to all staff and councillors of the Stellenbosch Municipality that are involved in budget implementation.

5. Virement Clarification

Virement is the process of transferring budgeted funds from one line item number to another, with the recommendation of the relevant Director to the CFO or delegated finance official, to enable the Budget Office to effect the adjustments.

6. Virement Procedure

- a) All virement proposals must be completed on the appropriate documentation and forwarded to the relevant Finance Officer for checking and implementation. (See annexure 1 and 2)

- b) All virements must be signed and supported by the relevant Director of the directorate within which the vote is allocated. (Section 79 MFMA)
- c) Projected cash flows in the SDBIP should be adjusted in line with the virement.
- d) Relevant corroborating documentation must be attached on the virement form to support the transfer.
- e) All documentation must be in order and approved before any expenditure can be committed and incurred.
- f) All virementations must be motivated and need to be approved by the CFO or a delegated official after the Director of the department has recommended said transfer. The latter requires that such application reaches the office of the CFO prior to incurring expenditure.
- g) No virements after the closing of orders as stipulated in the financial protocol and/or formally communicated in line with the financial year-end preparation will be considered unless in an absolute emergency that could reasonably not have been foreseen.

7. Virement Restrictions

- a) Virements are not permitted in relation to the revenue side of the budget.
- b) No virements of funds across votes (directorates) will be accommodated during the year; unless within the adjustments budget.
- c) Virements from the capital budget to the operating budget are not permitted.
- d) Virements will not result in adding 'new' projects to the Capital Budget.
- e) Virements of conditional grant funds to purposes outside of that specified in the relevant conditional grant framework will not be permitted.

f) The budget savings from the following line items (necessary adjustments) may only be considered and transferred by the CFO:

- (i) Salaries and allowances
- (ii) Depreciation
- (iii) Finance Charges (Interest on Loan)
- (iv) Appropriations
- (v) Contributions to Funds
- (vi) Administration Cost
- (vii) Municipal Services Consumption (Water, Electricity, Refuse and Sewerage)
- (viii) Internal charges
- (ix) Bulk Purchases (Water and Electricity)
- (x) Agency Fees
- (xi) Grants and subsidies paid

g) An approved virement does not give expenditure authority outside of what is allowed by Council's Supply Chain Management Policy.

8. General Principle

Virements will only be approved if they facilitate and promote sound risk and financial management.

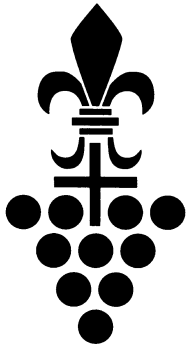
9. Accountability

a) Accountability to ensure that the virement application forms are completed in accordance with Council's virement policy and are not in conflict with the directorate's strategic objectives manifests with the head of the relevant directorate.

10. Annexures

Annexure 1: Virement Form (Capital and Operating)

Annexure 2: Supporting document to Ward Allocation virement request.



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BUDGET VIREMENTATION FORM

TO: FINANCIAL SERVICES

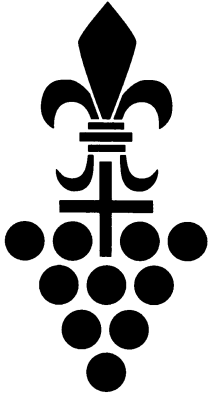
FROM:

DATE:

The following transfers are requested, as per motivation provided.

From Vote Number:	Amount
Vote Description:	
To Vote Number:	Amount
Vote Description:	

- 1. Why are additional funds requested ?**
- 2. Is it part of the legislative mandate of the municipality?**
Yes/ No
- 3. Which measures will be implemented to ensure expenditure are managed within the approved budget?**
- 4. Where funds would be transferred from?**
- 5. Reasons why funds are not needed from the transferring vote?**



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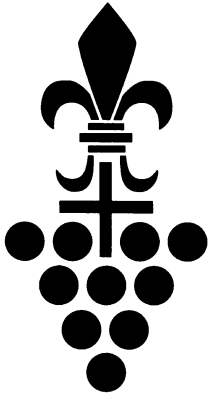
Requested by

Name :

Designation :

Telephone Number :

Supported:



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FOR OFFICAL USE

BUDGET OFFICE

FUNDS AVAILABLE ON VOTES : YES / NO

CASHFLOW ATTACHED : YES / NO

VERIFIED BY : NAME: _____

SIGNATURE: _____

DATE: _____

APPROVAL

APPROVED BY CHIEF FINANCIAL OFFICER/ : _____
DELEGATED OFFICIAL

DATE : _____

PROCESSED BY : NAME: _____

SIGNATURE: _____

DATE: _____



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WARD ALLOCATIONS
Supporting document to Virement Request

Ward: Amount: Fin Year:

Transferring Vote:

Receiving Vote:

Job number:

Job number:

Project Description:

Project Description:

Approved: Project Manager (Transferring)

Approved by the Ward Councillor:

Name:

Name:

Signature:

Signature:

Approved: Project Manager (Receiving)

Approval by the CFO/Manager: Budget Office

Name:

Name:

Signature:

Signature:

Budget Office Use only

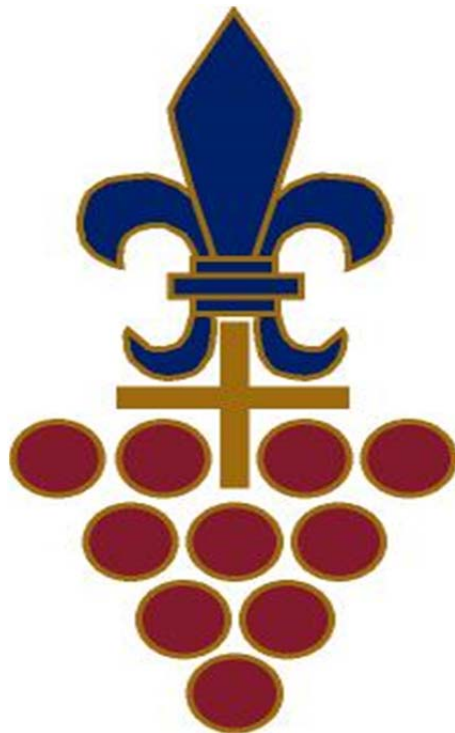
Processed by:

Signature:

Date:

APPENDIX 18

STELLENBOSCH MUNICIPALITY



**CASH MANAGEMENT AND
INVESTMENT POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

CASH MANAGEMENT AND INVESTMENTS POLICY

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PREAMBLE

Whereas section 13 of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) determines that a municipality must introduce an appropriate and effective cash management and investment arrangement;

and whereas a bank, in accordance with the provisions of section 13 of the Act, has to disclose details regarding a municipalities' investments;

and whereas councilors and officials, as trustees of public funds have an obligation to ensure that cash resources are managed as effectively, efficiently and economically as possible;

now therefore the Stellenbosch Municipality adopt the cash and investment management policy set out in this document.

1. LEGAL FRAMEWORK

- a) Legislation – local government: Municipal Finance Management Act 56 of 2003 (As amended)
- b) Treasury regulations in terms of Section 13(1) of the Act (As amended)

In this policy the Act refers to the MFMA.

2. OBJECTIVES

- a) To maximize returns from authorized investments, consistent with the secondary objective of minimizing risk
- b) To ensure compliance with all legislation governing the investment of funds.
- c) To maintain adequate liquidity to meet cash flow needs
- d) To undertake the investment of funds not immediately required for operational purposes in a prudent financial manner.
- e) To ensure diversification of permitted investment.

3. CASH MANAGEMENT POLICY

3.1 General Policy

It is recognised that from time to time, Council has cash flow surpluses and borrowing requirements due to daily receipts and payments.

Council maintains a daily cash position summary and a yearly cash flow projection is prepared during the annual planning process and is updated monthly. This determines Council's borrowing requirements and surpluses for investment. Cash invested "outside" the bank account is covered by section 4 of this policy.

3.2 Bank Accounts

Council operates one primary bank account for its day to day operational activity requirements and two secondary accounts specifically for service charges and revenue derived from Fines.

All monies due to Council and due by Council emanating from Council activities must pass through this primary account, therefore secondary accounts are swept daily and all balances are transferred to the primary bank account.

3.2.1 Revenue Management

Revenue Management Section 64 of MFMA clearly states that all moneys received must be promptly deposited in the municipality's primary and other bank account;

- all revenue received by the Municipality, including revenue received by any collecting agent on its behalf, is recorded at least on a weekly basis
- all monies collected by the Municipality on behalf of another organ of state must be transferred to that organ of state at least on a weekly basis.

3.2.2 Cheque Management

Cheques are printed in batch format. To prevent the removing of cheques, cheques are delivered in sealed boxes where strict control is exercised over the numerical sequence of cheques on the expenditure system by means of a cheque register.

3.2.3 Delegation/Rights

The incumbents of the following posts are authorized to sign cheques on behalf of Council

3.2.3.1 Cheques

- A-Signatories: Chief Financial Officer
Manager: Budget Office
Manager: Treasury Office
Head: Expenditure Management
Head: Revenue and Valuations
Head: Supply Chain Management
Head: Budgeting and Costing
Head: Financial Statements, Compliance and Reporting
VAT and Accounting Specialist
- B-Signatories: Chief Accountant: Consumer Accounts and Valuations
Senior Accountant: Cash Management and Credit Control
Senior Accountant: MFMA Reporting and Compliance
Senior Accountant: Financial Statements and Reconciliations
Senior Accountant: Financial Asset Management
Senior Accountant: Expenditure

Each cheque needs to be signed by at least two A-signatories, or one A-signatory and one B signatory.

3.2.3.2 Electronic Funds Transfer (EFT)

- A-Signatories: Chief Financial Officer

Manager: Budget Office
Manager: Treasury Office
Head: Expenditure Management
Head: Revenue and Valuations
Head: Supply Chain Management
Head: Budgeting and Costing
Head: Financial Statements, Compliance and Reporting
VAT and Accounting Specialist

B-Signatories: Chief Accountant: Consumer Accounts and Valuations
Senior Accountant: Cash Management and Credit Control
Senior Accountant: MFMA Reporting and Compliance
Senior Accountant: Financial Statements and Reconciliations
Senior Accountant: Financial Asset Management
Senior Accountant: Expenditure

Each electronic payment needs to be authorized by at least two A-signatories, or one A-signatory and one B signatory.

3.3 Bank Overdraft

3.3.1 Barring the fact that Council has an approved overdraft facility with its primary banker for possible unanticipated short-term cash flow shortfall, its general policy is to avoid going into overdraft.

Short-term debt is incurred based on expected income and must be repaid within the same financial year. (Section 45 of the MFMA)

3.3.2 Any overdrawn bank account at any date must be reported without avail to Council supported by reasons therefore.

3.3.3 Any short term facility that requires review must first be approved by the Accounting Officer.

4. CASH MANAGEMENT PROCEDURES

4.1 Internal Controls

The supervisor and/or Accountant do a monthly audit on the cashier floats, manual receipt books and the compilation of daily cash-up and banking documents.

4.2 Issuing of Receipts

The cashier will only issue an official enumerated receipt when a client pays his/her municipal account in full or partially.

4.3 Cancellation of Receipts

An official enumerated receipt will only be cancelled whilst the client is still at the cash office and only for the following reasons;

- a) cashier made an error
- b) client made an error

The cashier will re-issue a correct receipt and the cancelled receipt will be signed by the incumbent and the supervisor. In cases where the client wants his money back a prescribed official document must be completed and signed by the Client, Cashier and the Supervisor stating the reason(s) for cancelation.

4.4 Cash Balancing

After the end of each shift, the cashier will count the monies received, and do a daily end of day cashier procedure. The supervisor will then re-count the money to ensure that the cashier's daily takings balances with the supervisors end of day totals. If the cashier is short he/she will then pay the monies in immediately, if there is a surplus the cashier will receipt the surplus on the same day.

The cashier will do a final end of day procedure when he/she balances and the supervisor will do a receipting end of day shut-down procedure.

4.5 Deposit Books

Each cashier has an enumerated deposit book, as each pay point has a number. The senior clerk: cashier order books from the bank when needed.

4.6 Other payment methods

4.6.1 Direct Deposits and ACB

Direct deposits can be made into municipal bank account via the Internet or by deposit slip via their bank, using municipal account number as reference. This information is extracted and uploaded on a daily basis from the bank and is then credited against the client's accounts. Accounts are also paid by means of a debit order (ACB) payment.

4.6.2 3rd Party

Payment can be made at any EasyPay pay point. This information is extracted and uploaded on a daily basis from Easy Pay and credited against the client's accounts.

4.6.3 Cheque Deposit (Only Bank Guaranteed cheques will be accepted)

The cashier will issue an official enumerated receipt when a client pays his/her municipal account with a Bank Guaranteed cheque. Bank Guaranteed Cheques that are dropped into cheque deposit box at the municipal office are taken out of the box on a daily basis, receipted by the cashier and the receipt is posted to client on request.

4.6.4 Mailed Bank Guaranteed Cheques

Bank Guaranteed Cheques attached to the municipal account are collected from the post office on a daily basis and is recorded in a register at the Records department, it is then collected by the Supervisor: Cashiers who will write all the Bank Guaranteed cheques up in a register, The supervisor will hand it to the cashier to be receipted and the receipt details will be entered in the register.

4.6.5 Returned Cheques and Debit Orders

If cheques and debit orders are returned marked "Refer to Drawer" the full balance will immediately become payable.

4.6.5.1 That the cost that is payable by the consumer must be equal to the cost that has been approved by Council in all cases where a cheque bears the status of "Refer to Drawer".

4.6.5.2 Bank charges in this regard will be payable by the consumer. In the event of a customer having tendered a "refer to drawer cheque" for the second time, no further cheque will be accepted from him/her, excluding bank guarantee cheques.

4.6.5.3 A cashier must not accept a cheque that was issued by a Consumer in the event the cheque bears the status as a Posted Dated Cheque, Altered Cheque or an Unsigned Cheque. In the event this occurs and notwithstanding the aforementioned provisions, all Bank Charges that would arise and be incurred by Stellenbosch municipality will then be recovered from the said Cashier. The cashier will be required to pay back the Bank costs as approved by Council within 24 hours for recovery of the said amount.

4.6.6 Private Money

No municipal employee is allowed to:

- Use Council's cash funds at any stage to be replaced at a later stage again.
- Use his/her own money as cashier float
- Change an official's cheque for cash
- Safeguard private money amongst Council's cash (e.g. Cashier drawers, petty cash boxes, safes etc.)

5. INVESTMENT POLICY

5.1 General Policy

Generally Council will invest surplus funds with deposit taking institutions registered in terms of the Bank's Act, 1990 (Act 94 of 1990) for terms not exceeding one year in anticipation of cash flow expectations. From time to time, with prior Executive Mayoral Committee approval, investments can exceed 1 [one] year and be made at other institutions/instruments as approved in the National Treasury regulations from time to time.

5.2 Permitted Investments

The Account Officer must ensure that only the following investment types are utilized in terms of sec 6 of the Municipal Investment Regulations (No. R. 308) dated 1 April 2005:

- a) Securities issued by national government.
- b) Listed corporate bonds with an investment grade rating from a recognized credit rating agency.
- c) Deposits with banks registered in terms of the Banks Act (Act 45 of 1984).
- d) Deposits with the Public Investment Commissioners.
- e) Deposits with the Corporation for Public Deposits.
- f) Banker's acceptance certificate or negotiable certificates of deposits of registered banks.
- g) Guaranteed endowment policies with the intention of establishing a sinking fund.
- h) Repurchase agreements with registered banks.
- i) Municipal bonds issued by a municipality.
- j) Any other investment type as identified by the Minister of Finance in consultation with the Financial Services Board.

5.3 Diversification

Council will only make investments, as prescribed by Section 6 of the Municipal Investment Regulations, with approved institutions which have a rating as defined per Appendix A. Not more than 50% of available funds will be placed with a single institution. (Excluding investments made per Executive Mayoral Committee resolution).

5.4 Investment Managers

5.4.1 External Investment Managers

Where the above means a natural person or legal entity that is a portfolio manager registered in terms of the Financial Markets Control Act, 1989 (Act 55 of 1989), and Stock Exchanges Control Act, 1985 (Act 1 of 1985), contracted by a municipality or municipal entity to-

- a) advise it on investments;
- b) manage investments on its behalf; or
- c) advise it on investments and manage investments on its behalf

The external investment manager will be appointed in terms of SCM policy and a service level agreement will govern the functions and responsibility of the service provider. All investments made by the external investment manager on behalf of the Council of Stellenbosch must be made within the ambit of this policy and with National Treasury's investment regulations.

5.4.2 Internal Investment Manager

All investments made by the internal investment manager shall be in accordance with section 5.4 of this policy.

5.4.3 If the investment manager receives any fee, commission or other reward, the investment manager must declare such payment to the council by way of a certificate disclosing full details of the payment.

5.5 Internal controls over investments

5.5.1 Delegations

5.4.1.1 In terms of section 60(2) of the MSA, the council may only delegate to the Municipal manager the power to make decisions on investments on behalf of the municipality.

5.5.1.2 In terms of section 79 of the Act, the Accounting Officer has delegated to the Chief Financial Officer (CFO), in writing, his duty under section 65(2)(h) to manage the councils available working capital effectively and economically in terms of the prescribed cash management and investment framework.

5.5.2 Obtaining quotations and concluding deals

Writing mandates, signed by the CFO and MM, shall be issued to all investees with whom the Council of Stellenbosch invests funds setting out the following

5.5.2.1 Authorised dealers: name and particulars of the Councils officials who are

authorised to transact investments deals with the investees;

5.5.2.2 Authorised signatories: name and particulars of the Councils officials who are authorised to sign written confirmations or any other correspondence in respect of investments transactions.

5.5.2.3 A dealing sheet, signed by an authorised dealer, shall be prepared in all instances for each individual investment, detailing the quotations received and the recommended investee. The CFO shall advise the MM to approve the transaction.

A written confirmation of the terms of each investment transaction shall be prepared, and signed off by the CFO and MM.

6. OWNERSHIP

All investments must be made in the name of the Council of Stellenbosch Municipality.

Written proof of investments made must be obtained from the institution where the investment is made and must be kept on file.

7. DUE CARE

In dealing with financial institutions, the following ethical principles must be observed:

7.1 The Chief Financial Officer and all staff in his/her directorate shall not accede to any influence by or interference from Councillors, investment agents, institutions or any other outsiders.

7.2 Under no circumstances may inducements to invest be accepted;

7.3 Interest rates quoted by one institution must not be disclosed to another institution; and

7.4 The business ethics of any controlling body of which the relevant financial institution is a member must be observed by such institution or body at all times.

8. PERFORMANCE MEASUREMENT

Measuring the effectiveness of Council's treasury activities is achieved through a mixture of subjective measures. The predominant subjective measure is the overall quality of treasury

management information. The Chief Financial Officer has primary responsibility for determining this overall quality.

Objective measures include:-

- 6.1 Adherence to policy.
- 6.2 Timely receipt of interest income.

9. REPORTING

9.1 Reports

The following reports are produced:

REPORT NAME	FREQUENCY	PREPARED BY	RECIPIENT
Bank Balance report	Daily	Senior Clerk: Electronic Payments	Chief Finance Officer
Investments	Monthly	Head: Financial Statements, Compliance and Reporting	Manager: Budget Office Chief Finance Officer Council

10. ANNUAL REVIEW OF POLICY

This policy on investments will be reviewed annually or earlier if so required by legislation.

Any changes to the investment policy must be adopted by council and be consistent with the Act and any National Treasury regulations.

11. EFFECTIVE DATE

The effective date of this policy was 1 July 2007 and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

LONG-TERM RATINGS - FITCH

AAA - Obligations which have the highest rating assigned by Fitch IBCA on its national rating scale for that country. This rating is automatically assigned to all obligations issued or guaranteed by the sovereign state. Capacity for timely repayment of principal and interest is extremely strong, relative to other obligors in the same country.

AA - Obligations for which capacity for timely repayment of principal and interest is very strong relative to other obligors in the same country. The risk attached to these obligations differs only slightly from the country's highest rated debt.

A - Obligations for which capacity for timely repayment of principal and interest is strong relative to other obligors in the same country. However, adverse changes in business economic or financial conditions are more likely to affect the capacity for timely repayment than for obligations in higher rated categories.

SHORT-TERM RATINGS - FITCH

F1 – Obligations assigned this rating have the highest capacity for timely repayment under Fitch Ratings Ltd national rating scale for that country, relative to other obligations in the same country. This rating is automatically assigned to all obligations issued or guaranteed by the sovereign state. Where issues possess a particularly strong credit feature, a “+” is added to the assigned rating.

F2 – Obligations supported by a strong capacity for timely repayment relative to other obligors in the same country. However, the relative degree of risk is slightly higher than for issues classified as ‘A1’ and capacity for timely repayment may be susceptible to adverse changes in business, economic or financial conditions.

F3 – Obligations supported by an adequate capacity for timely repayment relative to other obligors in the same country. Such capacity is more susceptible to adverse changes in business, economic, or financial conditions than for obligations in higher categories.

LONG-TERM RATINGS – MOODY’S

AAA – Obligations rated “AAA” have the highest rating assigned by Moodys -Ratings. The capacity of the issuer to pay interest and repay capital is extremely strong, relative to other South African obligors.

AA – Indicates very strong capacity of the issuer to pay interest and repay capital relative to other South African obligors.

A – Indicates strong capacity of the issuer to pay interest and repay capital, relative to other South African obligors, although it is slightly more susceptible to adverse changes in economic conditions and circumstances than debt in categories rated higher.

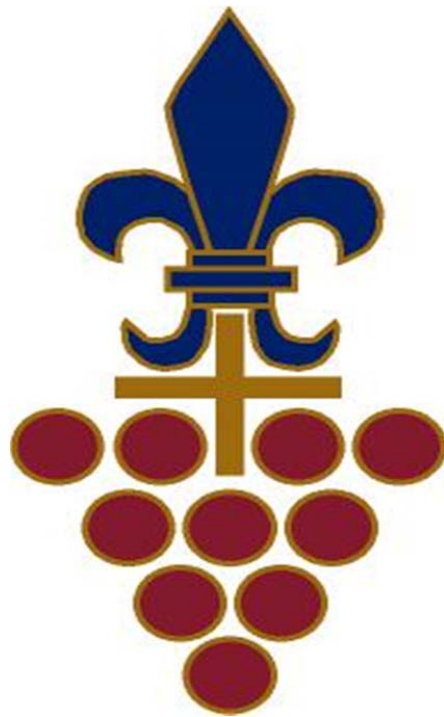
SHORT-TERM RATINGS – MOODY’S

A-1 – Indicates that the degree of safety regarding timely payment is either overwhelming or very strong, relative to other South African obligors. Issues determined to possess overwhelming safety characteristics are denoted with a plus (+) sign designation.

A-2 – Indicates that capacity for timely payment on issues with this designation is strong, relative to other South African obligors.

A-3 – Indicates satisfactory capacity for timely payment, relative to other South African obligors. They are, however, somewhat more vulnerable to the adverse effects of changes in circumstances than obligations carrying the higher designations.

STELLENBOSCH MUNICIPALITY



**ASSET MANAGEMENT
POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

ASSET MANAGEMENT POLICY

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1. PREAMBLE

- Section 63 of the Municipal Finance Management Act Number 56 of 2003 governs Asset and Liability Management and states the following:

Asset and liability management

63. (1) The accounting officer of a municipality is responsible for the management 10
of—

- (a) the assets of the municipality, including the safeguarding and the maintenance of those assets; and
- (b) the liabilities of the municipality.

(2) The accounting officer must for the purposes of subsection (1) take all reasonable 15
steps to ensure—

- (a) that the municipality has and maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality;
- (b) that the municipality's assets and liabilities are valued in accordance with 20
standards of generally recognised accounting practice; and
- (c) that the municipality has and maintains a system of internal control of assets and liabilities, including an asset and liabilities register, as may be prescribed.

The Municipal Finance Management Act Number 56 of 2003 will be the legislative framework for the Asset Management Policy whilst Generally Recognised Accounting Practice (GRAP) will be the accounting framework.

- The Municipal Council of Stellenbosch is in terms of the MFMA and GRAP obliged to adopt an Asset Management Policy to regulate the effective management of all council's assets.
- **And whereas** the municipal manager as accounting officer of municipal funds, assets and liabilities is responsible for the effective implementation of the asset management policy which regulates the acquisition, safeguarding, maintenance of all assets and disposal of assets where the assets are no longer used to provide a minimum level of basic service as regulated in terms of section 14 of the MFMA.
- **And whereas** these assets must be protected over their useful life and may be used in the production or supply of goods and services or for administrative purposes in meeting the municipality's operational requirements.
- **Now therefore** the municipal council of the Stellenbosch Municipality adopts this asset management policy:

2. DEFINITIONS

In this Policy, unless the context indicates otherwise

An **asset** means a resource

- a) controlled by Stellenbosch Municipality
- b) as a result of a past event
- c) it is probable that future economic benefits or service potential associated with the assets will flow to the municipality

Property, Plant and Equipment (PPE) refers to tangible, identifiable assets that:

- a) are held for-
 - i. use in the production or supply of goods or services
 - ii. rental, or
 - iii. administrative purposes, and
 - iv. are expected to be used for more than one year.

PPE should be classified according to the following definition groups:

- a) **Infrastructure assets** which are defined as assets that usually display some or all of the following characteristics:
 - i. they are part of a system or network,
 - ii. they are specialised in nature and do not have alternative uses
 - iii. they are immovable, and
 - iv. they may be subject to constraints on disposal
 - v. examples are road networks, sewer systems, water networks etc.
- b) **Community assets** which are defined as assets that contributes to the communities' well-being. Community assets are disclosed in accordance with its nature.
- c) **Heritage assets** which are defined as cultural significant resources.
- d) **Investment Properties** are defined as properties (land or buildings) that are acquired for economic and capital gains or held by Stellenbosch Municipality as finance lease to earn rentals. Examples are office parks and undeveloped land acquired for the purpose of resale in future years.
- e) **Other assets** which are defined as assets utilised in normal operations.

f) **Intangible assets** which are defined as being assets without physical substance.

g) **Biological assets** are assets acquired for agricultural purposes.

Capitalization of assets means the recording of assets in the Fixed Asset Register with its historical financial cost in accordance with GRAP.

Carrying amount means the amount at which an asset is recognized after deducting any accumulated depreciation and accumulated impairment losses.

Classification of assets means the grouping of assets of a similar nature of functionality in an entities operation that is shown as a single item for the purpose of disclosure in the financial statements.

Cost means the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognized in accordance with specific requirements of other Standards of Generally Recognized Accounting Practices (GRAP).

Contributed assets means items received by the municipality as a donation.

Depreciation means the systematic allocation of the depreciable amount of an asset over its useful life.

Depreciable amount means the cost of an asset, or other amount substituted for the cost less its residual value.

Fair value means the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fixed Asset Register means a register for recording assets in accordance with GRAP

Impairment of an asset

- An impairment loss of cash - generating assets is the amount by which the carrying amount of an asset exceeds its recoverable amount.
- An impairment loss of non - cash generating assets is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

Recoverable amount means the amount that the municipality expects to recover from the future use of an asset, including the residual value on disposal.

Residual value means the estimated amount that Stellenbosch municipality would currently obtain from disposal of the asset, after deducting the estimated cost of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Useful life means the period over which an asset is expected to be available for use by the municipality.

Contributed Assets means items received by the Stellenbosch Municipality in the form of a donation.

3. ACRONYMS

PPE:	Property, Plant and Equipment
AMC Form:	Asset Movement Capture Form
MFMA:	Municipal Finance Management Act
GRAP:	General Accepted Accounting Practice
DIR:	Departmental Inventory Register
SCM:	Supply Chain Management
FAR:	Fixed Asset Register
NARC:	New asset receipt capture form
AT:	Asset transfer form

4. AIM

This policy will lay down broad guidelines for consistent, effective and efficient asset management principles of Stellenbosch Municipality

5. OBJECTIVES

- Specifying Council's practice regarding accounting for assets
- Ensure consistency in accounting treatment.
- To assist officials in understanding their legal and managerial responsibilities with regard to key asset functions such as:

- safeguarding of assets,
- maintaining assets,
- establishing and maintaining a management, accounting and information system
- that accounts for the assets of the municipality.
- asset valuation principles in accordance with GRAP.
- establishing and maintaining systems of internal controls over assets.
- establishing and maintaining asset registers.
- clarifying responsibilities and accountabilities for the asset management process.

6. STATUTORY AND REGULATORY FRAMEWORK

This policy must comply with all relevant legislative requirements including:

- The Constitution of the Republic of South Africa, 1996
- Municipal Structures Act, 1998
- Municipal Systems Act, 2000
- Division of Revenue Act (enacted annually)
- Municipal Finance Management Act of 2003

Also, this policy must comply with the standards specified by the Accounting Standards Board. The relevant currently recognized accounting standards include:

- GRAP 17 Property, plant or equipment
- GRAP 16 Investment property
- GRAP 100 Non-current Assets held for Sale and Discontinued Operations
- GRAP 31 Intangibles
- GRAP 103 Heritage Assets
- GRAP 101 Agriculture
- GRAP 21 & 26 Impairment

7. RESPONSIBILITIES AND ACCOUNTABILITIES

The purpose of this section is to prescribe the responsibilities of the various functionaries within Stellenbosch Municipality.

7.1 The Accounting Officer (Municipal Manager)

The Accounting Officer (Municipal Manager) or his duly delegated representative is responsible to ensure implementation and compliance with the responsibilities prescribed in section 63 of the MFMA.

- The municipality has and maintains a management, accounting and information system that accounts for the assets of the municipality;
- The municipality's assets are valued in accordance with standards of generally recognized accounting practice;
- The municipality has and maintains a system of internal control of assets, including an asset register; and
- The senior managers and their teams comply with this policy.
- In consultation with the asset managers, he approves the temporary or permanent transfer of a movable asset between departments as determined in the "Delegation of Authority to officials of the Stellenbosch Municipality".

7.2 The Chief Financial Officer (Director: Finance)

The Chief Financial Officer is responsible to the Municipal Manager to ensure that the financial investment in the municipality's assets is safeguarded and maintained.

The Chief Financial Officer must take reasonable steps to ensure that:

- i. Appropriate systems of financial management and internal control are established and carried out diligently;
- ii. The financial and other resources of the municipality are utilized effectively, efficiently, economically and transparently;
- iii. Any unauthorized, irregular or fruitless or wasteful expenditure and losses resulting from criminal or negligent conduct are prevented;
- iv. The systems, processes and registers required to substantiate the financial values of the municipality's assets are maintained at standards sufficient to satisfy the requirements of the Auditor-General.
- v. Financial processes are established and maintained to ensure that the municipality's financial resources are optimally utilized through an appropriate asset plan, budgeting, purchasing, maintenance and disposal decisions.
- vi. The managers and asset champions are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets;

- vii. The policy and supporting procedures or guidelines are established, maintained and effectively communicated;
- viii. The Chief Financial Officer may delegate or otherwise assign responsibility for performing the functions but he/she will remain accountable for ensuring these activities are performed.

7.3 Asset Managers/ Directors

- a) The manager referred to in Section 56 of the municipal systems act being someone reporting directly to the Municipal Manager and has the functional accountabilities for the physical management of a particular set of assets in order to achieve the municipalities strategic objectives relevant to their directorate.
- b) Directors shall be directly responsible for the physical safeguarding of any fixed asset controlled or used by the directorate in question. In exercising this responsibility, directors shall adhere to the stipulations of this policy as well as any other written directives issued by the municipal manager to the directorate in question, or generally to all directorates, in regard to the control of or safeguarding of the municipality's fixed assets.

Asset managers should:

- i. ensure that employees in their departments adhere to the approved Asset Management Policy;
- ii. ensure that all assets are procured in terms of the SCM Policy;
- iii. ensure that council are properly informed about any contributed (donated) assets and that approval from council is obtained timeously
- iv. ensure that the contributed asset is recorded on the NARC form and communicated with the Asset Management Department.
- v. ensure that employees with delegated authority have been nominated to implement and maintain physical control over assets in their departments. Although authority has been delegated, responsibility remains with the respective Managers of the departments and overall accountability with the Directors of relevant directorates;
- vi. ensure that the termination of service asset verification form for staff, is duly completed and submitted to the Strategic and Corporate Services Directorate;
- vii. ensure that assets are properly maintained in accordance with their respective asset maintenance policy;
- viii. ensure that, where applicable, all their movable assets as reflected on the

- Fixed Asset Register are barcoded to exercise control;
- ix. ensure that the Asset Management Section is notified via the AT form within 10 working days of any changes in the status of assets under the department's control;
 - x. ensure that transfers between departments within directorates are administered internally;
 - xi. ensure that a complete asset verification of all inventory and asset items is performed annually;
 - xii. ensure that all obsolete, damaged and unused assets, supported by relevant asset and condemnation forms, are handed in at the Asset Management Department without delay;
 - xiii. be responsible for maintaining and managing their own DIR;
 - xiv. ensure that all assets are safeguarded against loss/theft and that they are adequately insured; and
 - xv. ensure that location changes are made timeously and location/room information are updated and reported on the relevant form to the Asset Management Section regularly.

7.4 Asset Champions

Asset Champions are senior officials appointed by the Asset Manager in the different Directorates.

The Asset Champion must:

- i. Assist the Asset Manager/ Director in performing his/her functions and duties.
- ii. Ensure that all new assets (purchased or donated) are recorded on the NARC form.
- iii. Ensure that the NARC forms are completed in full and send with copies of the relevant documentation to the asset control department within 7 working days after receipt of the assets.
- iv. Ensures that all their movable assets, where applicable, are barcoded.
- v. Ensure that asset listings are verified and kept up to date in collaboration with the Finance Directorate.
- vi. Assist the Finance Department with the annual verification of movable assets by making sure that the assets, as per asset listing, are at the correct locations, that these locations are accessible when the verification of assets

takes place and provides a full report on any missing assets to the Asset Manager.

- vii. Notify the Finance Department when he/she identifies obsolete and redundant assets so that these assets can be moved to the Write-off Store.
- viii. Report all changes affecting asset listing sheets to the Director: Finance and the Finance Department: Asset Management Division within 7 days of occurrence.

The following require the written recommendation of the Asset Manager and approval of Municipal Manager on the prescribed form:

- a) The temporary or permanent transfer of all movable assets between departments.
- b) The writing off or disposal of obsolete or redundant assets.

7.5 Financial Services Directorate: Asset Management Section

- i. Is the asset registrar of the municipality and shall ensure that a complete, accurate and up to date asset register is maintained that conforms to the GRAP specifications.
- ii. Ensures that physical asset verification is performed annually by all departments to verify the assets on the asset register. The results of this verification must be reported to the Municipal Manager and Council.
- iii. Will perform reconciliations between the asset register and the General Ledger on a monthly basis.
- iv. Ensures adequate bar codes and equipment to exercise the function relating to asset control is available at all times.
- v. Will ensure that all audit queries are resolved in a timely manner.
- vi. Dispose of asset in accordance with the SCM policy
- vii. Handles the administrative functions with regards to the transfers received.

7.6 The responsibility of the Budget and Treasury

- i. Ensure that a clear description is provided with each project and the appropriate funding source is identified.
- ii. Release capital funds only after receiving written authority and a clear and concise description of the item to be purchased.
- iii. Ensure that any changes in the capital budget, with regards to funds transferred or project description changes are communicated to the Asset Management Division.

7.7 The Strategic and Corporate Services Directorate

The Strategic and Corporate Services directorate shall ensure that no monies are paid out to the staff on termination of their service prior to receiving the relevant asset resignation form signed off by the relevant directorate- refer to Termination of Service Asset Confirmation form.

8. SAFEGUARDING OF ASSETS

Custody and Security

- i. All barcoded assets shall be tracked by physical location through the Fixed Asset Register.
- ii. A physical asset verification process shall be performed every year and all directorates will be verified simultaneously.
- iii. The coordination of the process and verification of the assets will rest with the Asset Management Section and all directorates are responsible to see that the assets under their control are available during the verification process.

Communication

- i. Directorates are responsible to report any stolen or damage property to the Asset Management Section.
- ii. All changes must be accurately recorded on the AT forms and reported to the Asset Management Section within 10 working days.
- iii. Any discrepancies between the Fixed Asset Register and the physical inventory must be reconciled and motivated by the relevant directorates.

9. PROCEDURE WITH REGARD TO CONTRIBUTED ASSETS

Governance

- i. The authority to endorse and approve acceptance of assets contributed to the Stellenbosch Municipality vests with Council as such assets have an impact on future operational costs.
- ii. A report including the fair value/cost price of the contributed asset as well as the financial implications of acceptance of the contributed asset must be submitted to Council, so that acceptance of the asset can be confirmed.

Procedures

- i. Once Council has approved the donation, the departments must:
- ii. Notify the Financial Services Directorate of any assets contributed, by submitting the Council approved report including the cost/fair value of the contributed asset so that the asset can be recorded and capitalized at the appropriate value.

10. FINANCIAL MANAGEMENT

Pre-Acquisition Planning

Before a capital project is included in the draft municipal budget for approval, the Asset Manager must prove that they have considered:

- The projected acquisition and implementation cost over all the financial years until the project is operational;
- The future operational costs and revenue on the project, including tax and tariff implications;
- The financial sustainability of the project over its economic life span including revenue generation and subsidization requirements;
- The physical and financial stewardship of the asset through all stages in its economic life span including acquisition, installation, maintenance, operations, disposal and rehabilitation; and
- The inclusion of the capital project in the Integrated Development Plans and future budgets.

The Chief Financial Officer is accountable to ensure that the Asset Managers/ Directors receive all reasonable assistance, guidance and explanation to enable them to achieve their planning requirements.

Approval to acquire Property, Plant and Equipment:

Funds can only be invested with a capital project if:

- The funds have been appropriated in the capital budget;
- The project, including the total cost and funding sources, has been approved by the Council;
- The Director: Finance confirms that funding is available for that specific project; The Supply Chain Management prescripts/procedures have been adhered to.
- Any contract that will impose financial obligations more than two years beyond the budget year is appropriately disclosed.

The funding sources of Assets:

Within the municipality's ongoing financial, legislative or administrative capacity, the Chief Financial Officer will establish and maintain the funding strategies that optimize the municipality's ability to achieve its Strategic Objectives as stated in the Integrated Development Plan.

Four main sources of finance are utilized to acquire Property Plant and Equipment for the municipality, namely:

- The Accumulated Surplus/Deficit (Capital Replacement Reserve)
- The External Financing Fund (EFF).
- Grants, Subsidies and Public
- Contributions. Fair value

The sources of finance that may be utilized to finance assets are utilized in accordance with the provisions of S19 of the Municipal Finance Management Act.

a) Accumulated Surplus/Deficit (The Capital Replacement Reserve)

The Council must annually approve the basis and the amounts for which contributions should be appropriated to the Accumulated Surplus/Deficit in conjunction with the availability of funds and the requirements of the capital program for that financial year.

The funds in the Accumulated Surplus/Deficit are accumulated by: An annual contribution from revenue

The cash backed profit on the sale/disposal of assets

When an amount is advanced to a borrowing service to finance the acquisition of an asset, the money must be transferred to the Accumulated Surplus created for the purpose of acquiring a specific asset and the accumulated funds in the Accumulated Surplus/Deficit must be reduced by the amount of the advance.

The balance of the accumulated funds in the Accumulated Surplus/Deficit will therefore represent the amount that is available to finance assets in future periods. This balance must be cash backed at all times.

The balance in the Accumulated Surplus is transferred to the income statement over the estimated life of assets financed by the Accumulated Surplus/Deficit to offset the depreciation charge included in the income statement relating to fixed assets.

b) The External Financing Fund (EFF)

When loans are obtained from external sources, they must be paid into the EFF. The corresponding cash should be invested until utilized for the purpose of acquiring assets. When the external loan is utilized to finance assets in a service entity it should be recorded in an “advances” account in the EFF.

Where a loan has a fixed period the installments should be calculated to determine the cash that should be set aside in the EFF. This is done so that there will be sufficient money to repay the loan when it matures as well as any interest charges as they occur.

When the loan is an annuity loan, the cash required to be paid into the EFF should be based on the actual loan repayments. Once the money has been received by the EFF, the cash would be used to repay the loan.

When the EFF is consolidated with the various services, the “advances made” account in the EFF will contra with the “advances received” account in the various service entities.

Loan finance option

A municipality should ensure that a loan satisfies the requirements of legislation on incurring debt. In particular, municipalities should ensure that long-term debt is:

- Incurred only for the purposes of capital expenditure for the purpose of achieving the objectives stated in section 152 of the Constitution (MFMA S46);
- incurred in line with its capital budget (MFMA S19 and S46(2));
- Is incurred only after the anticipated debt repayment schedule has been submitted to council (MFMA S46(3)(b)(i));
- Included in the liabilities register and
- Satisfies the other requirements of sections 19, 46 and 63 of the MFMA, the MSA and the Constitution.

c) Grants, Subsidies and Public Contributions (Capital Receipts)

Unutilized conditional grants are reflected on the Balance Sheet as a Creditor called Creditor (Unspent and Receipts). They represent unspent government grants, subsidies and contributions from the public. This creditor always has to be backed by cash.

The following provisions are set for the creation and utilization of this creditor:

- The cash which backs up the creditor is invested until it is utilized.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the council's interest it is recognized as interest earned in the income statement.
- Whenever an asset is purchased out of the unutilized conditional grant an amount equal to the cost price of the asset purchased is transferred from the Unutilized Capital Receipts into the income statement as revenue. Thereafter an equal amount is transferred on the statement of changes in equity to a reserve called an Accumulated Surplus/Deficit (Future Depreciation Reserve). This reserve is equal to the remaining depreciable value (book value) of assets purchased out of the Unutilized Capital Receipts. The Future Depreciation Reserve is used to offset depreciation charged on assets purchased out of the Unutilized Capital Receipts to avoid double taxation of the consumers.
- If a profit is made on the sale of assets previously purchased out of Unutilized Capital Receipts the profit on these assets sold is reflected in the notes to the income statement and is then treated in accordance with Council policy.

The acquisition of assets will not be funded over a period longer than the useful life of that asset.

Disposal of assets

- The municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of an asset needed to provide the minimum level of basic municipal services, unless such asset is obsolete or surplus to requirements or beyond a state of good repair or being replaced and provided that the delivery of the minimum level of basic municipal services must not be compromised as a result of the disposal of the asset.
- The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be reversed by the municipality after that asset had been sold, transferred or otherwise disposed of.
- The disposal of an item of property, plant or equipment must be fair, equitable, transparent, competitive and cost effective and comply with a prescribed regulatory framework for municipal supply chain management and the Supply Chain Management Policy of the municipality.
- The transfer of assets to another municipality, municipal entity, national department or provincial department is excluded from these provisions, provided such transfer is being done in accordance with a prescribed regulatory framework. Directors shall report in writing to the Director: Finance on 31 May of each financial year on all fixed assets controlled or used by the directorate concerned which such Director

wishes to alienate by public auction or public tender. The Director: Finance shall thereafter consolidate the requests received from the various directorates, and shall promptly report such consolidated information to the council or the Municipal Manager of the municipality, as the case may be, recommending the process of alienation to be adopted.

- Once the fixed assets are alienated, the Director: Finance shall de-recognize the asset from the accounting records and the fixed asset register.

Loss, theft, destruction or impairment of fixed assets

The different directorates shall ensure that any incident of loss, theft, destruction, or material impairment of any fixed asset controlled or used by the directorate in question is promptly reported in writing to the Director: Financial Services, to the internal auditor, and in cases of suspected theft or malicious damage, also to the South African Police Service.

11. ACCOUNTING FOR ASSETS

Capitalization of Assets

Stellenbosch Municipality does not capitalize an asset based on a capitalization cost threshold, but recognizes an asset when it complies with the definition of an asset as stipulated in GRAP 17 and the cost of the asset to the municipality can be measured reliably.

Where an asset is acquired at no cost, or for a nominal cost, its cost is its fair value as at the date of acquisition (GRAP 17.22).

Assets will only be capitalized in the asset register on completion or finalization of the project.

Multi Year projects

Projects to be completed over more than one financial year will be initially disclosed in the asset register and financial statements as “Work in Progress” thereafter only on completion the asset will be capitalized and depreciated.

Assets will be recorded in the asset register continuously on completion thereof and bar-coded with an aluminium label where appropriate for identification.

Only expenses incurred in the enhancement of a fixed asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of a fixed asset shall be capitalized (GRAP 17.19-.20):

- Parts of some items of property, plant and equipment may require replacement at regular intervals. For example, a road may need resurfacing every few years, a furnace may require relining after a specified number of hours use, or aircraft interiors such as seats and galleys may require replacement several times during the life of the airframe. Items of property, plant and equipment may also be required to make a less frequently recurring replacement, such as replacing the interior walls of a building, or to make a non-recurring replacement. Under the recognition principle in an entity recognizes in the carrying amount of an item property, plant and equipment the cost replacing part of such an item when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the de-recognition provision of this Standard (GRAP 17.19).
- A condition of continuing to operate an item of property, plant and equipment (for example, an aircraft) may be performing regular major inspections for faults regardless of whether parts of the item are replaced. When each major inspection is performed, its cost is recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognized. This occurs regardless of whether the cost of the previous inspection was identified in the transaction in which the item was acquired or constructed. If necessary, the estimated cost of a future similar inspection may be used as an indication of what the cost of the existing inspection component was when the item was acquired or constructed (GRAP 17.20)

Computer software will be capitalized and classified as intangible assets.

MAINTENANCE

Maintenance Strategy

Each directorate must develop a maintenance strategy that will ensure that the assets of Stellenbosch Municipality are maintained at an adequate operational level or standard by ensuring that all statutory, technical and operational objectives are achieved. This strategy must ensure that tangible assets under the custody and control of the relevant directors are properly maintained and repaired so that their possible maximum useful lives are realised.

Directorates Responsibilities

Each Directorate is responsible for ensuring:

- i. That all tangible assets under their control are maintained in a good working condition. The directorates must take adequate care that the working environments for the various assets are appropriate and suitable for such types of tangible assets.
- ii. That their assets are not misused or used for personal use or benefit.
- iii. That repair and maintenance costs incurred is reviewed and properly controlled.
- iv. The development of a maintenance program according to their operating budget resources. The program must provide a schedule of the repairs and maintenance to be done. The program must also consist of planned and unplanned repairs and maintenance to be performed.
- v. The following matrix will assist in distinguishing capital expenditure from maintenance expenditure:

CAPITAL EXPENDITURE	MAINTENANCE
<ul style="list-style-type: none">• Acquiring a new asset	<ul style="list-style-type: none">• Restoring an asset so that it can continue to be used for its intended purpose
<ul style="list-style-type: none">• Replacing an existing asset	<ul style="list-style-type: none">• Maintaining an asset so that it can used for the period for which it was initially intended
<ul style="list-style-type: none">• Enhancing an existing asset so that its use is expanded	
<ul style="list-style-type: none">• Further developing an existing asset so that its original useful life is	

extended	
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When assets are capitalized a distinction should be made on whether the new asset is purchased to replace an existing asset or whether it is a total new asset that is purchased.

Assets held under leases

- **Finance leases** are leases, which in effect transfer all risks and rewards associated with the ownership of an asset from the lessor to the lessee. Assets held under finance leases are capitalized by the municipality and reflected as such in the fixed asset register. It will be capitalized at its leased value at commencement of the lease, which will be the price stated in the lease agreement. The asset is then depreciated over its expected useful life.
- **Operating leases** are those leases which do not fall within the scope of the above definition. Operating lease rentals are expensed as they become due. Assets held under operating leases are not accounted for in the asset registers of the municipality.

INVESTMENT PROPERTY

- An item shall be recognised as investment property if it meets the definition. Investment property is recorded at cost.
- Disclosable value measured at recognition:
 - Initially at acquisition cost plus transaction cost, or nominal value
 - Where acquired at no cost or nominal value, fair value at acquisition is deemed to be cost for disclosure
 - If held under a lease and classified as Investment Property, is the lower of fair value and the present value of the minimum lease payments
- Cost value is determined according to the requirements of the GRAP standard on Investment Property.
- Assets classified as Investment Property shall be re-defined once such assets usage changes

Cost Model

Investment property is, subsequent to initial measurement, carried at cost less accumulated depreciation and any accumulated impairment losses

Depreciation is provided to write down the cost, less estimated residual value by

equal instalments over the useful life of the property, which is as follows:

Item	Useful life
Property – buildings	30-99 years
Property – land	indefinite

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable

Depreciation

- Depreciation will be done in accordance with the GRAP frame work
- The depreciable amount of an item of property, plant or equipment should be allocated on a systematic basis over its useful life.
- Stellenbosch Municipality's depreciation method will be the straight-line method for all assets of the Council unless otherwise agreed to in writing by the Director: Financial Services.
- Depreciation shall be calculated from the day the fixed asset is available for use (commissioning date) (GRAP 17.65).
- If the cost of land includes the cost of site dismantlement, removal and restoration, the portion of the land asset is depreciated over the period of benefits or service potential obtained by incurring those costs. In some cases, the land itself may have a limited useful life, in which case it is depreciated in a manner that reflects the benefits or service potential to be derived from it (GRAP 17.69).

Review of residual value and useful life

- The residual value and useful life of an asset should be reviewed at least at each reporting date (GRAP 17.61).
- If the review indicates that a change has taken place and expectations differ from previous estimates, the changes should be accounted for as a change in the accounting estimate in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.
- The remaining useful life of capital assets should be reviewed annually and,

if expectations are significantly different from previous estimates, the depreciation charge for the current and future periods should be adjusted.

- This review should be done by the asset manager in conjunction with the impairment review.
- The review of useful life is a check to see if there is any evidence to suggest that expected life should be changed.
- The Table of Useful Lives is provided in the MFMA Local Government Capital Asset Management Guideline (Refer to Annexure A). These should be used as a guide to the minimum useful lives only because actual asset lives experienced greatly exceed those recommend lives.
- The residual value of an asset may increase to an amount equal to or greater than the asset's carrying amount. If it does, the asset's depreciation charge is zero unless and until its residual value subsequently decreases to an amount below the asset's carrying amount (GRAP 17.64).

Impairment of assets

The accounting treatment relating to impairment losses is outlined as follows in GRAP 17:

- The carrying amount (Book value) of an item or a group of identical items of property, plant and equipment should be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount.
- Recoverable amount is the higher of a cash – generating asset's net selling price and its value in use.
- When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The amount of the reduction should be recognized as an expense immediately.
- The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount reduced to recoverable amount on an individual asset, or group of identical assets, basis.
- However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification work is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline in recoverable amount of the smallest grouping of assets for which it is possible to make an assessment of recoverable amount.

The following may be indicators that an item of PPE has become impaired:

- The asset has been damaged.

- The asset has become technologically obsolete.
- The asset remains idle for a considerable period either prior to it being put into use or during its useful life.
- Land is purchased at market value and is to be utilized for subsidized housing developments, where the subsidy is less than the purchase price.

Procedure to identify, budget and account for impairment losses:

- The following needs to be done to ensure that impairment losses that are identified by the above indicators are budgeted for during the operating budget cycle and are accounted for in the next financial year. The following steps will have to be performed during the operating budget cycle:

Financial Services Directorate - Asset Management Section shall issue a memo to all directorates requesting them to identify assets that:

- a) Are in a state of damage at the start of the operating budget cycle;
- b) Are technologically obsolete at the start of the operating budget cycle; This can be facilitated if directorates require that Financial Services Directorate - Asset Management - section to supply them with a Fixed Asset Register printout pertaining to major assets showing the remaining useful lives of assets. The directorates can then assess and indicate cases where the assessed remaining useful life is shorter than the remaining useful life on the printout.
- c) Have remained idle for a considerable period either prior to them being put into uses at the start of the operating budget cycle or during their useful life;
- d) Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts. An example of this is Land that is purchased at market value and is to be utilized for subsidized housing developments;
 - The recoverable amounts of these assets need to be calculated by calculating the Net selling Price per asset as defined above.
 - The impairment loss per asset needs to be calculated as the difference between the Net selling price and the book value of the asset.
 - The impairment loss needs to be budgeted for.
 - The following steps will have to be performed regularly during the year to account for impairment losses:

Directorates will identify and inform Financial Services Directorate - Asset Control section of assets that:

- a) Are in a state of damage at year-end,
- b) Are technologically obsolete at year-end. This can be facilitated if directorates require Finance Directorate - Asset Control section to supply them with a Fixed Asset Register printout pertaining to major assets showing the remaining useful lives of assets. The directorates can then assess and indicate cases where the assessed remaining useful life is shorter than the remaining useful life on the printout.
- c) Have remained idle for a considerable period either prior to them being put into uses at year-end or during their useful life
- d) Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts. An example of this is Land that is purchased at market value and is to be utilized for subsidized housing developments. The recoverable amounts of these assets need to be calculated by calculating the Net selling Price per asset as defined above.

The impairment loss per asset needs to be calculated as the difference between the Net selling price and the book value of the asset.

The impairment loss needs to be accounted for by identifying the relevant funding source.

Disclosure requirements relating to impairment losses:

All material impairment losses need to be disclosed in the notes to the income statement as a separately disclosed item. They are normally disclosed as part of the note on the amounts that are included in the calculation of the Net Surplus or Deficit for the year.

DISPOSAL AND RETIREMENTS

Governance

Section 14 and 90 of the MFMA governs the disposal of assets. This section provides inter alia:

- The council may not dispose of assets that are utilized to provide minimum level of basic municipal services.
- Assets other than those utilized to provide minimum level of basic service may be disposed of subject to Council approval.
- An item of property, plant or equipment should be eliminated from the

Statement of Financial Position, on disposal or when the asset is permanently withdrawn from use and no future economic benefits or potential service delivery is expected from its disposal, in accordance with GRAP 100.

- Gains or losses arising from the retirement or disposal of an item of property, plant or equipment should be determined as the difference between the actual or estimated net disposal proceeds and the carrying amount of the asset, and should be recognized as revenue or expense in the Statement of Financial Performance.

Procedures

- a) Any items declared obsolete or damaged will be handed in to the Finance department - Asset Control section for safekeeping.
- b) No items will be received by the Financial Services Directorate, Asset Management section without a completed AT form and attached condemnation forms, counter signed by Finance Directorate - Asset Management section, describing the status of the item and the reason for writing-off the item.
- c) Directorates must ensure that assets are disposed of in terms of the SCM policy.
- d) It is the responsibility of each directorate to ensure that all such assets to be disposed of are delivered to and received at the Finance Directorate - Asset Management section.
- e) Approval for the disposal of assets is considered by the Municipal Manager only after a recommendation has been obtained from the following persons:
 - i. Vehicles and Plant - The Fleet Manager and applicable Directorate;
 - ii. Computers - Information Technology Manager;
 - iii. Other Items - Directors (Asset Managers) within the different directorates.
- f) After the approval of the Municipal Manager has been obtained, any vehicle written off must be deregistered immediately.
- g) All asset items lost, stolen or damaged must be reported to the Financial Services Directorate – Insurance section as well as Finance Directorate - Asset Management section by completing the AT form.
- h) All asset items lost or stolen also need to be reported to the SAPS by the relevant department.

An item of property, plant and equipment should be eliminated from the balance sheet on disposal or when the asset is permanently withdrawn from use and no

future economic benefits or potential service delivery is expected from when it is disposed of.

Gains and losses arising from the retirement or disposal of an item of property, plant and equipment should be determined as the difference between the actual or estimated net disposal proceeds and the carrying amount of the asset, and should be recognized as revenue or expense in the Statement of Financial Performance.

The accounting treatment relating to the profit or loss on the sale of property, plant & equipment is outlined in GRAP 17. The following is a summary of the relevant aspects:

Profits and losses, which are disclosed in total in the financial statements, are *calculated by use of the following formula:* -

<i>Proceeds</i>	Sales value, trade-in value or proceeds received from insurance if the asset was damaged or stolen.
<i>Less: Carrying value</i>	Cost, or if valued, revaluation amount, less accumulated depreciation up to the date of sale or when asset can no longer be used for its intended purpose.
<i>Equals PROFIT or</i>	If proceeds greater than carrying value, or
<i>Equals LOSS</i>	If proceeds less than carrying value.

12.INTERNAL CONTROL OVER ASSETS

- Establishment and Management of the Financial Asset Register:

The Chief Financial Officer will establish and maintain the Asset Register containing key financial data on each item of Property, Plant or Equipment that satisfies the criterion for recognition as per the accounting standards.

Each Asset Manager is responsible to ensure that sufficient controls exist to substantiate the quantity, value, location and condition of all assets in the asset register.

Each Asset Manager must appoint an Asset Champion in each Directorate/Section which will be responsible to ensure that the asset listings are verified and kept up to date in collaboration with the Directorate: Finance Services.

- Contents of the Fixed Asset Register

The fixed asset register shall be maintained in the format determined by the Director: Financial Services, which format shall comply with the requirements of generally recognized accounting practice (GRAP) and any other accounting requirements which may be prescribe Directors under whose control any fixed asset falls shall promptly provide Director: Financial Services in writing with any information required to compile the fixed asset change which may occur in respect of such information. Contents of the Financial Asset Register:

The details included in the Asset Register will include:

- The depreciation methods used
- The useful live
- Depreciation charge
- The carrying amount
- The accumulated depreciation
- Additions
- Disposals and transfers
- Date of acquisition
- Date of disposal (if relevant)
- Asset description
- Historical cost of the asset
- Asset classification
- Asset ID
- Residual value

Internal Controls over the Financial Asset Registers

- Controls around their asset register should be sufficient to provide an accurate, reliable and up to date account of assets under their control to the standards specified by the Chief Financial Officer and required by the Auditor-General.
- Controls around the asset registers should be sufficient to provide Directors with an accurate, reliable and up to date account of assets under their control to the standards specified by the Director: Finance and required by relevant legislation.

These controls will include the physical management and recording of all acquisition, assignments, transfers, losses and disposals of assigned assets as well as regular asset counts and systems audits to confirm the adequacy of controls.

Identification of fixed assets:

The Municipal Manager shall ensure that the municipality maintains a fixed asset identification system which shall be operated in conjunction with its computerized fixed asset register.

Transfers, Reallocation or Reassignment of Property, Plant or Equipment

- a) An Asset Manager retains management accountability and control for a particular asset until another Asset Manager in writing does accept responsibility for that asset, and the Chief Financial Officer endorses the transfer.
- b) The Asset Manager must advise the Chief Financial Officer on the prescribed form whenever an asset is permanently or temporarily reallocated or reassigned from one location to another.
- c) The form must be completed and signed by both the sender and receiver
- d) The Director: Financial Services will appropriately amend the Asset Register with all approved transfers.
- e) Assets must solely and exclusively be used for the purpose of the
- f) Council's business.

Verification of fixed assets

- a) Financial Services Directorate: Asset Management Section shall at least once during every financial year undertake a comprehensive verification of all fixed assets controlled or used by the directorate concerned.
- b) Finance Directorate: Asset Management Section shall promptly and fully report in writing to the Director: Financial Services in the format determined

by the Director: Financial Services, all relevant results of such fixed asset verification, provided that each such asset verification shall be undertaken and completed as closely as possible to the end of each financial year, and that the resultant report shall be submitted to the Director: Financial Services not later than 30 June of the year in question.

Asset listings

- a) The Chief Financial Officer must submit within six months after each financial year, asset listings of capitalised assets to all Asset Managers.
- b) At all times these asset listings should indicate the assets in particular location and should be easily accessible.
- c) When employees get appointed or resign from any specific post the relevant asset listings must be verified and accordingly endorsed by the Asset Champion for the specific workplace.
- d) All changes on asset listing sheets must be reported in writing to the Director: Financial Services within 7 days of when change took place.

13. FINANCIAL DISCLOSURE

Assets must be disclosed in respect of each class of property, plant and equipment, in accordance with Generally Recognized Accounting Practice.

14. CLASSIFICATION OF ASSETS

Any asset recognized as an asset under this policy will be classified according to categories as per the Fixed Asset Register. All fixed assets should be classified under the following headings in the Asset Register:

Property, plant and equipment:

Other Assets

Other Assets shall be recorded under the following main categories;

- Bins and Containers;
- Emergency Equipment;
- Furniture and Fittings;
- Motor Vehicles;
- Office Equipment;
- Plant and Equipment;
- Specialised Vehicles;
- Watercraft; and

- Other Assets.

Heritage Assets

A Heritage Asset is an asset that has historical, cultural or national importance and needs to be preserved. The following is a list of some typical heritage assets encountered in the municipal environment:

- Archaeological sites;
- Conservation areas;
- Historical buildings or other historical structures (such as war memorials);
- Historical sites (for example, historical battle site or site of a historical settlement);
- Museum exhibits;
- Public statues; and
- Works of art (which will include paintings and sculptures).

Intangibles Assets

- Computer Software
- Databases

Community Assets

Community Assets shall be recorded under the following main categories;

- Recreational Facilities;
- Sporting Facilities; and
- Other Facilities.

Land and Buildings

Land and buildings shall be treated using the cost model.

Land shall be accounted for at cost, and shall not be depreciated. Land on which infrastructure and community assets are located shall be identified as land and buildings and not disclosed together with the infrastructure and community assets. Land not registered in the name of the municipality but controlled by the municipality by virtue of owner-occupied buildings thereon, shall be recognised at cost.

Buildings shall be accounted at cost, less any accumulated depreciation and any accumulated impairment losses.

Investment property

The classification of an investment property is based on management's judgement; the following criteria will be applied to distinguish investment properties from owner-occupied property or property held for resale:

Investment property	PPE	Non-current assets held for sale
the asset generates its own cash flows in the form of rentals (on a commercial basis)	rental income earned is below market value, and the asset is held for service delivery rather than to generate a commercial return	land and other properties held for sale within the next 12 months, if the criteria in GRAP 100 are met
the asset is held for capital appreciation	the asset is held to achieve service delivery objectives rather than to earn rental or for capital appreciation	
investment property that is being redeveloped for continued use as an investment property	property that is being constructed or developed for future use as investment property (until the asset meets the definition of investment property it is accounted for as PPE)	
Land held for an undetermined use	owner occupied-property such as office buildings and residential buildings occupied by staff members (assets used by employees, irrespective of whether or not the employees pay rent at market rates, are owner-occupied)	

The judgement of the Management of Stellenbosch Municipality is that the following classes of Municipal Property will be classified as Investment Property:

- Land held for long-term capital appreciation rather than for short-term sale in

the ordinary course of operations which council intends to sell at a beneficial time in the future.

- Land held for a currently undetermined future use.
- A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases on a commercial basis.
- A building that is currently vacant but is held to be leased out under one or more operating leases on a commercial basis to external parties.

ANNUAL REVIEW ON THE POLICY

This policy will be reviewed and updated annually or whenever legislative or accounting standards amendments significantly change the requirements pertaining to asset management in general and the administration of property, plant and equipment at a sooner event.

GENERAL

This policy does not overrule the requirement to comply with other policies like supply chain management, tendering or budget policies. The Chief Financial Officer will provide guidance or recommend an amendment to this policy to comply with the essence and understanding of the policies, regulations or legislation being conflicted.

COMMENCEMENT

01 July 2015

Asset Transfer form



STELLENBOSCH MUNICIPALITY

ANNEXURE "A"

ASSET MOVEMENT / WRITE OFF FORM

GENERAL INFORMATION

Type of asset movement to be recorded (indicate with X)

Asset Transfer: Interdepartmental			Asset Obsolete/Damaged/Written-Off		
Asset Transfer: Unused Asset to Stores			Asset Written-Off due to Loss (Burglary/Theft)		
Basic Asset Data			Asset Description		SERIAL NUMBER
Asset Bar Code	Location Bar Code	No. from	Location Bar Code	No. to	

AUTHORISATION OF TRANSACTION – LINE MANAGER

Signature	Name & Surname (Print)	Title

Recipient Confirmation

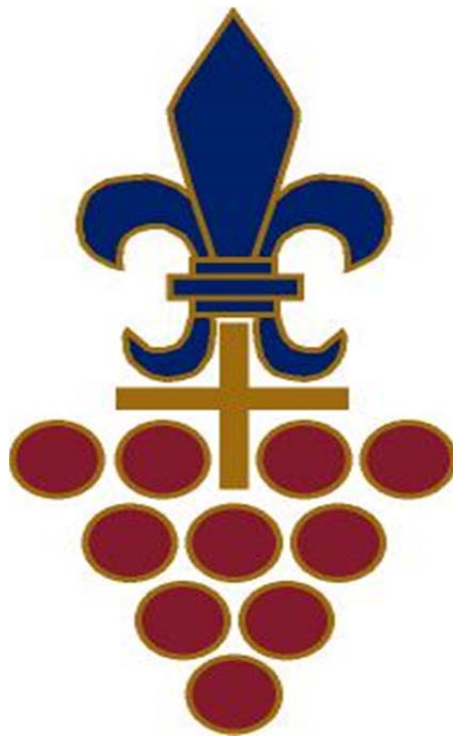
Condition of Asset when received	Received By	Date

Remarks:

Good

.....

STELLENBOSCH MUNICIPALITY



**FINANCING OF EXTERNAL
BODIES PERFORMING MUNICIPAL
FUNCTIONS POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

FINANCING OF EXTERNAL BODIES PERFORMING MUNICIPAL FUNCTIONS POLICY

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1. DEFINITIONS

1.1 In this policy unless the context indicates otherwise:

- 1.1.1 **“Accounting Officer”** means the Municipal Manager as referred to in section 60 of the Local Government: Municipal Finance Management Act, 56 of 2003 (“MFMA”);
- 1.1.2 **“Approved Budget”** means the Municipality’s annual budget approved by the Council in terms of section 24 of the MFMA and include an adjustment budget in terms of Section 28 of the MFMA;
- 1.1.3 **“Community”** means the residents within the Stellenbosch WCO24 area;
- 1.1.4 **“Constitution”** means the Constitution of the Republic of South Africa, 1996;
- 1.1.5 **“Director”** means a person appointed in terms of section 56 of the Systems Act who is directly accountable to the Municipal Manager;
- 1.1.6 **“Executive Mayor”** means the councillor elected as the Executive Mayor in terms of section 55 of the Local Government: Municipal Structures Act, 32 of 2000 (“the Structures Act”);
- 1.1.7 **“Chief Financial Officer”** or "CFO" means an official as envisaged in section 80(2)(a) of the Local Government: Municipal Finance Management Act, 56 of 2003 (“MFMA”);
- 1.1.8 **“Grant”** means a grant or allocation, as referred to in section 17(3)(j(ii) and 17(3)(j(iv) of the MFMA, made by the Municipality to any organisation or body referred to in section 67(1) and to be utilised to assist the Municipality in fulfilling its constitutional mandates including local tourism, municipal health services and such other municipal functions contemplated in Part B of Schedules 4 and 5 of the Constitution;
- 1.1.9 **“Grant Committee”** means the Committee established in terms of clause 7 of this policy;
- 1.1.10 **“official”** means an employee in the service of the Municipality;
- 1.1.11 **“organisation or body”** means those organisations or bodies outside any sphere of government making application for Grants in terms of this Policy, Which include associations, non-profit organisations or companies or trusts;
- 1.1.12 **“the Systems Act”** means the Local Government: Municipal Systems Act, 32 of 2000;
- 1.1.13 **“the Structures Act”** means the Local Government: Municipal Structures Act, 117 of 1998;
- 1.1.14 **“the MFMA”** means the Local Government: Municipal Finance Management Act, 56 of 2003;
- 1.1.15 **“the Municipality”** means the Stellenbosch Municipality and reference to Council has a similar meaning;

- 1.1.16 “the Policy” means the Financing of External Organisation/Bodies Performing Municipal Function Policy as set out in this document.
- 1.1.17 "service delivery agreement" or "MOA" means the agreement entered into between the Municipality and any organisation or body which received a Grant in terms of this Policy.

1. PURPOSE, AIMS AND OBJECTIVES

- 1.1 The purpose of this Policy is to provide a framework for financial assistance by Stellenbosch Municipality (“the Municipality”) to external organisations / bodies performing local government functions to the extent as set out in section 155(6)(a) and (7) of the Constitution as listed in Part B of Schedule 4 and 5.
- 1.2 The purpose of this Policy is to ensure the efficient performance of the municipal function entrusted to that external organisation/body in a manner which gives effect to the goals and objectives of the Municipality’s Integrated Development Plan ("IDP") by establishing partnerships between the municipality and the organisations and bodies performing the functions on behalf of the Municipality.
- 1.3 The Municipality will favour grants for achievement of outcomes aligned to the IDP. The objective of the funding of external bodies performing municipal functions is primarily to ensure the achievement of agreed outcomes to improve the health and well-being of the citizens and not to cover administrative costs and salaries.

2. LEGAL FRAMEWORK

- 2.1 In terms of section 156 of the Constitution, the Municipality has executive authority in respect of and the right to administer –
- 2.1.1 the local government matters listed in Part B of Schedule 4 and 5; and
- 2.1.2 any other matters assigned to it by national and provincial legislation.
- 2.2 Section 16(2) of the MFMA provides that the Mayor of the Municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year. Section 17(3)(j)(ii) and 17(3)(j)(iv) provides that when an annual budget is tabled in terms of section 16(2) it must include particulars of any proposed allocation or grants by the municipality to any municipal entities and other external mechanism assisting the municipality in the exercise of its functions or power and any organisation or bodies referred to in section 67(1).
- 2.3 Immediately after the tabling of the annual budget the accounting officer must make public the annual budget and invite the local community to submit representations in connection with the budget before the budget is approved by Council in terms of section 24 of the MFMA.
- 2.4 Section 67 of the MFMA provides that the Municipality implement and sustain proper and effective controls and procedures when transferring funds of the

- Municipality to an organisation or body outside any sphere of government.
- 2.5 Section 67(1) provides that the accounting officer must be satisfied that the organisation or body has the capacity and agreed to comply with any agreement with the Municipality including all reporting, financial management and auditing requirements as may be stipulated in the agreement, to report at least monthly to the accounting officer on actual expenditure against such transfer and to submit audited financial statements for its financial year to the accounting officer promptly. The organization must implement effective, efficient and transparent financial management and internal control systems to guard against fraud, theft and financial mismanagement and has the obligation to prove in terms of previous similar transfers that it has complied with all the requirements. The accounting officer must through contractual and other appropriate mechanism enforce compliance with this policy.
- 2.6 All transfer of funds in terms of this Policy shall comply with the Constitution, the Systems Act, the Structures Act, the MFMA and any other applicable legislation, regulations and policies that may govern the transfer of municipal funds and that are not in contradiction to the aforementioned legislation.

3. PUBLIC ADVERTISEMENT AND APPLICATION PROCEDURE

- 3.1 Applications for funding of external bodies performing municipal functions shall be considered where organisations or bodies have responded to advertisements published in the local newspapers distributed in the Stellenbosch Municipal Area calling upon organisations or bodies to submit proposals in the prescribed form, as set out 4.3 below, to perform a specific municipal function for a period up to 3 years. Such advertisements may be published quarterly by the accounting officer.
- 3.2 Advertisements should clearly specify the categories for which requests are called, the closing date for applications, who they should be addressed to, and where and how to obtain the relevant documentation pertaining to such applications, including the prescribed forms. Only applications made on the prescribed form (see Annexure A) may be considered.
- 3.3 The organisation/body must submit a detailed business plan with its application, confirming the envisaged outcomes their past achievements in the field and their commitment to performing that particular municipal function effectively and in line with Council's goals as set out in the IDP. Applications must be accompanied by a covering letter on the organisation/body letterhead, signed by the head of the organisation/body and must include the following information:
- 3.3.1 the organisation/body's legal name and a brief description of the organisation/body's business;
 - 3.3.2 the organisation/body's registration number, if any;
 - 3.3.3 the date of establishment, details of the organisation/body's members, founding documents, including constitution and certificates of incorporation;
 - 3.3.4 the contact name of the person signing the application, full street address, telephone number and email address of the organisation;
 - 3.3.5 if funding is required for a specific project, a brief description of the project and what it aims to achieve, as well as the detailed budget

- for and the duration of the project together with a written confirmation by the relevant municipal Director that the project is part of the IDP projects or programs;
- 3.3.6 references, independent of the organisation/body and the head of the organisation/body;
 - 3.3.7 most recent audited financial statements not older than 24 months;
 - 3.3.8 a summary of its past achievements; and
 - 3.3.9 a declaration by the head of the organisation/body to the satisfaction of the Municipal Manager that the organisation/body implements effective, efficient and transparent financial management and internal control mechanism to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfers of funds.
- 3.4 Individuals will not be considered or appointed as an organisation/body to provide a municipal function as contemplated in this Policy.
 - 3.5 Organisations or bodies whose directors, managers, major shareholders or trustees are in service of the state will not be considered or appointed as an organisation/body to provide a municipal function as contemplated in this Policy.
 - 3.6 The appointment of a particular organisation/body to perform a municipal function for a period of three (3) years does not guarantee financial support by the Municipality, which will be determined annually when the municipal budget is approved by the Municipal Council.
 - 3.7 No late applications received, in response to an advertisement as contemplated in clause 3.1 and 3.2 above will be considered and processed by the Grant Committee.

4. OBLIGATIONS OF THE ORGANISATION/BODY

- 4.1 The head of the organisation/body must acknowledge in writing to the Municipal Manager that the money allocated was received in its bank account and that the money will be utilised in accordance with the completed and signed MOA, the submitted application and this Policy within 30 days of transfer of funds / payment, failing which no future grants may be considered.
- 4.2 The organisation / body shall submit monthly reports on actual expenditure against such transfer, the ward within which activities are conducted as well as the number of people benefiting from the activity to the Municipal Manager.
- 4.3 The relevant municipal Director must co-sign each monthly report to confirm monthly management and oversight of the activities.

5. RIGHTS OF THE MUNICIPALITY, CONTROL AND MONITORING

- 5.1 The relevant municipal Director shall be entitled, at any reasonable time from time to time, to verify and inspect the existence and activities of the organisation/body. The relevant municipal Director or his delegate has the right to physically visit the premises where the organisation/body or funded project is based, to peruse the budgets and any progress report related to the project.

- 5.2 The relevant municipal Director shall manage the service delivery agreement entered into between the Municipality and the organisation / body by inter alia receiving and considering monthly reports, inspecting financial records including audited financial statement.
- 5.3 If the organisation / body fails to comply with the terms and conditions of its service delivery agreement with the Municipality, the accounting officer may in consultation with the relevant municipal Director terminate the agreement with reasonable notice or grant the organization / body an opportunity to rectify the breach within an agreed period of not more than 90 days, failing which the accounting officer may terminate the agreement with reasonable notice.
- 5.4 The Municipality has the right not to give a Grant to any or all organisations/bodies applying for such Grants or to give proportional or partial grants to give. Having been awarded a Grant previously does not give an organisation/body the right to receive a Grant again.
- 5.5 The relevant municipal Director shall ensure that those organisations or bodies, who have received Grants in terms of this Policy:-
- 5.5.1 comply with all the provisions of the completed and signed MOA;
 - 5.5.2 comply with all reporting, financial management and auditing requirements as stipulated in the MOA;
 - 5.5.3 report at least monthly to the Municipality on actual expenditure against such transfer;
 - 5.5.4 promptly, or no longer than 4 months after the end of their financial year, submit their audited financial statements; and
 - 5.5.5 utilise the grant funding strictly in accordance with the approved business plan and approved budget.
- 5.6 The requirements in paragraphs 5.5.1 to 5.5.4 above shall not apply to organisations where the transfer does not exceed R200 000,00 (two hundred thousand rand), provided the Accounting Officer takes all reasonable steps to ensure that the targeted beneficiaries, as identified by the organisation or body in its application, receive the benefit of such grants and it certifies that compliance by that organisation or body with 5.5.1 to 5.5.4 above is uneconomical or unreasonable.

6. GRANT COMMITTEE

- 6.1 A Grant Committee consisting of at least the Municipal Manager, the Chief Financial Officer and one director of the Municipality, as well as any other official whom the Municipal Manager may include, shall evaluate all applications received in response to the local advertisement.
- 6.2 The Grant Committee will have the power to make recommendations to Council for final appointments and financial allocations.
- 6.3 The Grant Committee must submit a report on its decisions to the Council for final approval.
- 6.4 The Grant Committee shall, in terms of the Systems Act, establish a programme for community consultation and information dissemination regarding the appointment of any organisation/body and the availability of the service delivery agreement for perusal will be communicated to the local community through the media prior to any service delivery agreement being entered into between the Municipality and the organisation or body.

- 6.5 No payments in terms of the allocation will be made to any organisation / body until a service delivery agreement in the form approved by the accounting officer has been signed by the respective parties.
- 6.6 No payment can be made to an organisation/body until it has submitted its audited financial statements as contemplated in this Policy and a statement certified by its auditor that it has fully complied with its agreement with the Municipality.
- 6.7 Payments may be allocated as a once off amount or in tranches as determined by the CFO in consultation with the relevant municipal Director.

7. Funding acknowledgement of the Municipality

Successful applicants will be required to acknowledge the Municipality as the provider of Grant funding in their funding record as well as any public record in respect of Grants received in order to confirm that these transfers of funds are also part of the Municipality's endeavours to meet its strategic objectives and to assist it in carrying out its constitutional powers and functions.

8. COMMENCEMENT

This Policy called the **FINANCING OF EXTERNAL BODIES PERFORMING MUNICIPAL FUNCTIONS POLICY** takes effect on the date on which it is adopted by the Council.



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

Municipality • Umasipala • Munisipaliteit

APPLICATION : FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL FUNCTION

NOTE: ONLY APPLICATIONS ON THIS PRESCRIBED FORM WILL BE CONSIDERED

PLEASE COMPLETE THE FOLLOWING:

A Registered name of organisation:

.....

B Date and year in which the organisation was founded or incorporated (include brief description of business or activities of organisation):

.....

C Address:

(i) Street

(ii) Postal

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

Contact details:

Name and Surname:

Title/Position held:

Tel: E-mail:

D List ALL the directors / board / committee members / shareholders / trustees of the organization (use additional pages if necessary):

Name and Surname:

Position:

Contact Address and tel. no:

Name and Surname:

Contact Address and tel. no:

Name and Surname:

Position:

Contact Address and tel. no:

Name and Surname:

Position:

Contact Address and tel. no:

Name and Surname:

Position:

Contact Address and tel. no:

Name and Surname:

Position:

Contact Address and tel. no:

D Indicate in which ward the organisation is active:

Ward: _____

Is the organisation a non-profit company? Yes No

If yes, provide company registration number: _____ -

Is the organisation a non-profit organisation as contemplated in section 13 of the Non-Profit Organisation Act, 1997? Yes No

If yes, provide registration number: _____ -

Is the organisation a public benefit organisation as contemplated in terms of the Income Tax Act, 1962? Yes No

If yes, provide registration number: _____ -

Is funding required for a specific project? Yes No

If yes, attach details separately.

Budget amount of projects:

Duration of project:

Is funding required for general support? Yes No

If yes, attach a copy of the organisation's overall budget and business plan.

<p>E</p>	<p>Category:</p> <p>Please categorise your application (mark with x):</p> <p>Tourism Destination Marketing & Visitors Information</p> <p>Tourism Development</p> <p>Animal Welfare</p> <p>Note: For more detail, see attached Funding of External Bodies Performing a Municipal Function Policy.(general guidelines and categories)</p> <p>Please indicate the specific type of project/programme, as per the Funding of External Bodies Performing a Municipal Function Policy</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>
<p>F</p>	<p>The following <u>MUST</u> accompany this application:</p> <ol style="list-style-type: none"> 1. A copy of the latest, audited financial statements. 2. A copy of the Organisation's Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation. 3. A copy of a project/programme description and/or a business plan for the ensuing financial year. Including the following: <ul style="list-style-type: none"> • Full details of the proposal or project including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality. • Commencement and completion dates of the project. • Information on the total cost of the project budget, including a breakdown of costs and an outline of any contribution by fundraising and/or own contribution. • A list of all other sources of funding together with the assessments. • A summary of past achievements. • References independent of the applicant and its executive. 4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality. 5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application. 6. If the Organisation received funding from other bodies, please identify and list the amounts received;

	<ol style="list-style-type: none"> 7. If the Organisation is a non-profit company as defined in the section 1 of the Companies Act, 2008, a certificate/letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached; 8. If the Organisation has been registered as a “non-profit” organisation in terms of the Non-Profit Organisation Act, 1997, a certificate/letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached; 9. If the Organisation has been registered as a “Public Benefit Organisation” in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached; and 10. Valid Tax Clearance Certificate issued by SARS.
<p>G</p>	<p>The following shall apply:</p> <ol style="list-style-type: none"> 1. The allocation of funds will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein. Applicants must in their submission clearly indicate / specify and motivate what the funding will be utilised for. 2. The funding must be exclusively utilised for the purpose defined and the successful applicant must submit the necessary undertaking to this effect. 3. Applicants must in their submission satisfy the Council of their ability to execute the project successfully. 4. Organisations who have already received financial or other assistance from the Council during the previous financial year <u>must</u> specify same in their application. 5. No funding will be considered for political groupings, church/sectarian bodies or ratepayers organisations. 6. No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain. 7. Projects outside the boundaries of the Council will not be considered. 8. Subsequent requests from applicants to cover overspending on projects will not be considered. 9. Council will not pay any funds to anyone who has already procured against the perception that they will receive any municipal funds. 10. Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance Management Act No. 56 of 2003 which <i>inter alia</i> stipulates that the organisation or body has to:- <ul style="list-style-type: none"> • Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting, financial management and auditing requirements as may be contained in such agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programmes of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion. • Report monthly on the actual expenditure of the amount allocated.

11. The Council reserves the right not to give funding to any or all organisations applying.
 12. Having been awarded funding previously does not give an applicant the right to receive a grant/funding again.
 13. Funding will not be considered where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.
 14. Funding will not be considered where in Council's opinion, an organisation received sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.
 15. Organisations having received funding from Stellenbosch Municipality during the previous financial year, are required to attached to any new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).
- (The Funding of External Bodies Performing a Municipal Function Policy must be consulted for the sake of completeness)

H Undertaking:

I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of funds as set out above have been read, understood and will be complied with.

I/We also declare that the organisation implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.

This completed and signed at Stellenbosch on this.....day of20....

Chairperson / Authorised Representative

Secretary / Duly Authorised Signatory

I

Please take note:

(i) That completed application forms together with all the required documentation must be delivered to:

**Director: Planning and Economic Development
P O Box 17
Stellenbosch
7599**

Or delivered to:

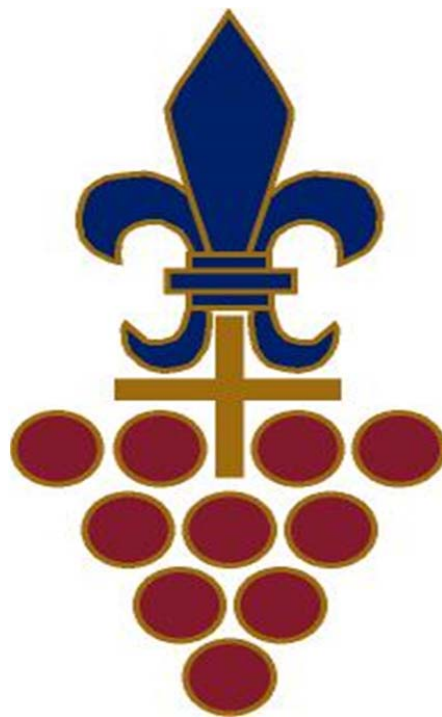
**58 Andringa Street
Stellenbosch
7600**

(ii) That the closing date for the submission of applications is: at
.....

(iii) That **neither late nor incomplete applications** shall be considered.

APPENDIX 21

STELLENBOSCH MUNICIPALITY



ACCOUNTING POLICY

2017/2018



STELLENBOSCH MUNICIPALITY

ACCOUNTING POLICY

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1. Basis of Preparation

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives, issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand. All figures are rounded to the nearest Rand.

Accounting policies for material transactions, events or conditions not covered by the GRAP Standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

These accounting policies are consistent with the previous period, except for the changes set out in note 59 Changes in accounting policy.

1.1 Housing development fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

1.2 Internal reserves

Capital replacement reserve (CRR)

In order to finance the acquisition of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR in terms of the Annual Budget. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount when the amounts in the CRR are utilised.

Self-insurance reserve

The municipality has a Self-insurance reserve to set aside amounts to offset potential losses or claims that cannot be insured externally. The balance of the self-insurance fund is invested in short-term investments. Claims are settled by transferring a corresponding amount from the self-insurance reserve to the accumulated surplus.

Accumulated surplus

The accumulated surplus/deficit represent the net difference between the total assets and the total liabilities of the municipality. Any surpluses and deficits realised during a specific financial year are credited/debited against accumulated surplus/deficit. Prior year adjustments, relating to income and expenditure, are debited/credited against accumulated surplus when retrospective adjustments are made.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are insignificant to the annual financial statements are set out below:

Accounting Policy 1.16 on Revenue from Exchange Transactions and Accounting Policy 1.17 on Revenue from Non- exchange Transactions describes the conditions under which revenue will be recorded by the management of the municipality.

In concluding judgement, management considered the detailed criteria for recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and, in particular, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services are rendered, whether the service has been rendered. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

Sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Impairment of financial assets

Accounting Policy 1.9: Financial Instruments, referring to the paragraph on impairment of financial assets, describes the process followed to determine the value with which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments - Recognition and Measurement. The management of the municipality is satisfied that impairment of financial assets recorded during the year is appropriate. Details of the impairment loss calculation are provided in the applicable notes to the annual financial statements.

Useful lives of property, plant and equipment and intangible assets

As described in Accounting Policy 1.6 and 1.7 the municipality depreciates its property, plant and equipment and intangible assets over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful life, which is determined when the assets are brought into use. The useful life and residual values of the assets are based on industry knowledge and are reassessed annually.

Employee benefit obligations

The municipality obtains actuarial valuations of its employee benefit obligations. The employee benefit obligations of the municipality that were identified are post-retirement health benefit obligations and long-service awards. The estimated liabilities are recorded in accordance with the requirements of GRAP 25. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in the applicable notes to the annual Financial Statements.

Impairment of non-financial assets

The recoverable (service) amounts of cash-generating units and individual assets have been determined based in the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

It is reasonably possible that the assumptions may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

Value in use of cash generating assets

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including economic factors such as inflation and interest.

Value in use of non-cash generating assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that the impairment may have occurred, the remaining service potential of the asset is determined. The most appropriate approach selected to determine the remaining service potential is dependent on the availability of data and the nature of the impairment.

Provisions

Provisions are raised and management determines an estimate based on the information available. Additional disclosures of these estimates of provisions are included in note 20 - Provisions.

Allowance for slow moving, damaged and obsolete stock

An allowance for inventory to write inventory down to the lower of cost or net realisable value. Management has made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the surplus/deficit.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price. The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The municipality uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

Effective interest rate

The municipality uses the best estimate of the costs at the reporting date with reference to the inflation rate.

Allowance for doubtful debts

On receivables an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.4 Biological assets that form part of an agricultural activity

The municipality recognises biological assets that form part of an agricultural activity or agricultural produce when and only when:

- the municipality controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the municipality; and
- the fair value or cost of the asset can be measured reliably.

Biological assets that form part of an agricultural activity are measured at their fair value less costs to sell.

A gain or loss arising on initial recognition of biological assets that form part of an agricultural activity or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of a biological assets that form part of an agricultural activity, is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable, is used to determine fair value.

Where fair value cannot be measured reliably, biological assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Item	Useful life
Trees in a plantation forest	indefinite

1.5 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services; or for
- administrative purposes; or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that is associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Cost model

Investment property is, subsequent to initial measurement, carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value by equal installments over the useful life of the property, which is as follows:

Item	Useful life
Property - buildings	30-99 years
Property - land	indefinite

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

1.6 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

Property, plant and equipment is recognised as an asset when:

- it is probable that the future economic benefits or service potential that are associated with the property, plant and equipment will flow to the municipality; and
- the cost or fair value of the item can be determined reliably.

Measurement

Property, plant and equipment are initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary cost of dismantling and removing the asset and restoring the site on which it is located.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the municipality is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Subsequent to initial measurement property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Incomplete construction work

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is ready to be used.

Impairment

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable service amount, it is written down immediately to its recoverable service amount and an impairment loss is charged to the statement of financial performance.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Land and Buildings	
• Land	indefinite
• Buildings	30-99
Infrastructure assets	
• Roads and paving	10-100
• Electricity	10-50
• Water	10-100
• Sewerage	10-100
• Housing	30
Community assets	
• Improvements	30
• Recreational facilities	20-30
• Security	5
Capital restoration asset	
• Landfill site	5-30
Other property, plant and equipment	
• Watercraft	15
• Specialised plant and equipment	10-15

• Other plant and equipment	2-5
• Specialised vehicles	10
• Office equipment	1-7
• Bins and containers	5

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the municipality to amend the previous estimate unless expectations differ from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of municipality are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Compensation from third parties for an item of property, plant and equipment that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. These assets are not accounted for as non-current assets held for sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the municipality.

1.7 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from the municipality and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or

- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations. A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale;
- there is an intention to complete and use or sell it;
- there is an ability to use or sell it;
- it will generate probable future economic benefits or service potential;
- there are available technical, financial and other resources to complete the development and to use or sell the asset; and
- the expenditure attributable to the asset during its development can be measured reliably. Intangible assets are initially measured at cost.

Subsequent to initial measurement intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software	3 years
Databases	30 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible asset is the difference between the net disposal proceeds and the carrying amount and is included in surplus or deficit when the asset is derecognised.

1.8 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Where the municipality holds a heritage asset, but on initial recognition it does not meet the recognition criteria because it cannot be reliably measured, information on such a heritage asset is disclosed in note 14 Heritage assets.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is

measured at its fair value as at the date of acquisition.

Subsequent measurement

Subsequent to initial measurement classes of heritage assets are carried at cost less any accumulated impairment losses.

Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The municipality has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from exchange transactions at amortised cost	Financial asset measured
Receivables from non-exchange transactions measured at amortised cost	Financial asset
Cash and cash equivalents	Financial asset measured
Other receivables from exchange transactions measured at amortised cost	Financial asset

The municipality has the following types of financial liabilities (classes and category) as

reflected on the face of the statement of financial position or in the notes thereto:

Class	Category			
Payables from exchange transactions amortised cost	Financial	liability	measured	at
Consumer deposits amortised cost	Financial	liability	measured	at
Other financial liabilities amortised cost	Financial	liability	measured	at
Operating lease liability amortised cost	Financial	liability	measured	at

Initial recognition

The municipality recognises a financial asset or a financial liability in its statement of financial position when the municipality becomes a party to the contractual provisions of the instrument.

The municipality recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The municipality measures a financial asset and financial liability initially at its fair value plus, in the case of a financial asset or a liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The municipality first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the municipality analyses a concessionary loan into its component parts and accounts for each component separately. The municipality accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

Subsequent measurement of financial assets and financial liabilities

The municipality measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the municipality establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the municipality uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on municipality-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, the municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data..

Short-term receivables and payables are not discounted where the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The municipality assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

For amounts due to the municipality, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at

amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

The calculation in respect of the impairment of fines receivable (receivables from non-exchange transactions) is based on an assessment of the past history of fines per category.

Derecognition Financial assets

The municipality derecognises financial assets using trade date accounting. The municipality derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another municipality by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

1.10 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the municipality assesses the classification of each element separately.

Housing rental and instalments

Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised on a time proportion basis.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight- line basis.

Any contingent rent is expensed in the period in which they are incurred.

1.11 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, and then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for:

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs. The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or

current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.12 Landfill site

Site restoration and dismantling cost - The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes:

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located;
- changes in the measurement of an existing decommissioning, restoration and similar liability that result from change in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in discount rate; and
- the obligation the municipality incurs for having used the items during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

1.13 Impairment of cash-generating assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is

impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also test a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Reversal of impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

1.14 Employee benefits

Short term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick

leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;

- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the municipality during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The municipality measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The municipality recognises the expected cost of bonus, incentive and performance related payments when the municipality has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Accrued leave pay

Liabilities for annual leave are recognised as they accrue to employees. Liability is based on the total accrued leave days owing to employees and is reviewed annually.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which a municipality provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

Multi-employer plans

The municipality classifies a multi-employer plan as a defined contribution plan or a defined benefit plan under the terms of the plan (including any constructive obligation that goes beyond the formal terms).

Where a plan is a defined contribution plan, the municipality accounts for it the same way as for any other defined contribution plan.

Where a plan is a defined benefit plan, the municipality accounts for its proportionate share of the defined benefit obligation, plan assets and cost associated with the plan in the same way as for any other defined benefit plan.

When sufficient information is not available to use defined benefit accounting for a plan, that is a defined benefit plan, the municipality accounts for the plan as if it was a defined contribution plan.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the municipality pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the municipality during a reporting period, the municipality recognizes the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, the municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money.

The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the municipality recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the municipality recognise past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement.

The amount determined as a defined benefit liability may be negative (an asset). The municipality measure the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The municipality determine the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The municipality recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The municipality uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, the municipality shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the municipality attributes benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The municipality recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the municipality re-measures the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The municipality offsets an asset relating to one plan against a liability relating to another plan when the municipality has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:

- those changes were enacted before the reporting date; or
- past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Other long term employee benefits

The municipality provides post-retirement health care benefits, housing subsidies and gratuities upon retirement to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The municipality shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost; and
- the effect of any curtailments or settlements.

Termination benefits

The municipality recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The municipality is demonstrably committed to a termination when the entity has a

detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than twelve months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

1.15 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

If the municipality has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Provision for the rehabilitation of landfill sites

At year end a provision is raised for the rehabilitation of landfill sites. The provision is the net present value of the future cash flows to rehabilitate damaged land at year end.

As the related asset is measured using the cost model:

- changes in the liability is added to, or deducted from, the cost of the related asset in the current period;
- the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit;
- if the adjustments result in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may be fully recoverable. If there is such an indication, the municipality tests the asset for impairment by estimating its recoverable amount or recoverable service amount, and accounts for any impairment loss, in accordance with the accounting policy on impairment of assets as described in the accounting policy on impairment of cash-generating assets and/ or impairment of non-cash generating assets.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur.

Provision for constructive obligations

A constructive obligation to restructure arises only when the municipality:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of a activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality.

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingencies

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

A contingent liability is a:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality;
- present obligation that arises from past events but is not recognised because: it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 51.

Grant-in-aid contributions

Provision is made for any constructive obligations of the municipality. A constructive obligation arises through an established pattern of past practice, published policies or a sufficiently specific current standard, whereby the municipality has indicated to other parties that it will accept certain responsibilities and as a result, the municipality has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

The municipality transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the municipality does not:

- receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- expect to be repaid in future; or
- expect a financial return, as would be expected from an investment.
-

1.16 Revenue from exchange transactions

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Service charges

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved from Council and are levied monthly.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be

estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by surveys of work performed.

Pre-paid electricity

Revenue from the sale of electricity prepaid units is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- The costs incurred or to be incurred in respect of the transaction can be measure reliably.

Interest earned

Interest earned on investments is recognised in the statement of financial performance on the time proportionate basis that takes into account the effective yield on the investment.

Dividends

Dividends are recognised on the date that the municipality becomes entitled to receive the dividend in accordance with the substance of the relevant agreement, where applicable.

Charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant approved tariff. This includes the issuing of licences and permits.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Income from agency services

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

1.17 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs are recognised in the statement of financial performance in the period in which they become receivable.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Property rates

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources.

Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

Transfers

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Debt forgiveness and assumption of liabilities

The municipality recognises revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

The municipality makes use of estimates to determine the amount of revenue that it is entitled to collect. Where settlement discounts or reductions in the amount payable are offered, the municipality considers past history in assessing the likelihood of these discounts or reductions being taken up by receivables. Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting municipality.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Services in-kind

Services in-kind that are significant to the municipality's operations and/or service delivery

objectives are recognised as assets and the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality discloses the nature and type of services in-kind received during the reporting period.

Collection charges and penalties

Collection charges and penalty interest is recognised when:

- it is probable that the economic benefits or service potential associated with the transactions will flow to the municipality; and
- the amount of revenue can be measured reliably; and

to the extent that there has been compliance with the relevant legal requirements (if applicable).

1.18 Value Added Tax

The municipality accounts for Value Added Tax on the cash (receipt) basis.

1.19 Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with a maturity period of between three and twelve months and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried in the balance sheet at amortised cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and cash with bank, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

1.20 Statutory receivables Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting

regulations or similar means.

The transaction amount (for purposes of the Standard of GRAP on Statutory Receivables) means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the accounting policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the accounting policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the accounting policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount. Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
 - impairment losses; and
 - amounts derecognised.
- d. Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the accounting policy on Revenue from exchange transactions or the accounting policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled to levy additional charges in terms of legislation, supporting regulations, by-laws or similar means on overdue or unpaid amounts, these charges are accounted for in terms of the municipality's accounting policy on Revenue from exchange transactions or the policy on Revenue from non-exchange

transactions (taxes and transfers).

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- significant financial difficulty of the receivable, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- it is probable that the receivable will enter sequestration, liquidation or other financial re-organisation.
- a breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable, or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability

unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:

- derecognises the receivable; and
- recognises separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The municipality considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.21 Borrowing costs

Borrowing costs are interest and other expenses incurred by the municipality in connection with the borrowing of funds. Borrowing costs are recognised as an expense in the period in which they are incurred.

1.22 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. Refer to note 59 and 60 for detail.

1.23 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.24 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where

recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.25 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure.

All expenditure relating to irregular expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.26 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also test a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of

an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Key management as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel is defined as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by Municipal Manager.

Management are those persons responsible for planning, directing and controlling the activities of the municipality including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

Changes in accounting policies, estimates and errors

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Commitments

Items are classified as commitments where the municipality commits itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- approved and contracted commitments;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

1.27 Budget information

The approved budget is prepared on the accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2015/07/01 to 2016/06/30.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the statement of comparison of budget and actual amounts.

1.28 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect

adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

GRAP 21 (as amended 2015): Impairment of Non-cash-generating Assets

The following amendments were made to the standard:

- editorial and other changes to the original text have been made to ensure consistency with other Standards of GRAP;
- general definitions have been deleted as these definitions are not essential to the understanding of the Standard. A paragraph has been included to explain that terms defined in other Standards of GRAP are used with the same meaning as in those other Standards of GRAP;
- additional commentary has been added to clarify the objective of cash-generating assets and non-cash generating assets, and consequential amendments made to the definition of cash-generating assets;
- the indicators of internal sources of information were amended to include obsolescence as an indication that an asset may be impaired. In line with the amendments made to IPSAS 21 on Impairment of Non-cash-generating Assets (IPSAS 21) in 2011, an amendment has been made to include another indicator of impairment i.e., where an asset's useful life has been reassessed as finite rather than indefinite;
- where the recoverable service amount is value in use, disclosure requirements have been added about whether an independent valuer is used to determine value in use together with the methods and significant assumptions applied in determining the value in use have been added to the disclosure requirements; and
- appendices with illustrative examples of indications of impairment and measurement of impairment losses have been deleted from the Standard as the National Treasury has issued complete examples as part of its implementation guidance.

The effective date of the standard is for years beginning on or after 01 April 2015.

The municipality has adopted the standard for the first time in the 2016 annual financial statements. The impact of the standard is not material.

GRAP 26 (as amended 2015): Impairment of Cash-generating Assets

The following amendments were made to the standard:

- editorial and other changes to the original text have been made to ensure consistency with other Standards of GRAP;
- general definitions have been deleted as these definitions are not essential to the understanding of the Standard. A paragraph has been included to explain that terms defined in other Standards of GRAP are used with the same meaning as in those other Standards of GRAP;
- additional commentary has been added to clarify the objective of cash-generating assets and non-cash generating assets, and consequential amendments made to the definition of cash-generating assets and cash generating unit;
- in line with the amendments made to IPSAS 26 on Impairment of Cash-generating Assets (IPSAS 26) in 2010, an amendment has been made to include another indicator of impairment in relation to the internal sources of information;
- where the recoverable amount is value in use, disclosure requirements have been added about whether an independent valuer is used to determine value in use together with the methods and significant assumptions applied in determining the value in use have been added to the disclosure requirements; and
- appendices with illustrative examples on using present value techniques to measure value in use and illustrative guidance have been deleted from the Standard as the National Treasury has issued complete examples as part of its implementation guidance.

The effective date of the standard is for years beginning on or after 01 April 2015.

The municipality has adopted the standard for the first time in the 2016 annual financial statements. The impact of the standard is not material.

Improvements to the Standards of GRAP (2013)

Amendments were made to the following standards of GRAP:

- GRAP 1 - Presentation of Financial Statements;
- GRAP 2 - Cash Flow Statements;
- GRAP 3 - Accounting Policies, Changes in Accounting Estimates and Errors;
- GRAP 7 - Investments in Associates;
- GRAP 10 - Financial Reporting in Hyperinflationary Economies;
- GRAP 11 - Construction Contracts;
- GRAP13 - Leases;

- GRAP 17 - Property, Plant and Equipment;
- GRAP 19 - Provisions, Contingent Liabilities and Contingent Assets;
- GRAP 21 - Impairment of Non-cash-generating Assets (refer to separate note);

- GRAP 24 - Presentation of Budget Information in Financial Statements;
- GRAP 25 - Employee Benefits;
- GRAP 26 - Impairment of Cash-generating Assets (refer to separate note);
- GRAP 31 - Intangible Assets;
- GRAP 103 - Heritage Assets; and
- GRAP 104 - Financial Instruments

The amendments relate mainly to editorial and other changes to the original text to ensure consistency with other Standards of GRAP and deletion of the appendices with illustrative guidance and examples from the standards, as the National Treasury has issued complete examples as part of its implementation guidance.

The effective date of the improvements is for years beginning on or after 01 April 2015.

The municipality has adopted the improvements for the first time in the 2016 annual financial statements. The impact of the improvements is not material.

GRAP 23 (as amended 2015): Revenue from Non-exchange Transactions

The following amendments were made to the standard:

- editorial and other changes to the original text have been made to ensure consistency with other Standards of GRAP;
- the scope paragraph has been amended to exclude non-exchange revenue from construction contracts from this Standard;
- commentary has been added to clarify that discounts, volume rebates or other reductions in the quoted price of assets are exchange transactions that should be treated in accordance with the Standard of GRAP on Revenue from Exchange Transactions;
- the Standard was amended to make it mandatory for entities to recognise services in-kind to the extent that the services in-kind are significant to an entity's operations and/or service delivery objectives and to the extent that the recognition criteria have been met;
- commentary has been added to clarify that services in-kind are not limited to the provision of services by individuals but also include the right to use assets. Examples have been added to illustrate this amendment; and
- the appendix with illustrative examples has been deleted from the Standard as the National Treasury has issued complete examples as part of its implementation guidance.

The effective date of the standard is for years beginning on or after 01 April 2015.

The municipality has adopted the standard for the first time in the 2016 annual financial statements. The impact of the standard is not material.

2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2016 or later periods:

GRAP 18: Segment Reporting

Segments are identified by the way in which information is reported to management, both for purposes of assessing performance and making decisions about how future resources will be allocated to the various activities undertaken by the municipality. The major classifications of activities identified in budget documentation will usually reflect the segments for which an entity reports information to management.

Segment information is either presented based on service or geographical segments. Service segments relate to a distinguishable component of an entity that provides specific outputs or achieves particular operating objectives that are in line with the municipality's overall mission. Geographical segments relate to specific outputs generated, or particular objectives achieved, by an entity within a particular region.

This Standard has been approved by the Accounting Standards Board, but its effective date has not yet been determined by the Minister of Finance.

The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

The adoption of this standard is not expected to impact on the results of the municipality, but may result in more disclosure than is currently provided in the annual financial statements.

GRAP 20: Related parties

The objective of this standard is to ensure that a reporting municipality's annual financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

An entity that prepares and presents financial statements under the accrual basis of accounting (in this standard referred to as the reporting municipality) shall apply this standard in:

- identifying related party relationships and transactions;
- identifying outstanding balances, including commitments, between an entity and its related parties;
- identifying the circumstances in which disclosure of the items in (a) and (b) is required; and
- determining the disclosures to be made about those items.

This standard requires disclosure of related party relationships, transactions and outstanding balances, including commitments, in the consolidated and separate financial statements of the reporting entity in accordance with the Standard of GRAP on

Consolidated and Separate Financial Statements. This standard also applies to individual annual financial statements.

Disclosure of related party transactions, outstanding balances, including commitments, and relationships with related parties may affect users' assessments of the financial position and performance of the reporting entity and its ability to deliver agreed services, including assessments of the risks and opportunities facing the entity. This disclosure also ensures that the reporting entity is transparent about its dealings with related parties.

The standard states that a related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. As a minimum, the following are regarded as related parties of the reporting entity:

- A person or a close member of that person's family is related to the reporting entity if that person:
 - has control or joint control over the reporting entity;
 - has significant influence over the reporting entity;
 - is a member of the management of the entity or its controlling entity.
- An entity is related to the reporting entity if any of the following conditions apply:
 - the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others);
 - one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member);
 - both entities are joint ventures of the same third party;
 - one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - the entity is a post-employment benefit plan for the benefit of employees of either the entity or an entity related to the entity. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity;
 - the entity is controlled or jointly controlled by a person identified in (a); and
 - a person identified in (a)(i) has significant influence over that entity or is a member of the management of that entity (or its controlling entity).

The standard furthermore states that related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

The standard elaborates on the definitions and identification of:

- Close member of the family of a person;
- Management;
- Related parties;
- Remuneration; and
- Significant influence

The standard sets out the requirements, inter alia, for the disclosure of:

- Control;
- Related party transactions; and
- Remuneration of management

Only transactions with related parties where the transactions are not concluded within normal operating procedures or on terms that are not no more or no less favourable than the terms it would use to conclude transactions with another entity or person are disclosed.

The standard requires that remuneration of management must be disclosed per person and in aggregate.

The standard has been approved by the Accounting Standards Board, but the effective date of the standard is not yet set by the Minister of Finance.

The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard, but has already formulated an accounting policy for this reporting period based on the Standard.

The adoption of this standard is not expected to impact on the results of the municipality, but may result in more disclosure than is currently provided in the annual financial statements.

GRAP 32: Service Concession Arrangements: Grantor

The standard applies to a contractual arrangement between a grantor and an operator in which the operator uses the service concession asset to provide a mandated function on behalf of the grantor for a specified period of time. The operator providing the mandated function on behalf of the grantor can either be a private party or another public sector entity. The standard applies to the grantor only.

Public Private Partnership agreements that are governed and regulated in terms of the MFMA, are some of the arrangements that fall within the scope of GRAP 32. For any other arrangements that meet the control criteria as set out in paragraph .07 of GRAP 32 the principles in the standard on accounting for such arrangements will apply.

An asset provided by the operator, or an upgrade to an existing asset, is recognised as a service concession asset with a corresponding liability, being the performance obligation, if certain criteria and conditions are met.

The standard has been approved by the Accounting Standards Board, but the effective date of the standard is not yet set by the Minister of Finance.

The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the municipality's annual financial statements.

GRAP 108: Statutory Receivables

GRAP 108 only deals with those receivables that arise from legislation or an equivalent means, such as regulations, bylaws or other documents issued in terms of legislation, such as ministerial orders and cabinet or municipal council decisions. Therefore in order to be statutory in nature specific legislation should require the municipality to undertake the transactions, such as outlining who should be taxed and at what rates and amounts.

Statutory receivables are not contractual receivables, the latter of which would normally meet the definition of a financial asset and will be within the scope of the Standard of GRAP on Financial Instruments. Statutory receivables are not voluntarily entered into as with contractual receivables, because they arise as a result of specific legislative requirements.

Statutory receivables are initially measured at their transaction amount and subsequently using the cost method.

Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

The standard has been approved by the Accounting Standards Board, but the effective date of the standard is not yet set by the Minister of Finance.

The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard, but has already formulated an accounting policy for this reporting period based on the Standard.

The adoption of this standard is not expected to impact on the results of the municipality, but may result in more disclosure than is currently provided in the annual financial statements.

IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset

This Interpretation of the Standards of GRAP provides guidance to the grantor where it has entered into a service concession arrangement, but only controls, through ownership, beneficial entitlement or otherwise, a significant residual interest in a service concession asset at the end of the arrangement, where the arrangement does not constitute a lease.

A service concession arrangement is a contractual arrangement between a grantor and an

operator in which the operator uses the service concession asset to provide a mandated function on behalf of the grantor for a specified period of time. The operator is compensated for its services over the period of the service concession arrangement, either through payments, or through receiving a right to earn revenue from third party users of the service concession asset, or the operator is given access to another revenue-generating asset of the grantor for its use.

Before the grantor can recognise a service concession asset in accordance with the Standard of GRAP on Service Concession Arrangements: Grantor, both the criteria as noted in paragraph .01 of this Interpretation of the Standards of GRAP need to be met. In some service concession arrangements, the grantor only controls the residual interest in the service concession asset at the end of the arrangement, and can therefore not recognise the service concession asset in terms of the Standard of GRAP on Service Concession Arrangements: Grantor.

This interpretation concludes on the recognition of the performance obligation and the right to receive a significant interest in a service concession asset.

The interpretation has been approved by the Accounting Standards Board, but the effective date of the standard is not yet set by the Minister of Finance.

The municipality expects to adopt the interpretation for the first time when the Minister sets the effective date for the standard.

It is unlikely that the interpretation will have a material impact on the municipality's annual financial statements.

GRAP 16 (as amended 2015): Investment Property

Amendments made to the standard are:

- the principles and explanations related to the distinction between investment property and property, plant and equipment were reviewed;
- an indicator-based assessment of useful lives of assets was introduced;
- clarify the wording related to the use of external valuers;
- introduce more specific presentation and disclosure requirements for capital work-in-progress;
- the encouraged disclosures were deleted; and
- separate presentation of expenditure incurred on repairs and maintenance in the financial statements is now required.

The effective date of the standard is for years beginning on or after 01 April 2016.

The municipality expects to adopt the standard for the first time in the 2017 annual financial statements.

It is unlikely that the standard will have a material impact on the municipality's annual financial

statements.

GRAP 17 (as amended 2015): Property, Plant and Equipment

Amendments made to the standard are:

- the principles and explanations related to the distinction between investment property and property, plant and equipment were reviewed;
- an indicator-based assessment of useful lives of assets was introduced;
- clarify the wording related to the use of external valuers;
- introduce more specific presentation and disclosure requirements for capital work-in-progress;
- encouraged disclosures were deleted; and
- separate presentation of expenditure incurred on repairs and maintenance in the financial statements are now required.

The effective date of the standard is for years beginning on or after 01 April 2016.

The municipality expects to adopt the standard for the first time in the 2017 annual financial statements.

It is unlikely that the standard will have a material impact on the municipality's annual financial statements.

GRAP 109: Accounting by Principals and Agents

The objective of this Standard is to outline principles to be used by the municipality to assess whether it is party to a principal-agent arrangement, and whether it is a principal or an agent in undertaking transactions in terms of such an arrangement.

The Standard does not introduce new recognition or measurement requirements for revenue, expenses, assets and/or liabilities that result from principal-agent arrangements. The Standard does however provide guidance on whether revenue, expenses, assets and/or liabilities should be recognised by an agent or a principal, as well as prescribe what information should be disclosed when the municipality is a principal or an agent.

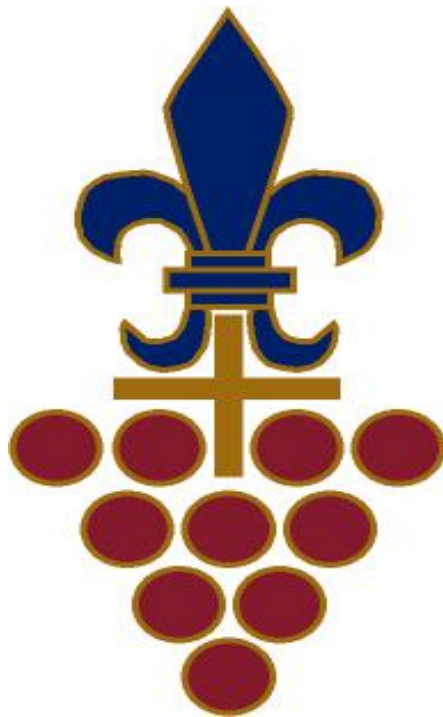
The standard has been approved by the Accounting Standards Board, but the effective date of the standard is not yet set by the Minister of Finance.

The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

The impact of this standard is currently being assessed.

APPENDIX 22

STELLENBOSCH MUNICIPALITY



BUDGET IMPLEMENTATION AND MONITORING POLICY

2017/2018



STELLENBOSCH MUNICIPALITY

BUDGET IMPLEMENTATION AND MONITORING

POLICY

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1. PREAMBLE

In the spirit of the Municipal Finance Management Act, (No.56 of 2003) “ to modernize budget and financial management practices by placing local government finances on a sustainable footing in order to maximize the capacity of municipalities to deliver services to all residents customers, users and investors” and,

Whereas chapter 4 of the Municipal Finance Management Act, (No 56 of 2003) determines that a municipality may, except where otherwise provided in the Act, incur expenditure only in terms of an approved budget; and within the limits of the amounts appropriated for the different votes in an approved budget,

In terms of the Budget and Reporting Regulations the municipality has to adopt a policy which includes the following:

1. a policy dealing with the shifting of funds within votes
2. a policy dealing with the introduction of adjustment budgets
3. policies dealing with unforeseen and unavoidable expenditure
4. policies dealing with management and oversight

Therefore the Stellenbosch Municipality revised its Budget Policy to give effect to the Budget and Reporting Regulations as set out in this policy.

2. DEFINITIONS

"Accounting officer" means a person appointed in terms of section 82(l) (a) or (b) of the Municipal Structures Act;

"Allocation", means-

- (a) a municipality's share of the local government's equitable share referred to in section 214(l) (a) of the Constitution;
- (b) an allocation of money to a municipality in terms of section 214(1) (c) of the Constitution;
- (c) an allocation of money to a municipality in terms of a provincial budget; or
- (d) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction;

"Annual Division of Revenue Act" means the Act of Parliament, which must be enacted annually in terms of section 214 (1) of the Constitution;

"Approved budget," means an annual budget-

- (a) approved by a municipal council, or
- (b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA;

"Basic Municipal Service" means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

"Budget-related Policy" means a policy of a municipality affecting or affected by the annual budget of the municipality, including-

- (a) the tariff policy, which the municipality must adopt in terms of section 74 of the Municipal Systems Act;
- (b) the rates policy which the municipality must adopt in terms of legislation regulating municipal property rates; or
- (c) the credit control and debt collection policy, which the municipality must adopt in terms of section 96 of the Municipal Systems Act;

"Budget transfer" means transfer of funding within a function / vote subject to limitations.

"Budget Year" means the financial year of the municipality for which an annual budget is to be approved in terms of section 16(1) of the MFMA;

"Chief Financial Officer" means a person designated in terms of section 80(2) (a) of the MFMA;

"councillor" means a member of a municipal council;

"current year" means the financial year, which has already commenced, but not yet ended;

"delegation", in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

"executive mayor" means the councillor elected as the executive mayor of the municipality in terms of section 55 of the Municipal Structures Act;

"financial recovery plan" means a plan prepared in terms of section 141 of the MFMA

"financial year" means a twelve months period commencing on 1 July and ending on 30 June each year

"financing agreement" includes any loan agreement, lease, and instalment purchase contract or hire purchase arrangement under which a municipality undertakes to repay a long-term debt over a period of time;

"fruitless and wasteful expenditure" means expenditure that was made in vain and would have been avoided had reasonable care been exercised;

"irregular expenditure", means-

- (a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the MFMA , and which has not been condoned by Council (b) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;
- (b) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or

(c) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which falls within the definition of "unauthorised expenditure";

"investment/s", in relation to funds of a municipality, means-

- (a) the placing on deposit of funds of a municipality with a financial institution; or
- (b) the acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds;

"local community" has the meaning assigned to it in section 1 of the Municipal Systems Act;

"Municipal Structures Act" means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

"Municipal Systems Act" means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

"long-term debt" means debt repayable over a period exceeding one year;

"municipal council" or "council" means the council of a municipality referred to in section 18 of the Municipal Structures Act;

"municipality"-

- (a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
- (b) when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

"municipal service" has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

"municipal tariff" means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

"National Treasury" means the National Treasury established by section 5 of the Public Finance Management Act;

"official", means-

- (a) an employee of a municipality or municipal entity;
- (b) a person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
- (c) a person contracted by a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity otherwise than as an employee;

"overspending"-

- (a) means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
- (b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
- (c) in relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;

"quarter" means any of the following periods in a financial year:

- (a) 1 July to 30 September;
- (b) 1 October to 31 December;
- (c) 1 January to 31 March; or
- (d) 1 April to 30 June;

"service delivery and budget implementation plan" means a detailed plan approved by the executive mayor of a municipality in terms of section 53(l)(c)(ii) of the MFMA for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate-

- (a) projections for each month of-
 - (i) revenue to be collected, by source; and
 - (ii) operational and capital expenditure, by vote;
- (b) service delivery targets and performance indicators for each quarter; and
- (c) any other matters that may be prescribed, and includes any revisions of such plan by the executive mayor in terms of section 54(l) (c) of the MFMA;

"unauthorised expenditure", means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes-

- (a) overspending of the total amount appropriated in the municipality's approved budget;
- (b) overspending of the total amount appropriated for a vote in the approved budget;
- (c) expenditure from a vote unrelated to the department or functional area covered by the vote;
- (d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- (e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- (f) a grant by the municipality otherwise than in accordance with the MFMA;

"virement" refer to the definition of budget transfer

"vote" means-

- (a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the
- (b) municipality; and
- (c) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

3. OBJECTIVES OF POLICY

The objective of the budget policy is to:

- a) Set out the principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget
- b) Outline the responsibilities of the executive mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget
- c) Establish and maintain procedures to ensure adherence to Stellenbosch Municipality's Integrated Development Plan (IDP) review and budget processes
- d) Give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the planning, preparation and approval of the annual and adjustments budgets

The policy shall apply to all staff and councillors of the Stellenbosch Municipality that are involved in budget implementation.

4. BUDGET PREPARATION PROCESS

4.1 Budget Steering Committee

a) The mayor of a municipality must establish a budget steering committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the Act.

b) The steering committee must consist of at least the following persons:

- I. the councilor responsible for financial matters;
- II. the municipal manager;
- III. the chief financial officer;
- IV. the senior managers responsible for at least the three largest votes in the municipality;
- V. the manager responsible for budgeting;
- VI. the manager responsible for planning; and
- VII. any technical experts on infrastructure.

4.2 Roles and responsibilities

4.2.1 Executive Mayor

a) As provided in Section 21(1) of the MFMA, the Mayor is responsible for:

- I. Co-ordinating the process for preparing the annual budget and for reviewing the Integrated Development Plan (“IDP”) and budget related-policies;
- II. Tabling in the council a time schedule outlining key deadlines.

b) In addition, as provided in Section 21(2) of the MFMA, for purposes of preparing the budget, the Mayor is required to:

- I. Take into account the Municipality’s IDP;
- II. Take all reasonable steps to ensure that the Municipality revises the IDP;
- III. Take into account the national budget, the provincial budget, the national government’s fiscal and macro-economic policy, the Annual Division of Revenue Act and any agreements reached in the budget forum;

- IV. Consult the relevant district municipality, if applicable, and local municipalities within the district, the provincial treasury, and when requested, the national treasury, and any national organs of state as may be prescribed;
- V. Provide on request information to the National Treasury and other organs of state and other municipalities affected by the budget.

c) Pursuant to Section 52 of the MFMA the mayor must:

- I. provide general political guidance over the fiscal and financial affairs of the municipality;
- II. in providing such general political guidance. may monitor and. to the extent provided in
- III. the MFMA, oversee the exercise of responsibilities assigned in terms of the MFMA to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;
- IV. must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;
- V. must within 30 days of the end of each quarter. submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and
- VI. must exercise the other powers and perform the other duties assigned to the mayor in terms of the MFMA or delegated by the council to the mayor.

d) As Required by Section 53 of the MFMA, the mayor must:

- I. provide general political guidance over the budget process and the priorities that must guide the preparation of a budget;
- II. co-ordinate the annual revision of the integrated development plan in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget, and determine how the integrated development plan is to be taken into account or revised for the purposes of the budget; and
- III. take all reasonable steps to ensure that:
 - a. the municipality approves its annual budget before the start of the budget year;
 - b. the municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget; and

- c. the annual performance agreements as required in terms of section 57(1)(6) of the Municipal Systems Act, for the municipal manager and all senior managers comply with the MFMA and in particular, the provisions of Section 53(1)(c)(iii) of the MFMA;
- iv. promptly report to the municipal council and the MEC for finance in the province any delay in the tabling of an annual budget, the approval of the service delivery and budget implementation plan or the signing of the annual performance agreements referred to above; and
- v. ensure-
 - a. that the revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter, as set out in the service delivery and budget implementation plan, are made public no later than 14 days after the approval of the service delivery and budget implementation plan; and
 - b. that the performance agreements of the municipal manager, senior managers and any other categories of officials as may be prescribed are made public no later than 14 days after the approval of the municipality's service delivery and budget implementation plan. Copies of such performance agreements must be submitted to the council and the MEC for local government in the province.

4.2.2 Accounting Officer

- a. The Accounting Officer shall provide technical and administrative support to the Executive Mayor in the preparation and approval of the annual and adjustment budgets, as well as the consultative process and the furnishing of information.
- b. The Accounting Officer shall ensure that all heads of departments provide the inputs required by the Chief Financial Officer for the purpose of preparing the budget.
- c. The Accounting Officer shall delegate to the Chief Financial Officer all such powers as may be necessary for the Chief Financial Officer to prepare the budgets.

4.2.3 Chief Financial Officer

- a. The Chief Financial Officer shall provide technical and administrative support to the Executive

Mayor in the preparation and approval of the annual and adjustment budgets, as well as the consultative process and the furnishing of information.

- b. The Chief Financial Officer shall be responsible for preparing the budgets, as delegated by the Accounting Officer.
- c. The Chief Financial Officer shall ensure that the annual and adjustments budgets comply with the requirements of the National Treasury, reflect the budget priorities determine by the mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the mayor on the revision of the IDP and the budget-related policies where these are indicated.

4.2.4 Directors directly accountable to the Accounting Officer

- a. Directors shall provide technical and administrative support to the Executive Mayor in the preparation and approval of the annual and adjustment budgets, as well as the consultative process and the furnishing of information.

4.3 Public participation process

a) Immediately after the draft resolutions of the annual budget is tabled in a municipal council, the Accounting Officer of the municipality must— in accordance with Chapter 4 of the Municipal Systems Act-

- I. make public the annual budget and the documents referred to in section 17(3); and
- II. invite the local community to submit representations in connection with the budget; and
- III. submit the annual budget—(draft budget)
- IV. in both printed and electronic formats to the National Treasury and the relevant provincial treasury as prescribed by National Treasury ; and
- V. in either format to any prescribed national or provincial organs of state and to other municipalities affected by the budget.

b) When the annual budget has been tabled, the municipal council must consider any views of-

- I. the local community; and
- II. the National Treasury, the relevant provincial treasury and any provincial or national organs of state or municipalities which made submissions on the budget.

c) The Municipal Manager must also make public any information that the municipal council considers appropriate to facilitate the budget consultation process, including:

- i. Summaries of the annual budget and supporting documents in alternate language predominant in the community; and
- ii. Information relevant to each ward in the municipality
- iii. All the information contemplated in sub-regulation (c) must cover
- iv. The relevant financial and service delivery implications of the annual budget; and
- v. At least the previous year's actual outcome, the current year's forecast outcome, the budget year, and the following two years.

d) When submitting the annual budget to the National Treasury and the relevant provincial treasury, the municipal manager must also submit to National Treasury and the relevant provincial treasury, both in printed and electronic form –

- I. The supporting budget documentation as tabled in the municipal council;
- II. The draft Service Delivery and Budget Implementation Plan (SDBIP); and
- III. Any other information as may be required by National Treasury.

e) The Municipal Manager must send copies of the annual budget and supporting documentation as tabled in the municipal council, in both printed and electronic form to:

- I. Any other municipality affected by the annual budget within ten working days of the annual budget being tabled in the municipal council; and
- II. Any organ of state on receipt of a request from the organ of state.

f) After considering all budget submissions, the council must give the Executive Mayor an opportunity-

- I. to respond to the submissions; and
- II. if necessary, to revise the budget and table amendments for consideration by the council.

g) Within consideration of the approval of the Annual Budget and thirty (30) days before the start of the budget year the Executive Mayor must table the following documents in the Council in consideration of the annual budget approval

- I. A report summarizing the local community's views on the annual budget;

- II. Any comments on the annual budget received from National Treasury and Provincial Treasury;
 - III. Any comments on the annual budget received from any organ of state, including any affected municipality; and
 - IV. Any comments on the annual budget received from any other stakeholders.
- h) The Municipal Manager must assist the Executive Mayor in the preparation of the documents referred to in sub-regulation (g) and 23 (2) of the Act.

4.4 Approval of the budget

- (a) Council shall consider the medium term revenue and expenditure framework budget (MTREF) for approval not later than 31 May (30 days before the start of the budget year).
- (b) The council resolution must contain budget policies and the performance measures to be adopted.
- (c) The council must consider the full implications, financial or otherwise, of the annual budget and supporting documentation before approving the annual budget.
- (d) When approving the annual budget, the council must consider and adopt separate resolutions dealing with each of the matters contemplated.
- (e) Should the municipality fail to approve the budget before the start of the budget year, the executive mayor must inform the MEC for Finance that the budget has not been approved.
- (f) The budget tabled to Council for approval shall include the following supporting documents:
 - I. draft resolutions approving the budget and levying property rates, other taxes and
 - II. tariffs for the financial year concerned;
 - III. measurable performance objectives for each budget vote, taking into account the
 - IV. municipality's IDP;
 - V. the projected cash flows for the financial year by revenue sources and expenditure
 - VI. votes;
 - VII. any proposed amendments to the IDP;
 - VIII. any proposed amendments to the budget-related policies;
 - IX. particulars of any proposed allocations or grants to other municipalities, municipal
 - X. entities, external mechanisms assisting the municipality in service delivery, other

- XI. organs of state, and organizations such as non- governmental organizations,
- XII. welfare institutions and so on;
- XIII. particulars of the municipality's investments;
- XIV. particulars of any proposed service delivery agreements, including material
- XV. amendments to existing service delivery agreements;
- XVI. the proposed cost to the municipality for the budget year of the salary, allowances
- XVII. and benefits of-

- (i) each political office-bearer of the municipality;
- (ii) councillors of the municipality; and
- (iii) the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality having a remuneration package greater than or equal to that of a senior manager;

4.5 Service Delivery and Budget Implementation Plan (SDBIP)

a) The Executive Mayor must approve the Service Delivery and Budget Implementation Plan not later than 28 days after the approval of the Budget by Council, and within ten days (10) after the Executive Mayor has approved the Plan it has to be made public.

b) The SDBIP shall include the following components:

- I. Projections for each month of Revenue to be collected, by source, and Operational and capital expenditure, by vote;
- II. Service delivery targets and performance indicators for each quarter;
- III. Monthly projections of revenue to be collected for each source;
- IV. Monthly projections of expenditure (operating and capital) and revenue for each vote;
- V. Quarterly projections of service delivery targets and performance indicators for each vote;
- VI. Information for expenditure and delivery; and
- VII. Detailed capital works plan.

5. BUDGET PRINCIPLES

- a) The municipality shall ensure that revenue projections in the budget are realistic taking into account actual collection levels. The expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget.
- b) Stellenbosch Municipality shall prepare a three-year budget (medium term revenue and expenditure framework (MTREF)) which will be reviewed annually and will be approved by Council. The MTREF budget will at all times be within the framework of the Municipal Integrated Development Plan (IDP).
- c) The annual budget will consist of a Capital and Operating Budget which will be discussed below:

5.1 Capital Budgets

- a) The capital budget refers to the allocations made to specific infrastructural projects and the purchase of equipment and other forms of assets having a lifespan of more than one year.

5.1.1 Basis of Calculation

- a) The zero based method is used in preparing the annual capital budget, except in cases where a contractual commitment has been made that would span over more than one financial year.
- b) The annual capital budget shall be based on realistically anticipated revenue (capital loans to be taken up will be deemed to be part of this), which should be equal to the anticipated capital expenditure in order to result in a balanced budget.
- c) The impact of the capital budget on the current and future operating budgets in terms of finance charges to be incurred on external loans, depreciation of fixed assets, maintenance of fixed assets and any other operating expenditure to be incurred resulting directly from the capital expenditure, should be carefully analyzed when the annual capital budget is being compiled.
- d) In addition, the council shall consider the likely impact of such operational expenses- net of any revenues expected to be generated by such item- on future property rates and service tariffs.

5.1.2 Financing

1. Own Financing Sources

The Council shall establish a Capital Replacement Reserve (CRR) for the purpose of financing capital projects and the acquisition of capital assets. Such reserve shall be established from the following:

- a) unappropriated cash-backed surpluses to the extent that such surpluses are not required for operational purposes;
- b) further amounts appropriated as contributions in each annual or adjustments budget; and
- c) net gains on the sale of fixed assets in terms of the fixed asset management and accounting policy.

2. Other Finance Sources

The Ad- Hoc capital budget shall be financed from external sources such as the following:

- a) Grants and subsidies as allocated in the annual Division of Revenue of Act;
- b) Grants and subsidies as allocated by Provincial Government;
- c) External Loans;
- d) Private Contributions;
- e) Contributions from the Capital Development Fund (developer's contributions); and
- f) Any other financing source secured by the local authority.

5.1.3 Implementation

- a) After the budget has been approved, the service delivery and budget implementation plan (SDBIP) should be compiled.
- b) The SDBIP must be tabled to the Mayor within 28 days after aforementioned approval.
- c) Each director has to indicate the intended spending patterns of both their capital and operating budgets. (Cash flows)
- d) These listed cash flows are consolidated into the Service Delivery and Budget Implementation Plan of the organisation.

- e) The SDBIP will be monitored on a monthly basis where actual spending will be compared with the planned spending as indicated by the directors at the beginning of the year.
- f) Each directorate can use their respective vote numbers as indicated on the capital budget

5.2 Operational Budget

The operational budget refers to the funds that would be raised in the delivery of basic services, grants & subsidies and any other municipal services rendered. These funds are in turn used to cover the expenses incurred in the day to day running of the organization.

5.2.1 Basis of Calculation

- a) A zero based approach is used in preparing the annual operating budget.
- b) The annual operating budget shall be based on realistically anticipated revenue.
- c) An income based approach shall be used whereby realistically anticipated income is determined first and the level of operating expenditure would be based on the determined income flows.

5.2.2 Financing

The operating budget shall be financed from the following sources:

- a) Service Charges
 - (i) Electricity Charges
 - (ii) Water Sales
 - (iii) Refuse Removal Fees
 - (iv) Sewerage Fees

Increases in tariffs should be cost reflective.

- b) Property rates

Increases in rates will as far as possible be limited to inflation.

c) Grants & Subsidies

Grants and subsidies shall be based on all the gazetted grants and subsidies plus all other subsidies received by the organization.

d) Interest on Investments

The budget for interest and investment shall be in accordance with the Cash Management and Investment policy of the organization.

e) Rental Fees

Income from rental property will be budgeted for based on the percentage growth rate as determined by Financial Services for a particular budget year.

f) Fines

Income from fines will be budgeted for based on the actual income received in the preceding year (calculated on the basis of actual receipts until end of February of each year, extrapolated over 12 months) and the percentage growth rate as determined by Financial Services for a particular budget year.

g) Other Income

All other income items will be budgeted for based on the actual income received in the preceding year (calculated on the basis of actual receipts until end of February of each year, extrapolated over 12 months) and the percentage growth rate as determined by Financial Services for a particular budget year.

5.2.3 Implementation

a) After the budget has been approved, the service delivery and budget implementation plan (SDBIP) is compiled.

b) The SDBIP must be tabled to the Mayor within 28 days after aforementioned approval.

- c) Each director has to indicate the intended spending patterns of both their capital and operating budgets. (Cash flows)
- d) These listed cash flows are consolidated into the Service Delivery and Budget Implementation Plan of the organisation.
- e) The SDBIP will be monitored on a monthly basis where actual spending will be compared with the planned spending as indicated by the directors at the beginning of the year.
- f) Each directorate can use their respective vote numbers as indicated on the capital budget.

5.3 Contents of the Budget

- a) The budget must comply with the provisions of Section 17(1) of the MFMA, and in particular:
 - i. The budget must be in the format prescribed by the regulations;
 - ii. The budget must reflect the realistically expected revenues by major source for the budget year concerned;
 - iii. The expenses reflected in the budget must be divided into the votes of the various departments of the municipality;
 - iv. The budget must also contain:
 - 1. the foregoing information for the two years immediately succeeding the financial year to which the budget relates;
 - 2. the actual revenues and expenses for the previous financial year , and
 - 3. the estimated revenues and expenses for the current year.
- b) The budget must be accompanied by all of the documents referred to in Section 17(3) of the MFMA.
- c) For the purposes of Section 17(3) (k) of the MFMA, the salary, allowances and benefits of each group referred to therein must be stated individually.

5.4 Components of the Budget

- a) The annual budget and adjustments budget shall, as required by Section 17(2) of the MFMA consist of:
- I. the capital component, and
 - II. the operating component.
- b) The operating component shall duly reflect the impact of the capital component on:
- I. Compensation of employees & Remuneration of Councilors
 - II. Bulk Service Expenses
 - III. Depreciation charges;
 - IV. Repairs and maintenance expenses;
 - V. Interest payable on external borrowings; and
 - VI. Other operating expenses.
- c) Before approving the capital budget component of the annual or adjustments budget, the council shall consider the impact of the capital component on the present and future operating budgets of the municipality in relation to the items referred to:
- I. The projected cost covering all financial years until the project is operational;
 - II. The future operational costs and revenue on the project, including municipal tax and tariff implications.
 - III. All capital projects have an effect on future operating budgets. The following cost factors must therefore be considered before approval:
 - 1) Additional personnel cost to staff new facilities once operational;
 - 2) Additional contracted services, such as security, cleaning etc.
 - 3) Additional general expenditure, such as services cost, stationery, telephones, material etc.
 - 4) Additional other capital requirements to operate the facility, such as vehicles, plant and equipment, furniture and office equipment etc.
 - 5) Additional costs to maintain the assets;
 - 6) Additional interest and redemption in the case of borrowings;
 - 7) Additional depreciation charges;
 - 8) Additional revenue generation. The impact of expenditure items must be offset by additional revenue generated to determine the real impact on tariffs.

6. ADJUSTMENTS BUDGETS

- (a) Each adjustments budget shall reflect realistic excess, however nominal, of current revenues over expenses.
- (b) The chief financial officer shall ensure that the adjustments budgets comply with the requirements of the National Treasury, reflect the budget priorities determined by the executive mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the executive mayor on the revision of the IDP and the budget-related policies where these are indicated.
- (c) Council may revise its annual budget by means of an adjustments budget as regulated.
- (d) The Accounting Officer must promptly adjust its budgeted revenues and expenses if a material under-collection of revenues arises or is apparent.
- (e) The Accounting Officer shall appropriate additional revenues, which have become available but only to revise or accelerate spending programmes already budgeted for or any areas of critical importance identified by Council in compliance with Item 2 of Section 10.
- (f) The Council shall in such adjustments budget, and within the prescribed framework, confirm unforeseen and unavoidable expenses on the recommendation of the Executive Mayor.
- (g) Only the Executive mayor shall table an adjustment budget. Adjustments budget shall be done once as part of the mid-year budget performance assessment.
- (h) An adjustments budget must contain all of the following:
 - I. an explanation of how the adjustments affect the approved annual budget
 - II. appropriate motivations for material adjustments; and
 - III. an explanation of the impact of any increased spending on the current and future annual budgets.
- (i) Any unappropriated surplus from previous financial years, even if fully cash-backed, may not be used to balance any adjustments budget, but may be appropriated to the municipality's capital replacement reserve.

- (j) Municipal taxes and tariffs may not be increased during a financial year except if required in terms of a financial recovery plan and or per National Treasury Regulations.
- (k) Unauthorised expenses may be authorised in an adjustments budget.

6.1 Formats of adjustments budgets

- (a) An adjustment budget and supporting documentation of a municipality must be in the format specified by National Treasury and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

6.2 Funding of the adjustments budgets

- (a) An adjustments budget of a municipality must be appropriately funded.
- (b) The supporting documentation to accompany an adjustments budget in terms of section 28(5) of the Act must contain an explanation of how the adjustments budget is funded.

6.3 Timeframes for tabling of adjustments budgets

- (a) An adjustments budget referred to in section 28(2)(b), (d) and (f) of the Act may be tabled in the municipal council at any time during the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year.
- (b) Only one adjustments budget referred to in subregulation (1) may be tabled in the municipal council during a financial year, except when the additional revenues contemplated in section 28(2)(b) of the Act are allocations to a municipality in a national or provincial adjustments budget, in which case subregulation (3) applies.
- (c) If a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.

- (d) An adjustments budget referred to in section 28(2)(c) of the Act must be tabled in the municipal council at the first available opportunity after the unforeseeable and unavoidable expenditure contemplated in that section was incurred within the period set in section 29(3) of the Act.
- (e) An adjustments budget referred to in section 28(2)(e) of the Act may only be tabled after the end of the financial year to which the roll-overs relate, and must be approved by the municipal council by 25 August of the financial year following the financial year to which the roll-overs relate.
- (f) An adjustments budget contemplated in section 28(2)(G) of the Act may only authorise unauthorised expenditure as anticipated by section 32(2)(a)(i) of the Act, and must be –
- (g) dealt with as part of the adjustments budget contemplated in subregulation (1); and
- (h) a special adjustments budget tabled in the municipal council when the mayor tables the annual report in terms of section 127(2) of the Act, which may only deal with unauthorised expenditure from the previous financial year which the council is being requested to authorise in terms of section 32(2)(a)(i) of the Act.

6.4 Submission of tabled adjustments budgets

- (a) The municipal manager must comply with section 28(7) of the Act, read together with section 22(b)(i) of the Act, within ten working days after the mayor has tabled an adjustments budget in the municipal council.
- (b) When submitting the tabled adjustments budget to the National Treasury and the relevant provincial treasury in terms of section 28(7) of the Act, read together with section 22(b)(i) of the Act, the municipal manager must submit in both printed and electronic form
 - i. the supporting documentation referred to in section 28(5) of the Act within ten working days of the adjustments budget being tabled in the municipal council; and
 - ii. any other information as may be required by National Treasury.
- (b) The municipal manager must send copies of an adjustments budget and supporting documentation, in both printed and electronic form to –
 - i. any other municipality affected by that adjustments budget within ten working days of the adjustments budget being tabled in the municipal council; and

- II. any other organ of state on receipt of a request from that organ of state.

6.5 Approval of adjustment budget

- (i) A municipal council must consider the full implications, financial or otherwise, of the adjustments budget and supporting documentation referred to in section (1) (a) before approving the adjustments budget.
- (j) When approving the adjustment budget, a municipal council must consider and adopt separate resolutions dealing with each of the matters listed in item 4 of Schedule B.

6.6 Publications of approved adjustment budget

- (a) Within ten 10 working days after the municipal council has approved an adjustment budget, the municipal manager must in accordance with section 21A of the Municipal Systems Act make public the approved adjustments budget and supporting documentation, as well as the resolutions referred to in section 5 (a).
- (b) When making public an adjustment budget and supporting documentation, the municipal Manager must make public awareness of the adjustment budget, including –
- (c) Summaries of the adjustment budget and supporting documentation in alternate languages predominant in the community;
- (d) Information relevant to each ward in the municipality, if that ward is affected by the adjustments budget; and
- (e) Any consequential amendment of the service delivery and budget implementation plan that is necessitated by the adjustments budget.

6.7 Submission of approved adjustments budget and other documents

- (a) The municipal Manger must comply with section 28(7) of the Act read together with section 24(3) of the Act within ten working days after the municipal council has approved and adjustments budget.

- b) When submitting an adjustments budget to National Treasury and other relevant provincial treasury in terms of section 28(7) of the Act read together with section 24(3) of the Act, the municipal manager must also submit to National Treasury and the relevant provincial treasury, in both printed and electronic form –
- i. The supporting documentation within ten working days after the municipal council has approved the adjustments budget;
 - ii. The amended service delivery and budget implementation plan, within ten working days after the council has approved the amended plan in terms of the section 54(1)(c) of the Act; and
 - iii. Any other information as may be required by the National Treasury.
- (c) The municipal manager must send copies of an adjustments budget and supporting documentation, in both electronic and printed form to –
- i. Any other municipality affected by that adjustments budget within ten (10) working days of the adjustments budget being tabled in the municipal council; and
 - ii. Any other organ of state on receipt of a request from that organ of state.

7. BUDGET IMPLEMENTATION

7.1 Monitoring (Section 71 of MFMA)

- (a) The Accounting Officer with the assistance of the Chief Financial Officer and other senior managers is responsible for the implementation of the budget, and must take all reasonable steps to ensure that:
- I. funds are spent in accordance with the budget;
 - II. expenses are reduced if expected revenues are less than projected; and
 - III. revenues and expenses are properly monitored.

7.2 Reporting

7.2.1 Monthly budget statements (Section 71 of the MFMA)

- (b) Accounting Officer with the assistance of the Chief Financial Officer must, not later than ten working days after the end of each calendar month, submit to the Executive Mayor and Provincial and National Treasury a report in the prescribed format on the state of the municipality's budget for such calendar month, as well as on the state of the budget cumulatively for the financial year to date.
- (c) This report must reflect the following:
- i. actual revenues per source, compared with budgeted revenues;
 - ii. actual expenses per vote, compared with budgeted expenses;
 - iii. actual capital expenditure per vote, compared with budgeted expenses;
 - iv. actual borrowings, compared with the borrowings envisaged to fund the capital budget;
 - v. the amount of allocations received, compared with the budgeted amount;
 - vi. actual expenses against allocations, but excluding expenses in respect of the equitable share;
 - vii. explanations of any material variances between the actual revenues and expenses as indicated above and the projected revenues by source and expenses by vote as set out in the service delivery and budget implementation plan;

- viii. the remedial or corrective steps to be taken to ensure that the relevant projections remain within the approved or revised budget; and
- ix. projections of the revenues and expenses for the remainder of the financial year, together with an indication of how and where the original projections have been revised.

7.2.2 Quarterly Reports (Section 52 of MFMA)

- (a) The Executive Mayor must submit to Council within thirty days of the end of each quarter a report on the implementation of the budget and the financial state of affairs of the municipality. The report submitted to National and Provincial Treasury must be both in electronic format and in a signed written document.

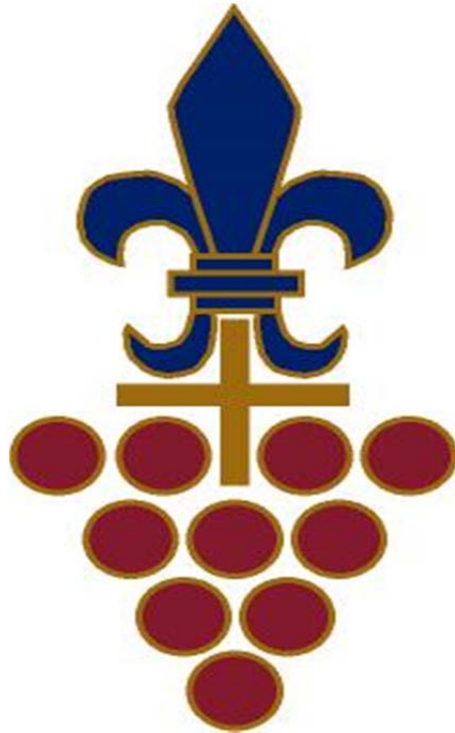
7.2.3 Mid-year budget and performance assessment (Section 72 and 88 of MFMA)

- (a) The Accounting Officer must assess the budgetary performance of the municipality for the first half of the financial year, taking into account all the monthly budget reports for the first six months, the service delivery performance of the municipality as against the service delivery targets and performance indicators which were set in the service delivery and budget implementation plan.
- (b) The Accounting officer must then submit a report on such assessment to the Executive Mayor by 25 January each year and to Council, Provincial Treasury and National Treasury by 31 January each year.
- (c) The Accounting Officer may in such report make recommendations after considering the recommendation of the Chief Financial Officer for adjusting the annual budget and for revising the projections of revenues and expenses set out in the service delivery and budget implementation plan.

8. REVIEW OF POLICY

- (a) This shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives, good governance, prudent expenditure management and with relevant legislation.

STELLENBOSCH MUNICIPALITY



PETTY CASH POLICY

2017/2018



STELLENBOSCH MUNICIPALITY

PETTY CASH POLICY

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1. INTRODUCTION

The accounting officer of a municipality is responsible for the management of the expenditure of the municipality in an effective and controlled manner. Therefore the Stellenbosch Municipality adopts the following petty cash policy.

2. REGULATORY FRAMEWORK

- a) The Municipal Finance Management Act (56 of 2003)
- b) Section 15 of the Municipal Supply Chain Regulations
- c) Treasury regulations in terms of Section 13(1) of the Act.

3. OBJECTIVES

Compliance with the regulatory framework in terms of the relevant legislation is required.

4. RESPONSIBILITY AND ACCOUNTABILITY

The key responsibilities in terms of the MFMA (Section 65) are:

Accounting Officer (Municipal Manager)-

- (1) The accounting officer of a municipality is responsible for the management of the expenditure of the municipality.
- (2) The accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure—
 - (a) that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds;
 - (b) that the municipality has and maintains a management, accounting and information system which—
 - (i) recognises expenditure when it is incurred;
 - (ii) accounts for creditors of the municipality; and

- (iii) accounts for payments made by the municipality;
- (c) that the municipality has and maintains a system of internal control in respect of creditors and payments;
- (d) that payments by the municipality are made—
 - (i) directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and
 - (ii) either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit;

The Municipal Manager delegates authority to the Chief Financial Officer to ensure compliance and adherence to the principles established by this policy.

5. PETTY CASH FRAMEWORK

5.1 General Policy

- a. The use of petty cash floats is strictly confined to individual cash purchases of:
 - i) up to a maximum of R500, where the petty cash floats in other departments are used to make purchases,
 - ii) up to a maximum of R2 000, when claimed from the Financial Services Petty Cash Float.
- b. It is not acceptable for one receipt or a number of receipts, in respect of the same event, which have been obtained by the same person, to be split over two cash purchase claims.
- c. A petty cash float is not to be used for any of the following:
 - i) the cashing of cheques;
 - ii) loans to any person whatsoever;
 - iii) payment of personal remuneration to any employee whatsoever, whether for fees, salaries, wages, travel allowance as part of remuneration, honorarium or other reason.

- iv) Purchase of capital items
- d. Other cash floats may also be established for the purpose of providing change, for a cash register, or any other purpose approved by the Chief Financial Officer. Use of such floats is restricted to the purpose for which they were established.
- e. The Chief Financial Officer may approve the use of petty cash for specific use, based on practical reasons or cost-benefit reasons. Such an authority will be done on a case by case basis for the purposes of considering merit.
- f. The CFO may determine and approve the maximum amount to be held in any individual petty cash float.

5.2 Purchases through Petty Cash Float – Supply Chain Management Office

- a. Purchases from SCM database suppliers shall be allowed in the following instance, provided that a monthly submission are made to the CFO of all purchases and the respective director confirming the enforcement of rotation of suppliers:
 - i) When the amount of the individual purchase / event is less than R250.00, irrespective of it being an emergency or not.
- b. Purchases from SCM database suppliers are NOT allowed for capital items or fuel.
- c. Petty claims will be dealt with on a first come, first serve basis and it is subject to the monetary limit of the petty cash.

5.3 Establishing and Operating a Petty Cash Float

- a. To establish a new petty cash float or increase an existing advance, a written application is to be made to the Chief Financial Officer by the relevant Department, motivating the need for such petty cash float.
- b. The total value of the advance requested will be an amount which would normally necessitate reimbursement approximately once a fortnight. This level of advances keeps to a minimum the overall cash in the buildings on municipal property and ensures regular inclusion of information regarding expenditure in financial reports and for budget control purposes.

- c. A request for the establishment of an advance will indicate the name and status of senior administrative or clerical staff to be held responsible for the operation of the petty cash float. The staff member's specimen signature must also be submitted by the Department to the Chief Financial Officer, together with the application documentation.
- d. The application will indicate the security arrangement in place to ensure safe custody of funds in the office. The minimal security arrangement that will be acceptable is that the float will be kept in a locked box which will be kept in a locked filing cabinet or safe. If an advance is approved, the Assistant Accountant: Creditors will advise the Department accordingly and request that the responsible staff member collect the advance. This establishing advance will be charged to a "Petty Cash Advances - ...Name/Dept..." in the General Ledger and not against any expenditure votes. A register of advances is thus maintained per Ledger Account for the purpose of accounting for all petty cash floats.

5.4 Security of Petty Cash Floats

- a. The cash on hand and used petty cash vouchers are to be kept in a locked box for which there should be two keys. One key is to be retained by the officer (on their person) normally responsible for the petty cash and the other to be kept in a sealed envelope in the office safe or other secure place, to be used only in an emergency.
- b. The locked petty cash box must be kept in a secure place when not in use and should be removed and returned by the responsible staff member only. At no stage should staff other than the responsible administrative/clerical staff member have access to the storage place of the petty cash box.
- c. Under no circumstance are keys to be left in the lock to the petty cash box, cabinet or safe.
- d. If the responsible officer is either going on leave or is leaving the Municipality's employment, the petty cash float is to be reconciled and signed by the departing- as well as replacement staff members, to indicate their agreement as to its balance. The replacement staff specimen signature must also be submitted to the Chief Financial Officer.

5.5 Completing a Cash Purchase Claim Form

- a. Petty cash stationery is available from the Expenditure Section (Financial Services). The form consists of two parts:
 - (i) Cash Purchase Claim page
 - (ii) Cash Purchase Record page
 - (iii) Receipt for cash advance (Only when appropriate, refer paragraph on Advances).
- b. All details entered on the Cash Purchase Claim appear on the Cash Purchase record page.
- c. The Cash Purchase Claim must be completed as follows:
 - (i) description and cost of the goods/services purchased
 - (ii) purchaser's signature
 - (iii) vote number to be charged
 - (iv) signature of the Officer in Charge of Petty Cash.
- d. Original receipts or other valid documentation as required must be attached as proof of payment, with the signature of an appropriate financial delegate on this documentation. A financial delegate cannot authorise a cash purchase claim where she or he is the purchaser.

5.6 Sub-Advances to staff members

- a. If it is necessary to make an initial sub-advance to a staff member for various needs, a receipt for cash advance must be completed. The receipt for Cash Advance Form must be completed as follows:
 - (i) description and *estimated* cost of the goods/services purchased
 - (ii) purchaser's signature
 - (iii) vote number to be charged
 - (iv) signature of the Officer in Charge of Petty Cash.

- b. On completion of the purchase, the recording-, documentation- and authorization requirements will be as stated in the above paragraph: Completing a Cash Purchase Claim Form.

All such sub-advances will be accounted for within 24 hours, by submitting original receipts and other applicable documentation required, attached as proof of payment (with the approval signature on the documentation). Where this cannot be achieved, the buyer will be liable to pay back the advance without any delay or the money will be deducted on his/her next salary irrespective of consent being given or noted. Not more than one advance will be made to any one person at a time.

5.7 Out-of-Pocket Payments

- a. Where a staff member has made purchases from their own funds and now seeks reimbursement from the petty cash, supporting documentation must be provided to substantiate the claim.
- b. The supporting documentation is to be attached to the Claim.
- c. The recording- , documentation- and authorization requirements will be as stated in the above paragraph (**Completing a Cash Purchase Claim Form**).

5.8 Reimbursement of Petty Cash Floats

- a. A petty cash float is operated on the basis that expenditure from the float is periodically reimbursed. Such reimbursement-
 - (i) returns the cash level of the petty cash float to its original level and
 - (ii) charges the expenditure which has been made, to the correct expenditure vote.
- b. Accordingly, at any point of time, the sum of the cash on hand, i.e. remaining unspent, plus the cash advances for un-finalised purchases, plus the completed cash purchase claim forms, will equal the level of the petty cash advanced to the Department.
- c. Completed Cash Purchase Claim forms, with attached cash register slips, etc., must be taken by the officer in charge of the Petty Cash in a Directorate/Department, to the Assistant Accountant: Accounts Payable for reimbursement, after the Summary Claim Cover Page and attached documentation have been authorised by a financial delegate

at least once in 14 days. Reimbursement of claims where supporting documentation is missing will not be entertained.

- d. The prescribed Summary Cash Purchase Claim form as well as other relevant forms attached to it must be completed in full.
- e. The most recently completed Cash Purchase Claim form must record the reconciliation of the petty cash float. The Assistant Accountant: Accounts Payable will refuse reimbursement of claims where this is not supplied.
- f. A petty cash float must never be reimbursed with funds derived from any other source whatsoever.

5.9 Shortages

- a. Any shortages in respect of a petty cash float must be paid in immediately.
- b. Where a petty cash float is stolen the incident must be reported promptly to the Chief Financial Officer in the required format, after which same needs to be reported to the South African Police Services and a case number provided to the Assistant Accountant: Accounts Payable.

5.10 Procedure applicable when a Petty Cash Float is repaid/cancelled

When an advance is no longer required, a statement in a form of a memorandum is to be completed and signed by the Head of the relevant Department and submitted to the Assistant Accountant: Accounts Payable, with the balance of cash on hand and completed and authorized Cash Purchase Claim forms. The most recently completed Cash Purchase Claim form will record the reconciliation of the petty cash float, where after a cheque will be issued to the relevant person to effect completion of the transaction..

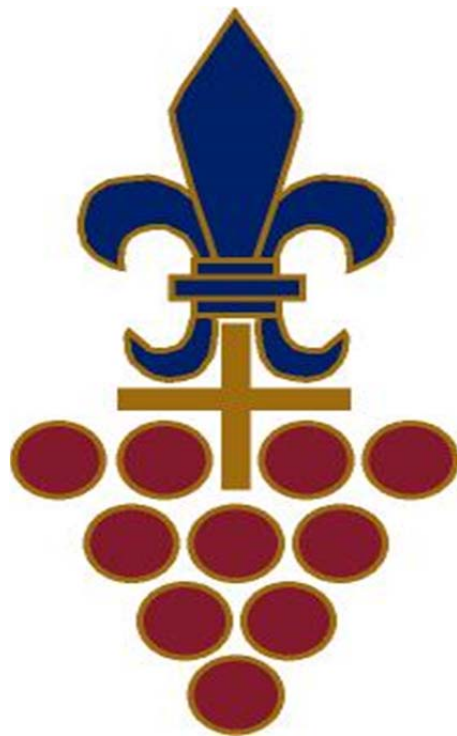
The Cashier will issue a receipt to the affected department.

5.11 Financial year-end procedures

Reconciled petty cash registers (cash slips attached), accompanied with the cash balance must be returned to the Senior Accountant: Expenditure a week before the financial year end

APPENDIX 24

STELLENBOSCH MUNICIPALITY



BORROWING, FUNDS AND RESERVES POLICY

2017/2018



STELLENBOSCH MUNICIPALITY

BORROWING, FUNDS AND RESERVES POLICY

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1. INTRODUCTION

The documented **Borrowing, Funds and Reserves Policy**, sets out the framework for the prudent use of Borrowing, Funds and Reserves available to the Municipality.

This Policy should be implemented in conjunction with the approved **Liquidity Policy**. The Liquidity Policy sets out the prudent level of cash to be maintained by the Municipality as one of several factors to ensure long term financial sustainability. It is however of equal importance to protect, maintain and extend the infrastructure of the Municipality to ensure the continued provision of services at an acceptable standard.

This policy is implemented to provide guidance on the appropriation of capital funding resources on a sustainable basis in the longer term.

2. BACKGROUND AND APPROACH

With reference to the applicable legislation as referred to in paragraph 3 below. Legislation exists and prescribes the framework of a Borrowing as well as Funds and Reserves Policy and these factors will all be addressed in this Policy.

Although legislation provides guidance as to the broader framework to ensure financial management of resources to ensure the Council meets all of its obligations timeously, it is not prescriptive with regards to quantifying not only the prudent level of Borrowing, Funds and Reserves but more so the optimal level hereof.

Therefore in this Policy cognisance has been taken of the legislative guidelines whilst more prescriptive guidelines are set for the optimal management and monitoring of resources to the Municipality's avail based on sound financial practices.

3. LEGISLATIVE REQUIREMENTS

The legislative framework governing borrowings, funds and reserves are:

- 1.1. Local Government Municipal Finance Management Act, Act 56 of 2003 (MFMA) must be complied with; and

- 1.1.1. MFMA Circular 71 stipulates the following guidelines regarding borrowing:

Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure

$(\text{Capital Cost (Interest Paid and Redemption)} / \text{Total Operating Expenditure}) \times 100$

Criteria: 6% - 8%

Debt (Total Borrowings) / Revenue

$(\text{Overdraft} + \text{Current Finance Lease Obligation} + \text{Non Finance Lease Obligation} + \text{Short Term Borrowings} + \text{Long Term Borrowings}) / \text{Total Operating Revenue}$

Criteria: Maximum 45%

1.2. Local Government Municipal Budget and Reporting Regulation, Regulation 393, published under Government Gazette 32141, 17 April 2009.

4. FUNDING POLICY

The Local Government Municipal Budget and Reporting Regulation, Regulation 393, published under Government Gazette 32141, 17 April 2009 stipulates:

8. (1) *Each municipality must have a funding and reserves policy which must set out the assumptions and methodology for estimating –*

- (a) *projected billings, collections and all direct revenues;*
- (b) *the provision for revenue that will not be collected;*
- (c) *the funds the municipality can expect to receive from investments;*
- (d) *the dividends the municipality can expect to receive from municipal entities;*
- (e) *the proceeds the municipality can expect to receive from transfer or disposal of assets;*
- (f) *the municipality's borrowing requirements;*
- (g) *the funds to be set aside in reserves.*

In terms of Section 18 and 19 of the MFMA an **annual budget** may only be funded from:

Cash backed accumulated funds from previous years' surpluses not committed for other purposes:

Transfers from the accumulated surplus to fund operating expenditure will only be allowed for specific once-off projects with no recurring operating expenditure resulting thereof.

Borrowed funds, but only for capital projects:

Actual capital expenditure may only be incurred on a capital project if the funding for the project has been appropriated in the Capital Budget, but has also been secured from the financial source that is not committed for another purpose.

Realistically anticipated revenues to be collected:

Realistic anticipated revenue projections must take into account projected revenue for the current year based on actual collection levels in previous financial years.

4.1. OPERATING BUDGET

The Operating Budget should be cash funded. The Operating Budget is funded from the following main sources of revenue:

- a) Property Rates;
- b) Surplus generated from Service Charges;
- c) Government Grants and Subsidies;
- d) Other revenue, fines, interest received etc.;

The following guiding principles apply when compiling the Operating Budget:

- a) Growth parameters must be realistic taking into account the current economic conditions;
- b) Tariff adjustments must be in line with the following approved policies: ***Tariff Policy and Indigent Policy***;
- c) Revenue from Government Grants and Subsidies must be in line with allocations gazette in the Division of Revenue Act and provincial gazettes. Transfers of a conditional nature must be appropriated only as prescribed and should not be used to fund the Operating Budget;
- d) Revenue from public contributions, donations or any other grants may only be included in the Budget if there is acceptable documentation that guarantees the funds and if the transfers are unconditional of nature;

- e) Provision for revenue that will not be collected is made against the expenditure item bad debt and based on actual collection levels for the previous financial year and the reasonably projected annual non-payment rate;
- f) Interest received from actual Long-term and or Short-term Investments are based on the amount reasonably expected to be earned on cash amounts available during the year according to the expected interest rate trends. The actual amount allocated for interest on investments is contributed to the Capital Replacement Reserve;
- g) A detailed salary budget is compiled on an annual basis. All funded positions are budgeted for in total as well as new and/or funded vacant positions. As a guiding principle the salary budget should not constitute more than 35% of annual Operating Expenditure;
- h) Depreciation charges are fully budgeted for according to the Asset Register.
- i) The annual cash flow requirement for the repayment of borrowings must fully be taken into consideration with the setting of tariffs;
- j) Sufficient provision must be made for the maintenance of existing infrastructure based on affordable levels. The maintenance budgets are normally lower than the recommended levels. As a guiding principle repair and maintenance should constitute between 5% and 8% of total operating expenditure and should annually be increased incrementally until the required targets are achieved;
- k) Individual expenditure line items are to be revised each year when compiling the budget to ensure proper control over expenditure.

4.2. CAPITAL BUDGET

The capital budget provides funding for the municipality's capital programme based on the needs and objectives as identified by the community through the Integrated Development Plan and provides for the eradication of infrastructural backlogs, renewal and upgrading of existing infrastructure, new developments and enlargement of bulk infrastructure.

The capital budget is limited by the availability and access to the following main sources of funding:

- a) Accumulated cash backed internal reserves such as the Capital Replacement Reserve;
- b) External borrowings;
- c) Government Grants and Subsidies;
- d) Public Donations and Contributions.

The following guiding principles apply when considering sources of funding for the capital budget:

a) Government Grants and Subsidies:

- a. Only Government Gazetted allocations or transfers as reflected in the Division of Revenue Act or allocations as per Provincial Gazettes may be used to fund projects;
- b. The conditions of the specific grant must be taken into consideration when allocated to a specific project.

b) Public Donations and Contributions:

- a. In the case of public contributions, donations and/or other grants, such capital projects may only be included in the annual budget if the funding has been received by the municipality already.

c) External Borrowing:

- a. The borrowing requirements as contained in the **Borrowing Policy** in paragraph 6 are used as a basis to determine the affordability of external loans over the Medium Term Income and Expenditure Framework. The ratios to be considered to take up additional borrowings are as follows, unless in contravention with any loan covenants:
 - i. Estimated long-term credit rating of BBB and higher;
 - ii. Interest Paid to Total Expenditure not to exceed 5%;
 - iii. Total Long-term Debt to Total Operating Revenue (excluding conditional grants and transfers) not to exceed 35%;
 - iv. Operating Cash Surplus generated before loan repayments are made covers the Total Annual Repayment at least 1 time;
 - v. Percentages of Total Annual Repayment (Capital and Interest) to Operating Expenditure to be less than 10%.

d) Cash backed Reserves

- a. Allocations to capital projects from cash backed internal reserves will be based on the available funding for each ring-fenced reserve according to the conditions of each reserve. With reference to Paragraph 5, **Reserves Policy**.

All capital projects have an effect on future operating budget therefore the following additional cost factors should be considered before approval:

- a) Personnel cost to staff new facilities once operational;
- b) Contracted services, that is, security, cleaning etc.;
- c) General expenditure such as services cost, stationery, telephones, material etc.;
- d) Other capital requirements to the operate facility such as vehicles, plant and equipment, furniture and office equipment etc.;
- e) Costs to maintain the assets;
- f) Interest and redemption in the case of borrowings;
- g) Depreciation charges;
- h) Revenue generation as the additional expenses incurred may be offset by additional revenue generated to determine the real impact on tariffs.

5. RESERVES POLICY

All reserves are “ring fenced” as internal reserves within the accumulated surplus, except for provisions as allowed by the General Recognized Accounting Practices (GRAP):

- a) Housing Development Fund;
- b) Revaluation Reserve

The municipality endeavours to effectively utilise and maintain the **Capital Replacement Reserve** for the funding of capital replacement and renewal for future financial years. This reserve needs to be cash backed. This will provide the Municipality with a more balanced capital funding approach in the longer term thereby reducing the risk of reaching its maximum gearing ability or depleting its free cash.

This Reserve can be generated as follows from the Operating Budget; the following methodology needs to be read in conjunction with the **Liquidity Policy**:

a) Cash generated from Operating Activities:

- a. The Municipality has maintained a strong ability to generate surplus operational cash flow which it has used to fund most of its capital spending in the past;

- b. In the past depreciation charges could be considered sufficiently cash backed based on the cash surplus generated prior to capital spending. However going forward should capital spending increase sharply it will result simultaneously with Depreciation charges increasing sharply which may therefore in future not be fully supported by cash;
- c. Depreciation is a method to generate future cash. Therefore it is prudent to annually measure the cash coverage for depreciation charges until it is fully funded from cash through tariff setting;
- d. As at year end it is to be determined whether the Municipality meets its **Minimum Liquidity Criteria** as stipulated in the **Liquidity Policy**, excess cash in addition to this prescribed level is to be calculated and appropriated to the Capital Replacement Reserve and no more than 50% of the balance of the Capital Replacement Reserve as at year end should be allocated to the following year's capital budget unless sufficient recommendations are made to Council to substantiate such a decision.

b) Interest received on the investment made for the Capital Replacement Reserve

6. BORROWING POLICY

It is required that the Municipality comply with the guidelines of Chapter 6 of the MFMA with regards to Debt Disclosure as detailed in Sections 46, 47, 48 and 49. This section should be read in conjunction with point c) under paragraph 4.2. on page 6. External borrowings may only be incurred for approved capital programmes and may under no circumstances be allocated to fund the Operating Budget.

Municipal infrastructure has a long-term economic life and it is appropriate to fund assets of this nature with long term external borrowing. The economic life of assets should be equal to or longer than the tenure of the external borrowing.

The following needs to be taken into consideration when accessing external borrowing:

a) Types of loan financing

- a. Annuity Loans enable the Municipality to provide for the redemption of loans on an amortising basis which is generally the most cost effective method of financing often referred to as vanilla funding;

- b. Bullet Redemption Loans are attractive as interest on the loan is serviced with the capital redemption only taking place at the end of the tenure of the loan. However, this method is more costly as interest is paid on the full debt throughout the term as the Capital does not reduce. This type of loan also requires an annual contribution to a sinking fund, which in essence then mimics the traits of an annuity loan although at a higher cost. The use of such structure warrants a detailed motivation based on the benefits to the implementation of the capital project;
- c. Sculpted Repayment Loans offer a combination of the above two types, as loans are sculpted according to the potential cash flows to be generated from the capital project in future. For example the following can be included in a sculpted loan:
 - i. A capital grace period in the first years of the development of the capital project;
 - ii. An incremental annual increase in the repayment in relation to the projected growth in revenue from the project.

b) Interest Rate Risk Management

- a. The impact of interest and capital redemption payments on both the current and forecasted property rates and service charges through tariffs taking into consideration the current and future capacity of the consumer to pay therefore;
- b. Likely movement in interest rates for variable rate borrowings. There are benefits to be yielded from borrowing on a variable rate if rates are projected to decrease in future, however it is prudent for the Municipality to enter into fixed interest rate loans to accurately budget for expenses incurred.

c) Tenure of Borrowing

- a. The tenure of external borrowings should where possible match the economic useful life of the asset.

d) Security

- a. Unless sufficient motivation is provided and other than for the provision of a sinking fund for the redemption of a bullet loan, the provision of any security

against external borrowings, should be specifically motivated by the CFO for approval.

e) Loan Covenants

- a. The Municipality is to maintain a Loan Covenants Register detailing the covenants entered into with each active loan agreement until date of maturity thereof;
- b. Compliance with all loan covenants are to be monitored and reported on semi-annually to ensure that the Municipality does not breach any covenants;
- c. Should a default be triggered based on non-compliance with loan covenants, the Municipality is to alert Council and send the related Financial Institutions a written commitment to address the matter within a reasonable timeframe.

f) Level of gearing

- a. As stipulated in point c) under paragraph 4.2. on page 6, gearing is not only limited by the level of debt against the Total Operating Income (excluding conditional grants) but also limited by other operational factors including compliance with the stipulations of the approved **Liquidity Policy**.

7. CORPORATE GOVERNANCE (OVERSIGHT)

Compliance with the various stipulations as documented in this Borrowing, Funds and Reserves Policy need to be monitored by the Chief Financial Officer and reported on to the Municipal Manager on a monthly basis and to the Finance/Audit Committee on a quarterly basis.

Where compliance has been breached the Chief Financial Officer must present an action plan to correct the non-compliance. The Finance Committee must monitor the successful implementation of the corrective action plans and report progress to Council.

8. TRANSITIONAL ARRANGEMENT

Upon adoption of this policy by the Council, the Municipal Manager in conjunction with the Chief Financial Officer must determine the current performance levels of the Municipality against this Policy and present a plan of action towards achieving and maintaining the stipulation as set out in this policy thereby utilising a more blended funding mix for capital infrastructure investment.

The Council must approve an appropriate timeframe within which the Municipality must achieve the approved stipulations as set out in this Policy. The period between the date of the policy adoption by Council and the target date for compliance shall be known as the Transitional Period.

The Finance Committee must report progress during the approved Transitional Period to the Council.

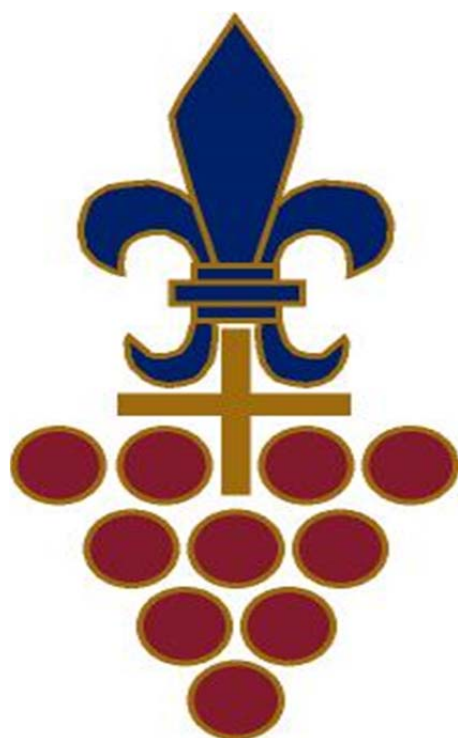
9. POLICY MANAGEMENT

The Borrowing, Funds and Reserves Policy forms part of the Municipality's overall financial objectives and therefore forms part of approved Budget Policies. The policy must be reviewed at least annually during the budget revision and presented to Council for approval.

The Policy is effective from the date it is approved by Council.

APPENDIX 25

STELLENBOSCH MUNICIPALITY



LIQUIDITY POLICY

2017/2018



STELLENBOSCH MUNICIPALITY

LIQUIDITY POLICY

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1. INTRODUCTION

The documented Liquidity Policy sets out the minimum risk management measures that Stellenbosch Municipality has to implement and adhere to in order to ensure that its current and future liquidity position is managed in a prudent manner.

Liquidity is the amount of cash and / or “near cash” (which refers to assets or security that can easily and quickly be converted to cash), available to be utilized to meet obligations and / or pay commitments. The marketability or ability to buy or sell an asset without incurring unacceptable large losses thus determines the liquidity of an asset or defines it as near cash.

This Policy is implemented to provide guidance on the minimum liquidity level that Stellenbosch Municipality has to maintain in order to comply with required legislative and / or National Treasury directives and within the overall financial management objectives as approved/reviewed by the Council from time to time.

2. BACKGROUND AND APPROACH

Various policies and procedures exist that direct the way in which the business of Stellenbosch Municipality is or should be conducted in a prudent manner. Generally these policies and procedures flow from the prescription made in Legislation i.e. the Municipal Finance Management Act (“MFMA”) and/or directives issued by a national department such as National Treasury.

Guidelines provided by National Treasury indicate that an acceptable level of cash resources needs to be available for working capital requirements (see below).

It is for this reason that the need to have an official Liquidity Policy was identified.

3. LEGISLATIVE REQUIREMENTS

3.1. The MFMA circular 71 stipulates the following two prescribed ratios to manage liquidity:

Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants) is calculated as:

$$\frac{((\text{Cash and Cash Equivalents} - \text{Unspent Conditional Grants} - \text{Overdraft}) + \text{Short Term Investment})}{\text{Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)}}$$

Criteria: 1 – 3 times

Current Ratio Current Assets / Current Liabilities

Criteria: 1.5 - 2:1

The above guidelines are noted but the proposed policy is more conservative to ensure that the municipality secures its strong financial position thereby providing comfort to investors.

4. LIQUIDITY POLICY

This policy provides guidance on the determination of the minimum liquidity requirement and the calculation of the liquidity available of Stellenbosch Municipality from time to time (see **Annexure 1**).

Notwithstanding the requirements as reflected in this policy, Stellenbosch Municipality should ensure that its Current Assets (excluding debtors older than 90 days) cover all of its Current Liabilities at least two times.

The policy encapsulates certain key aspects and considerations which have been outlined below:

4.1. KEY COMPONENTS OF MINIMUM LIQUIDITY REQUIRED:

The following constitutes the key elements to take into consideration when determining the liquidity requirement of Stellenbosch Municipality:

4.1.1. To comply with statutory requirements it is proposed that the following funds, reserves and provisions be fully covered by unencumbered cash and investments:

4.1.1.1. All earmarked or conditional grant transfers from spheres of Government or from Public Contributions made to Stellenbosch Municipality that have not yet been utilized;

4.1.1.2. All commitments resulting from the legally entrenched rights and benefits employees have, with specific reference to the Council's short term commitment to staff retirement benefits and medical fund claims payable;

4.1.1.3. All funds not yet been utilized in relation to agency services provided on behalf of Provincial or National Government should also be treated as earmarked funds;

4.1.1.4. All reserves stated by Stellenbosch Municipality on its Statement of Financial Position that have been established for the purposes of making provisions for a defined purpose.

- 4.1.2. Cognisance also needs to be taken of the external loan commitments and the servicing of capital and interest on these loans. Therefore provision should be made that Stellenbosch Municipality can meet its external loan/financial commitments together with the normal operational expenditure, as well as its liabilities to staff.
- 4.1.3. All investments ceded as security against long term loans need to be excluded from total cash and investment balances for calculation of the minimum liquidity level required.
- 4.1.4. In addition, a level of cash available for normal operational expenditure needs to be held in cash to ensure that, notwithstanding fluctuations in the monthly income levels of Stellenbosch Municipality, Stellenbosch Municipality will be in a position to meet its financial requirements. In this respect, the average monthly operational expenditure needs to be used as a guide of the minimum buffer required. Two month's operational expenditure excluding debt impairments, depreciation and other non-cash expenses should be available for liquidity cover.
- 4.1.5. The "golden rule" should be to ensure that Stellenbosch Local Municipality will have adequate liquid assets (those that can be made into cash within 24 hours, weekly or monthly as the requirement might be) to meet its short term financial commitments.

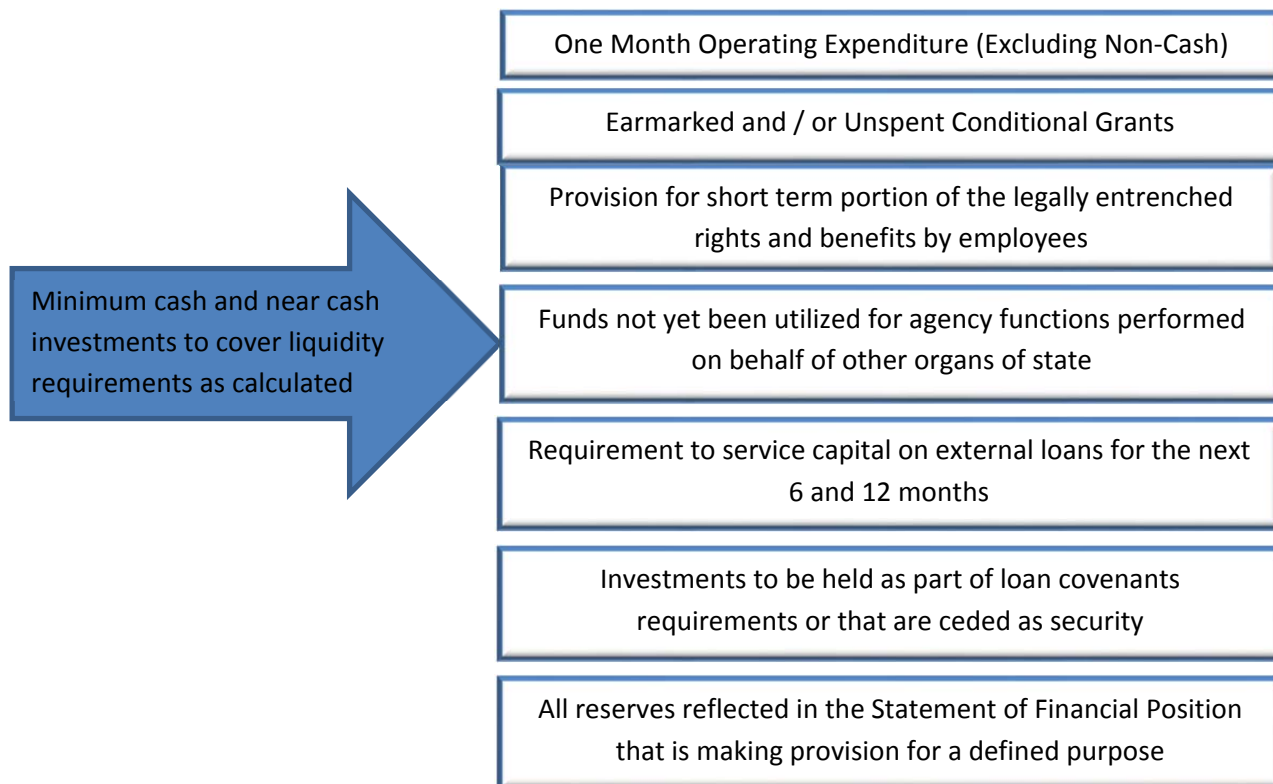
4.2. CALCULATION OF AVAILABLE LIQUIDITY

The amount of liquidity available should be determined from time-to-time. The following, should be regarded as cash and or near cash in calculating the available liquidity:

- 4.2.1. *All cash held in a bank account or invested with a money market fund;*
- 4.2.2. *95% of the value of all NCD's or other tradable instruments issued by a bank that are not already ceded;*
- 4.2.3. *90% of the market value of all listed bonds on the JSE in which Stellenbosch Municipality is allowed to invest in;*
- 4.2.4. *Consumer debtors aged current to 60 days;*
- 4.2.5. *Amount of unspent conditional grants and public contributions excluded from own funds held in bank accounts;*
- 4.2.6. *Funds provided to Council for expenditure on activities executed on behalf of other spheres of Government (Provincial and / or National) as part of an agency function, excluded from own funds held in bank accounts;*
- 4.2.7. *Funds ring-fenced for cash backed reserves that are excluded from own funds held in bank accounts;*
- 4.2.8. *Cash amounts that need to be held by Council resulting from loan covenants' that are part of the conditions of loans extended, but not ceded outright to lenders;*

4.2.9. *The undrawn portion of unconditional bank overdraft facility or liquidity facility available to Stellenbosch Municipality.*

The aforementioned in paragraphs 4.1. and 4.2. can schematically be reflected as follows:



4.3. IMPLEMENTATION AND MONITORING OF COMPLIANCE WITH LIQUIDITY POLICY:

Once the policy is approved, the CFO is to be tasked to ensure that the required cash has to be maintained to continue meeting the requirements as set out in this policy.

Firstly, the minimum required liquidity level should be calculated based on audited annual financial statements. This level of liquidity required needs to be specifically budgeted for and on a quarterly basis be reported to the Finance Committee and / or other Committees as might be stipulated by Council as well as to Council.

Notwithstanding National Treasury's three months operational expenditure guideline and the one month operational expenditure buffer proposed as a minimum by the liquidity policy, it is recommended that Council set a target of one month's operational expenditure liquidity buffer to be achieved at the end of the transitional period (reference paragraph 6).

The cash provisions made to repay external loan commitments, if specifically earmarked, should also be added to this minimum working capital liquidity, to prevent fluctuations in the working capital reserve that could put the minimum level of liquidity levels under pressure.

5. CORPORATE GOVERNANCE (OVERSIGHT)

Compliance with this policy will be monitored by the Chief Financial Officer. The Chief Financial Officer must present the liquidity compliance reports to the Finance Committee and the Audit Committee of the municipality.

Where compliance has been breached the Chief Financial Officer must present an action plan to correct the non-compliance. The Finance Committee must monitor the successful implementation of the corrective action plans and report progress to Council.

6. POLICY MANAGEMENT

The Liquidity Policy forms part of Stellenbosch Municipality overall financial objectives and therefore forms part of approved Budget Policies. The policy must be reviewed at least annually during the budget revision and presented to Council for approval.

The policy is effective from the date it is approved by Council.

ANNEXURE 1

Liquidity Requirement as per Liquidity Policy

Financial Year End: _____

Liquidity Requirement Calculation [as stipulated in Paragraph 4.1.]

All earmarked and/or conditional grants received but not yet utilised	
Value of legally entrenched short term rights and benefits of employees related to Medical benefits & Retirement benefits	
Funds held for agency services not yet performed	
Reserve funds reflected in Statement of Financial Position that are assumed to be held in cash	
Capital redemption and interest payments on external loans not reflected as part of normal operational expenditure	
Onemonth operational expenditure excluding non-cash items	
Commitments resulting from contracts concluded as part of Capex Programme, not reflected in operational budget	

TOTAL LIQUIDITY REQUIREMENT

Actual available liquidity held [reference paragraph 4.2.]

Bank Balance at e.g.:	
- ABSA, FNB, Standard Bank, Nedbank, Investec, Money Market	
Bank balance sub total	
95% of all other term investments with Banks	
90% of Market value of all Bonds on the JSE that are held	
Consumer debtors (current – 60 days)	
Other reserves held in cash not reflected in bank balances mentioned above for e.g.:	
- Unspent conditional grants	
- Payments received for agency functions not yet performed	
- The cash value of reserves held	
- Cash deposits held as part of loan covenants or ceded	
- Undrawn bank overdraft facility or committed liquidity lines available	

TOTAL LIQUIDITY AVAILABLE

LIQUIDITY SURPLUS (SHORT FALL)

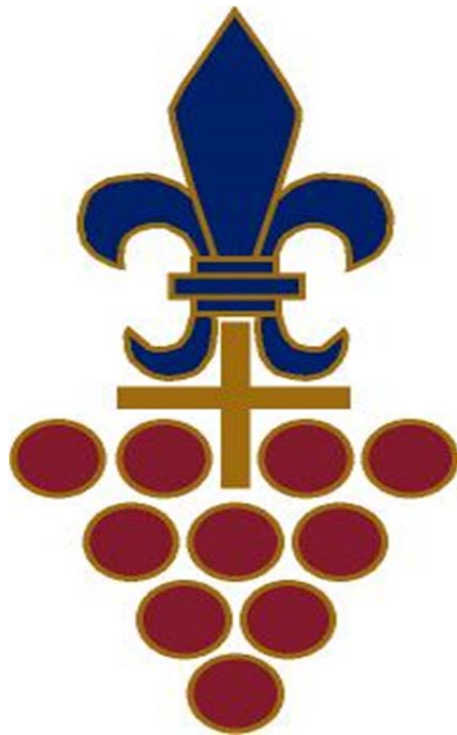
SURPLUS TO BE APPROPRIATED TO CAPITAL REPLACEMENT RESERVE

(See Borrowing, Funds and Reserves Policy)

Liquidity ratio:

Current Asset/Current Liabilities

STELLENBOSCH MUNICIPALITY



**INVENTORY MANAGEMENT
POLICY**

2017/2018



STELLENBOSCH MUNICIPALITY

INVENTORY MANAGEMENT POLICY

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1. DEFINITIONS

1.1 In this Policy, unless the context indicates otherwise, the following definitions are applied:

“Accounting Officer” means the Municipal Manager for the Municipality as contemplated in section 60 of the Local Government: Municipal Finance Management Act, 56 of 2003

“CFO” means the Chief Financial Officer designated in terms of section 80(2) (a) of the Local Government: Municipal Finance Management Act, 56 of 2003

“Cost” shall comprise costs of purchase, costs conversion and other costs incurred in bringing the inventories to their present location and condition

“Delegated authority” means the official who is given the authority for relevant functions in terms of the municipality’s written delegations;

“Good received note” means a document which is used to acknowledge the receipt of goods in good condition and correct quantities

“Inventories” are assets:
In the form of material or supplies to be consumed in the production process,
In the form of materials or supplies to be consumed or distributed in the rendering of services
Held for sale or distribution in the ordinary course of operations,
or
In the process of production for sale or distribution

“Municipality” shall mean the Stellenbosch Municipality;

<i>“Net Realisable”</i>	Is the estimated selling price in the ordinary course of operations less the estimated costs of completion and estimated costs necessary to make the sale exchange or distribution.
<i>“Obsolete inventory”</i>	means items that have expired, are redundant or damaged;
<i>“Re-order level”</i>	means the level of inventory at which inventory is re-ordered;
<i>“Requisition form”</i>	means a written request to supply specified inventory;
<i>“Store”</i>	means a place where inventory is stored and reserved for future use, or a source from which supplies may be drawn;
<i>“Inventory Controller”</i>	means an official responsible for the requisition, receipt, issue, recording, safeguarding of inventory and cost-effective and efficient management of inventory.
<i>“Stock Issue Register”</i>	means a document which is used to authorize the removal or issue of stock items from stores.

2. OBJECTIVE OF THE POLICY

2.1 The policy aims to achieve the following objectives which are to:-

- a) Provide guidelines that employees of the Municipality must follow in the management and control of inventory, including safeguarding and disposal of inventory.
- b) Procure inventory in line with the established procurement principles contained in the Municipality's Supply Chain Management Policy.
- c) Eliminate any potential misuse of inventory and possible theft.

3. SCOPE

3.1 This policy applies to Stellenbosch Municipality's inventory received by the Inventory Controller and issued to users.

3.2 This policy specifically excludes:

- a) Pharmaceutical inventory, livestock and face value forms; and
- b) Equipment and other assets not defined as inventory;

4. LEGAL FRAMEWORK

4.1 In terms of the MFMA, the Accounting Officer for a municipality must:

- a) Be responsible for the effective, efficient, economical and transparent use of the resources of the municipality as per section 62 (1)(a);
- b) Take all reasonable steps to prevent unauthorised, irregular and fruitless and wasteful expenditure and other losses as per section 62(1)(d);
- c) Be responsible for the management, including the safeguarding and the maintenance of the assets, and for the management of the liabilities, of the municipality as per section 63 (1)(a) and (b).

4.2 In terms of GRAP 12:

4.2.1 Inventories shall be recognized as an asset if, and only if,

- a) it is probable that future economic benefits or service potential associated with the item will flow to the entity ,and
- b) the cost of the inventories can be measured reliably.

4.3 MEASUREMENT AT RECOGNITION

4.3.1 Inventories that qualify for recognition as assets shall initially be measured at cost,

4.3.2 Where inventories are acquired at no cost, or for nominal consideration, their costs shall be their fair value as at the date of acquisition.

4.4 MEASUREMENT AFTER RECOGNITION

- 4.4.1 Inventories shall be measured at the lower of cost and net realization value, except where paragraph .18 of GRAP 12 applies.
- 4.4.2 Inventories shall be measured at the lower of cost and current replacement cost where they are held for:
- a) distribution at no charge or for a nominal charge ,or
 - b) consumption in the production process of goods to be distributed at no charge or for a nominal charge.

4.5 RECOGNITION AS AN EXPENSE

- 4.5.1 When inventories are sold, exchanged or distributed, the carrying amount of those inventories shall be recognized as an expense in the period in which the related revenue is recognized. If there is no related revenue, the expense is recognized when the goods are distributed, or related service is rendered. The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any writes –down of inventories arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.
- 4.5.2 Some inventories may be allocated to other assets accounts, for example, inventory used as a component of self-constructed property, plant or equipment. Inventories allocated to other assets in this way are recognized as an expense during the useful life of that asset.

5. INVENTORY PROCEDURES

- 5.1 The procedures for inventory must be followed to ensure that:
- a) Inventory is safeguarded at all times;
 - b) There are accurate records of quantities on hand at all times;
 - c) Optimum inventory levels are maintained to meet the needs of users;
 - d) Only authorised issues of inventory are made to users; and
 - e) Items placed in store are secured and only used for the purpose for which they were purchased.

5.2 APPOINTMENT OF RESPONSIBLE OFFICIALS

- 5.2.1 The CFO must appoint, in writing, officials to perform the duties of an Inventory Controller in terms of this Policy.

5.2.2 Adequate segregation of duties between the requisition, receipt, recording, storage and safekeeping of inventory and the management and control thereof must be maintained to avoid the potential occurrence of errors and fraud.

5.3 ORDERING OF INVENTORY

Standard Supply Chain Management procedures as per approved Supply Chain Management policy are to be implemented.

5.4 RECEIPT OF INVENTORY

All inventory must be received by the completion of a goods received note and processed on the financial management system.

5.5 STORAGE OF INVENTORY

5.5.1 Inventory must be stored in a secured, exclusive use area, under lock and key, furthermore the inventory must be insured in terms of the Risk Management Policy of the municipality.

5.5.2 The area must be used exclusively for the storage of inventory, with limited authorised access only.

5.5.3 Inventory must be positioned to facilitate efficient handling and checking.

5.5.4 All items must be stored separately, with proper segregation.

5.5.5 Inventory must be clearly labeled for easy identification. Inventory tag/bin cards or inventory labels may be used to identify each item and to aid in the physical verification of the items.

5.5.6 Where practically possible, all items of the same type and reference must be stored together as per the description on the inventory records.

5.5.7 Items with limited shelf life must be rotated on a first in first out basis, in accordance with paragraph .35 of GRAP, to reduce the occurrence of expired or obsolete stocks.

5.5.8 Due diligence and care must be exercised to prevent damage of, or deterioration of inventory.

5.5.9 Due regard must be given to any safety standards which may apply to the storage of certain inventories.

5.5.10 Steps must be taken to ensure safe custody of items, including precautions against loss or theft.

- 5.5.11 The Inventory Controller or Delegated Official responsible for the custody and care of inventory must ensure that in his/her absence such items, where applicable, are securely stored.
- 5.5.12 The responsibility for the custody of the storeroom keys must be allocated by the delegated authority to an official who is accountable for its use.
- 5.5.13 No unauthorised persons/officials shall obtain entry to premises, buildings or containers where inventory is kept, unless accompanied by the responsible official.
- 5.5.14 Whenever a change in the Inventory Controller occurs, an inventory count must be conducted.
- 5.5.15 An independent official shall be nominated in writing by the delegated authority to assist the official handing and taking over with the checking of the inventory and any discrepancies.
- 5.5.16 Should the above not be complied with, the official taking over shall be liable for any discrepancies.
- 5.5.17 A handing-over certificate as prescribed by the CFO, must be completed by the handing and taking over officials and a copy retained for record purposes.
- 5.5.18 The following fire protection precautions must be adhered to:
- a) Inventories of an inflammable or dangerous nature shall be stored and handled in such a manner that persons or property are not endangered and in compliance with the requirements of any local authority;
 - b) The area must be clearly signposted; and
 - c) Fire extinguishing equipment must be placed in the area where inventories are held and must be serviced regularly.

5.6 ISSUE OF INVENTORY

- 5.6.1 Only the Inventory Controller is authorised to issue inventory from the storeroom.
- 5.6.2 Inventory must only be issued in terms of the approved requisition form of the Municipality.
- 5.6.3 All requisition forms must be ruled off immediately below the last item to prevent items being added once the requisition is authorised by the responsibility manager.
- 5.6.4 The Inventory Controller must prepare the Stock Issue Register once stock items to be issued have been picked up from the shelves

5.6.5 The official receiving the inventory must acknowledge the receipt of stock items requested, by signing the Stock Issue Register prepared by the Inventory Controller.

5.6.6 Inventories must be issued and used for official purposes only.

5.7 OBSOLETE INVENTORY

5.7.1 The preparatory work for the disposal of obsolete inventory must be undertaken by the Inventory Controller and verified by the Assets Accountant.

5.7.2 The Accounting Officer or delegated authority must convene a Disposal Committee for the disposal of obsolete inventory.

5.7.3 The Disposal Committee should consist of at least three officials, one of whom must act as the chairperson.

5.7.4 The delegated authority may approve the write-off of inventory, if satisfied that: -

- a) The inventory has expired and is redundant;
- b) The inventory is of a specialised nature and has become outdated due to the introduction of upgraded and more effective products;
- c) The inventory cannot be used for the purpose for which it was originally intended; or
- d) The inventory has been damaged and is rendered useless.

5.7.5 All disposed of items must be updated in the inventory records/register/database for the purposes of proper management and control.

5.8 INVENTORY COUNT

5.8.1 Items may be subject to an inventory count on a quarterly basis.

5.8.2 Where the quantity of inventory is too large for the count to be completed on a single occasion, inventory counts may be carried out on a rotational basis with a full inventory count at the end of each financial year.

5.8.3 All approved Municipal procedures and processes must be complied with during the inventory count.

5.8.4 The Inventory Controller must submit a report to the CFO after investigating any discrepancies between the inventory records/register/database, bin/tag cards or inventory labels and the physical inventory.

- 5.8.5 The CFO must submit a report with the findings to the Accounting Officer, in order to have the matter reported to the Council of the Municipality for the write-off of any inventories losses, or the write –up of surpluses.
- 5.8.6 The appropriate disciplinary action must be instituted when applicable.
- 5.8.7 The inventory record, register, database or system must be updated accordingly.

6. INVENTORY RECORDS

- 6.1. An inventory record/register/database must be maintained for all inventory items, either manually and / or electronically.
- 6.2 All relevant information must be included for the proper management and control of all inventory items. It is recommended that details include but are not limited to:
- a) Order number/date;
 - b) Item description;
 - c) Quantity and value of stock on hand;
 - d) Quantity and value of stock received;
 - e) Quantity and value of stock issued;
 - f) Re-order level;
 - g) Optimum inventory level;
 - h) Quantity and value of obsolete stock; and
 - i) Opening/closing balance.
- 6.3 An inventory register/database must be printed monthly and the hard copy filed in a chronological order to maintain a proper audit trail.

7. REPORTING

- 7.1 A report must be submitted at least quarterly to the Chief Financial Officer and/or the Assets Manager detailing the following:
- a) Any inventory shortages or surpluses and the reasons for such;
 - b) Any inventory deficits proposed to be written-off; and
 - c) Any obsolete inventory items.
- 7.2 Inventories purchased during the financial year must be disclosed at cost or net realizable value in the disclosure notes of the Financial Statements of the Municipality.
- 7.3 In terms of GRAP the financial statements shall disclose:

- a) the accounting policies adopted in measuring inventories, including the cost formula used,
- b) the total carrying amount of inventories and the carrying amount in classifications appropriate to the entity,
- c) the carrying amount of inventories carried at fair value less costs to sell,
- d) the amount of inventories recognized as an expense during the period,
- e) the amount of any write-down of inventories recognized as an expense in the period in accordance with paragraph .43,
- f) the amount of any reversal of any write-down that is recognized as a reduction in the amount of inventories recognized as an expense in the period in accordance with paragraph .43,
- g) the circumstances or events that led to the reversal of a write-down of inventories in accordance with paragraph .43, and
- h) the carrying amount of inventories pledged as security for liabilities.

8. CLASSIFICATION OF INVENTORY

As per National Treasury Standard Chart of Accounts, inventory shall be classified as follows:

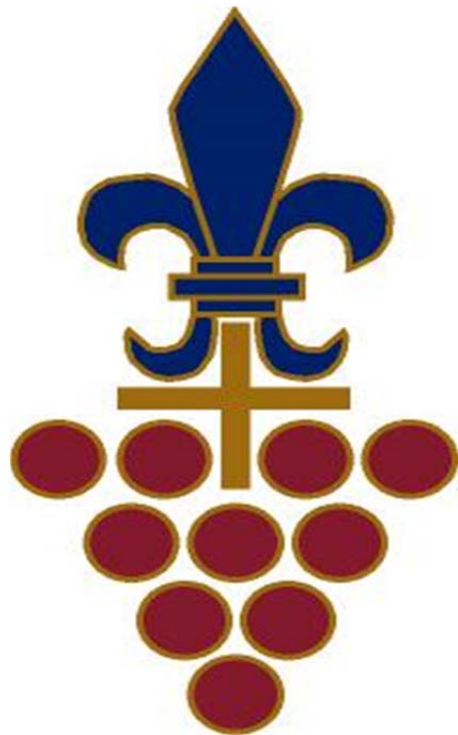
Inventory Categories	Consumable Categories
Ammunition & Security Supplies	Consumable Supplies (level 4)
Clothing Material & Accessories	Agricultural Supplies (level 5)
Farming & Gardening Supplies	Gifts & Awards
Fuel, Oil & Gas	Fuel Supplies
Crockery & Linen	Media Collections
Learning & Teaching Support Material	Building & Construction
Assets for Distribution	Contraceptives
Materials & Supplies	First Aid Kit
Medical Supplies	Laboratories
Medicines	Security Accessories
Military Stores	Bags & Accessories
Laboratory Chemicals & Supplies	Stationary

9. POLICY ADOPTION

This policy has been considered and approved by the Council of Stellenbosch Municipality on this day 25th of May 2016 and is applicable with effect from 1 July 2016.

APPENDIX 27

STELLENBOSCH MUNICIPALITY



PREFERENTIAL PROCUREMENT POLICY

2017/2018



STELLENBOSCH MUNICIPALITY PREFERENTIAL PROCUREMENT POLICY

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1. PREAMBLE

- 1.1 The Constitution of the Republic of South Africa, 1996 in section 217 requires an organ of state to contract for goods or services in accordance with a procurement system which is fair, equitable, transparent, competitive and cost effective and to grant preferences within a framework prescribed by National Legislation.
- 1.2 A National Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)- [PPPFA] was promulgated in response to the Constitutional provision and allow for an organ of state to develop a preferential procurement policy and to implement such policy within the PPPFA framework.

From the preamble from the Constitution:

*We therefore, through our freely elected representatives, adopt this Constitution as **the supreme law of the Republic** so as to*

- *Heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights;*
- ***Lay the foundations for a democratic and open society in which government is based on the will of the people and every citizen is equally protected by law;***
- ***Improve the quality of life of all citizens and free the potential of each person; and***
- *Build a united and democratic South Africa able to take its rightful place as a sovereign state in the family of nations.*

From Chapter 7 of the Constitution:

152. Objects of local government

1. The objects of local government are -

- a. *to provide democratic and accountable government for local communities;*
- b. *to ensure the provision of services to communities in a sustainable manner;*
- c. *to promote social and economic development;*
- d. *to promote a safe and healthy environment; and*
- e. *to encourage the involvement of communities and community organisations in the matters of local government.*

2. A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).

153. Developmental duties of municipalities

A municipality must

- a. *structure and manage its administration, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and*
- b. *participate in national and provincial development programmes.*

2. FOREWORD

The policy of Stellenbosch Municipality – in respect of Preferential Procurement is that:

- 2.1 State expenditure is recognised as an instrument of government policy to achieve economic, socio-economic and development objectives.
- 2.2 Procurement can be applied as an instrument of secondary redistribution to alter primary income distribution and as a means to address historic imbalances by means of creating employment and business opportunities for historically disadvantaged groups in the South African society.
- 2.3 Preferential Procurement is recognised as a valid instrument for such social reform.
- 2.4 It is recognised that preferential procurement cannot be applied without cost and that such cost should be subject to the Municipal Budget and the prioritisation processes applicable to all Municipal expenditure.
- 2.5 Ultimately, preferential procurement could go some way to providing a springboard to encourage redistribution and reducing economic concentration, which in turn would foster competition and promote effective and appropriate resource allocation.
- 2.6 The Stellenbosch Municipality Preferential Procurement Policy will be reviewed regularly.
- 2.7 This Policy marks the beginning of a long term path the Stellenbosch Municipality intends to walk with the citizens of Stellenbosch and that this Policy represents the first phase of implementation. With the increase in maturity of the Stellenbosch Municipality as well as its suppliers, it is further accepted that this Policy will also mature to the extent that visible socio- and economic benefits can be experienced by all citizens living in Stellenbosch.

3. PURPOSE AND OBJECTIVES

The broad purpose of the Preferential Procurement Policy is to:

- 3.1 Validate Stellenbosch Municipality's commitment to Preferential Procurement.
- 3.2 Ensure effective and efficient application of resources.
- 3.3 Promote accountability, transparency and fairness.
- 3.4 Create opportunities for local small, medium and micro enterprises.

- 3.5 Enhance quality of services.
- 3.6 Stimulate socio-economic development.
- 3.7 Eliminate and counter corruption.
- 3.8 Contribute towards reduction of unemployment, especially within the Stellenbosch Municipal Area.
- 3.9 Broadening the tax base within the Stellenbosch Municipal Area.
- 3.10 Encourage linkages between small and large enterprises.
- 3.11 Promote skills transfer and training of the historically disadvantaged.
- 3.12 Protect local industry against unfair competition.

4. LEGISLATIVE FRAMEWORK

Constitution, 1996 (Act 108 of 1996)

- 4.1 Section 217(1) of the Constitution, 1996 (Act 108 of 1996) provides that when contracting for goods and services, organs of state must do so in accordance with a system that is fair, equitable, transparent, competitive and cost effective.
- 4.2 Section 217(2) and (3) of the Constitution allows organs of state to grant preferences when procuring for goods and services within a Framework prescribed by National legislation.

Local Government Municipal Finance Management Act, 2003 (Act 56 of 2003) – [MFMA] and related SCM Treasury Regulations, 2005 [SCM TR]

- 4.3 The MFMA aims to regulate financial management and Supply Chain Management [SCM] of local government to ensure that all revenue, expenditure, assets and liabilities are managed efficiently and effectively.
- 4.4 Sections 110 – 119 of the MFMA deals with SCM requirements and must be read together with the SCM TR's 1 – 52 issued in terms of section 168 of the MFMA through GG 27636 effective from 30 May 2005. Both these sets of prescripts supports the application of the PPPFA.

Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) – [PPPFA]

- 4.5 The PPPFA, 2000 took effect on 3 February 2000. The main thrust of the PPPFA, 2000 is that an organ of state must determine its preferential procurement policy and implement such within the preferential procurement framework, the latter which is commonly called the '80/20 or 90/10 principle'.
- 4.6 The National Treasury, in consultation with the Department of Trade and Industry, reviewed the Regulations issued in terms of the PPPFA, in 2001, and issued new Regulations that become effective on 01 April 2017

5. PRINCIPLES

- 5.1. The principles that underpin this policy are as follows:
- 5.1.1 Sound commercial principles will underlie all transactions. There will be no compromise on quality, service delivery or any other commercial aspects related to the delivery of business objectives.
- 5.1.2 All preferential procurement processes will be transparent and subjected to audit in accordance with sound business principles and practices.
- 5.1.3 Stellenbosch Municipality will only conduct business with service providers that comply with legal requirements (registered with SARS; municipal taxes are not in arrears for more than three months; not on the restricted suppliers or tender defaulters lists; suppliers not deemed as in the service of the State, etc.)
- 5.2. The Policy is founded upon the following core principles:

5.2.1. Value for money

Price alone is often not a reliable indicator and will not necessarily obtain the best value for money by accepting the lowest price offer that meets mandatory requirements. Best value for money means the best available outcome when all relevant costs and benefits over the procurement cycle are considered.

5.2.2. Open and effective competition

All procurement laws, policies, practices and procedures must be readily accessible to all parties involved in the procurement process. The procurement process must be open and transparent and reasons must be provided for decisions in terms of current legislation.

5.2.3. Ethics and fair dealing

All procurement officials must comply with the municipal ethical standards to promote mutual trust and respect and an environment where business can be conducted in a fair and reasonable manner. The following is regarded as an acceptable ethical behaviour:

- Open, honest and co-operative business relations.
- Confidentiality of commercial information.
- Avoidance of conflict of interest or a perception of bias.
- Disclosure of conflict of interest as soon as they arise.
- Fair dealing and impartiality in the conduct of tender evaluations.
- Avoidance of combative or collusive practices.

5.2.4. Accountability and reporting

Procurement officials and other officials involved in SCM must be answerable for their decisions and actions to the public.

5.2.5. Equity

Stellenbosch Municipality will at all times strive to enhance the development of SMME's and B-BBEE enterprises' to allow them to contribute meaningfully in the economy of the Stellenbosch Municipal Area.

6. POLICY STATEMENTS

6.1 Application

6.1.1. This Policy will apply to all active industry sectors in the Stellenbosch Municipal Area. It is accepted that through the population of reliable data, trends will be evident which will continuously require a review of the Policy to ensure its relevance of all active industry sectors.

6.1.2. This Policy must be read with the Stellenbosch Municipality's SCM Policy

6.1.3. Construction tenders will also have to adhere to the requirements of the CIDBA.

6.2 Targeting

6.2.1. Targeting will be regarded as a specific goal identified by Stellenbosch Municipality and will be reflected in Part 7 to this Policy.

6.2.2. These targets will be determined prior to the invitation of tenders and reflected as special conditions.

6.3 Payment cycles

6.3.1. The payment of invoices is dependent on timely invoicing, approval of invoices and on the payment administration. Responsible officials must process approved invoices within 30 days of receiving the invoice, unless otherwise provided for in the contract.

6.3.2. Reasons for not approving an invoice must be communicated to the tenderer prior to the lapsing of the said 30 days.

6.3.3. Officials must endeavour to, where feasible, process invoices of SMME's within 7-15 days in order to promote their cash flow position.

7. PREFERENCE TARGETS IDENTIFIED

7.1 Considering all the data available this Policy for the 2017/18 financial years will strive to achieve the following targets linked to its identified opportunities listed in paragraph 7.1 above:

POLICY OBJECTIVE	TARGET
Improve the local economic market	➤ Make 10% appointments to local businesses through Formal Quotations for appointments below R200,000
Improve the local economic market	➤ Obtain 30% quotations from local businesses for appointments below R30,000
Employment of local semi-& unskilled workers	➤ Identify 10% of SCM tenders that are labour intensive to include specific conditions of a practical content of local semi-& unskilled workers from LED database / Indigent list.

Methodology to achieve targets in the short term is to include specific conditions in the SCM documents for Formal Quotations and Bids similar to the following two examples:

Example No 1:

“SPECIFIC CONDITIONS: TOTAL MAINTENANCE OF PARKS AND P.O.S WITH MANUAL MACHINES AS WELL AS ALL FLOWERBEDS AND YOUNG TREES IN THE MUNICIPAL AREA:

The intention of the municipality is to promote development of all enterprises. Suitably qualified contractors will be expected to spend at least **80%** of the value of the work on local people to ensure that local economic development is promoted. For this purpose the municipal area is divided into 5 smaller areas. For each area the service provider will be required to appoint a supervisor, and a team of at least **6** people.”

Monitoring will be based on the following methods by the End user dept.

1. Local Municipal accounts / Affidavits with ID numbers certified
2. Training and skills development certificates issued

Example No 2:

TENDER DATA: SPECIAL CONDITIONS RELEVANT TO PROJECT.

The following Conditions shall be adopted as per the Municipal PPPFA Policy

SPECIAL CONDITIONS OF TENDER		
	Comply Y/N	Ref in proposal
A. CONDITIONS APPLICABLE TO THE PROMOTION OF MUNICIPAL LOCAL AND SOCIO-ECONOMIC DEVELOPMENT		
The full portion budgeted for unskilled labour will be executed by unskilled, unemployed labourers who are beneficiaries of this project. The service provider must provide evidence of the identity and addresses of these labourers within 14 days after award of the contract. Minimum prescribed wages must be paid. In the event that this condition cannot be adhered to the contractor must obtain prior approval from the Municipality.		
All materials procured for this project MUST be sourced from local suppliers In the event that this condition cannot be adhered to the contractor must obtain prior approval from the Municipality.		
Use a local EME sub-contractor in for all manual labour in regards to excavations, filling and compaction of cable trenches, pole holes road crossings etc. Suppliers must submit sub-contracting agreement with the tender proposal, together with an indication of the payment arrangements. In the event that this condition cannot be adhered to the contractor must obtain prior approval from the Municipality.		
Suppliers must submit sub-contracting agreement with the tender proposal, together with an indication of the payment arrangements		
B. CONDITIONS APPLICABLE AFTER CLOSING OF TENDER BUT BEFORE A SELECTED SERVICE PROVIDER IS ANNOUNCED		
Any additional information upon request must be submitted in writing within 48 hours of receipt.		
C. CONDITIONS APPLICABLE AFTER AWARDING OF THE TENDER		
The service provider must provide the Municipality with a completed list of local labourers to be used, within 14 days after final award of the tender for approval by the Municipality.		
The aforesaid list must be updated and submitted together with the service providers progress report and invoice, inclusive of the following details: a) Salary / wages spent on local employees versus total wages / salary budget at site b) Number of local employees employed versus per total workforce at site c) Payments made to the subcontractor and his performance		

<p>Any amendments prior approval from the Municipality. The service provider must provide local labourers with basic on-the-job training and provide them with a reference letter after completion of their services.</p>		
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8. IMPLEMENTATION

- 8.1 This Policy is effective from 1 July 2017.
- 8.2 It is the responsibility of the Office of the CFO and various Line Department Managers to bring the content of this Policy to the attention of all parties concerned.
- 8.3 This Policy marks the beginning of a long term path the Stellenbosch Municipality intends to walk with the citizens of Stellenbosch and that this Policy represents the first phase of implementation. With the increase in maturity of the Stellenbosch Municipality as well as its suppliers, it is further accepted that this Policy will also mature to the extent that visible socio- and economic benefits can be experienced by all citizens living in Stellenbosch.
- 8.4 In order to achieve the above, the following immediate implementation steps are required:

By 30 August 2017:

- a. Increased capacity in the SCM Unit.
- b. Identification and appointment of a PPPFA Champion.

9. DEFINITIONS

The words in this policy shall bear a meaning as prescribed and/or ascribed by applicable legislation, and in the event of a conflict, the meaning attached thereto by National Legislation shall prevail.

- 9.1 **“Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- 9.2 **“Black people”** as defined in the Broad-Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003), is a generic term which means Africans, Coloured and Indians.

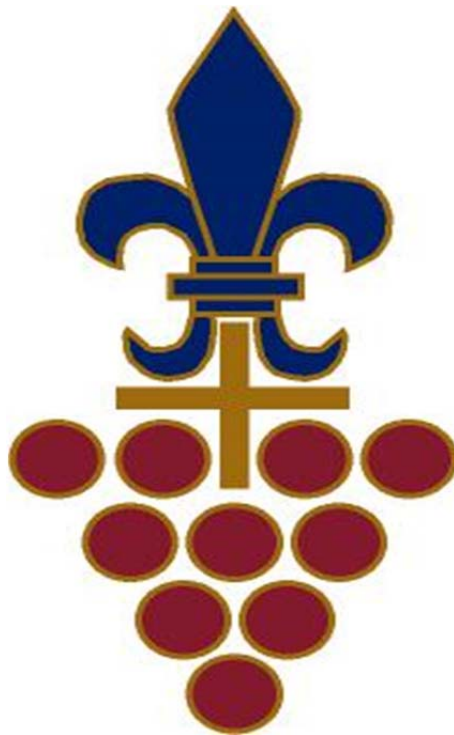
- 9.3 **“B-BBEE”** means broad-based black economic empowerment defined as the economic empowerment of all black people including women, workers, youth, people with disabilities and people living in rural areas through diverse but integrated socio-economic strategies that include, but are not limited to:
- Increasing the number of black people that manage, own and control enterprises and productive assets;
 - Facilitating ownership and management of enterprises and productive assets by communities, workers cooperatives and other collective enterprises;
 - Human resource and skills development;
 - Achieving equitable representation in all occupational categories and levels in the workforce;
 - Preferential procurement; and
 - Investment in enterprises that are owned or managed by black people.
- 9.4 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act.
- 9.5 **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003);
- 9.6 **“Collusion”** means an intentional and unlawful agreement by two or more companies/firms which is intended or calculated to misrepresent facts or defraud with the sole purpose of influencing the procurement process thereby prejudicing the interests of the service provider;
- 9.7 **“Companies and Shares”** shall be read so as to include Close Corporations and members interests mutatis mutandis;
- 9.8 **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration;
- 9.9 **“Consortium or Joint Venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 9.10 **“Contract”** means the agreement that results from the acceptance of a tender by an organ of state;

- 9.11 **“CFO”** means Chief Financial Officer
- 9.12 **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being;
- 9.13 **“Executive Management Committee”** shall mean a committee comprising the Agency’s Heads of Divisions and any other Manager so invited.
- 9.14 **“Firm price”** is the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, ‘levy, or tax, which, in terms of a law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 9.15 **“Individual”** an individual shall mean a natural person;
- 9.16 **“Indigent”** any person who appears on the Municipality’s indigent register as of 1 July of the year under consideration;
- 9.17 **“Local Labour”** means South African residents who permanently resides in the Stellenbosch Municipal area;
- 9.18 **“Local Business”** means an enterprise which has its sole office or head office located within the Stellenbosch Municipal area;
- 9.19 **“Local Content”** means local manufacturing as contemplated in PPPFA Regulations 2011, Regulation 1;
- 9.20 **“Local economic development”** means local and socio-economic development as contemplated in section 152 of the Constitution, 1998;
- 9.21 **“Management”** in relation to an enterprise or business, means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director;
- 9.22 **“Non-firm prices”** means all prices other than “firm” prices;
- 9.23 **“Person”** includes reference to a juristic person;

- 9.24 “**Rand value**” means the total estimated value of a contract in Rand denomination which is calculated at the time of tender invitations and includes all applicable taxes and excise duties;
- 9.25 “**Sub-Contracting**” means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 9.26 “**Nominated Sub-contractor**” means contractors accredited on the Municipal database for construction related work as contemplated in the CIDBA.
- 9.27 “**Tender**” means a written offer or bid in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services or goods;
- 9.28 “**Tender format/strategy**” means the special conditions describing the tender strategy approach in order to achieve identified targets.
- 9.29 “**Trust**” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 9.30 “**Trustee**” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

APPENDIX 28

STELLENBOSCH MUNICIPALITY



PERFORMANCE MANAGEMENT POLICY

2017/2018



STELLENBOSCH MUNICIPALITY PERFORMANCE MANAGEMENT POLICY

Compiled in terms of the Local Government: Municipal Systems Act,
2000 (Act 32 of 2000)

The scope of this policy framework is directed at the

- Organisation;
- Individuals; and
- Service providers

Performance management is a strategic approach to management that equips leaders, managers, workers and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and evaluate performance of the Municipality in terms of measures (indicators) and targets for efficiency, effectiveness and impact

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1. List of acronyms

AG	:	Auditor General
CCR	:	Core Competency Requirement
IDP	:	Integrated Development Plan
KPA	:	Key Performance Areas
KPI	:	Key Performance Indicators
LED	:	Local Economic Development
MEC	:	Member of the Executive Council
MFMA	:	Municipal Financial Management Act
MSA	:	Municipal Systems Act
MTEF	:	Medium Term Economic Framework
PDP	:	Personal Development Plan
PMS	:	Performance Management System
POE	:	Portfolio of Evidence
SALGA	:	South African Local Government Association
SDBIP	:	Service Delivery and Budget Implementation Plan
SFA	:	Strategic Focus Area
SMART	:	Specific, Measurable, Achievable, Realistic, Time-frame
TL SDBIP	:	Top Layer Service Delivery Budget Implementation Plan
WPSP	:	Work Place Skills Plan
MTAS	:	Municipal Turnaround Strategy

2. Definitions

“accounting officer”

- (a) in relation to a municipality, means the municipal official referred to in section 60 of the Municipal Systems Act; or
- (b) in relation to a municipal entity, means the official of the entity referred to in section 93, and includes a person acting as the accounting officer

“annual report”

in relation to a municipality or municipal entity, means an annual report contemplated in section 121 of the Municipal Finance Management Act

“Auditor-General”

means the person appointed as Auditor-General in terms of section 193 of the Constitution, and includes a person-

- (a) acting as Auditor-General
- (b) acting in terms of a delegation by the Auditor-General; or
- (c) designated by the Auditor-General to exercise a power or perform a duty of the Auditor-General

“basic municipal service”

means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment

“Backlogs”

A backlog can be defined as quality of service/ goods that have accumulated over time that are still undelivered/unattended/still not produced. The backlogs in rural water, sanitation and electricity have been defined in official census figures, but vary (increase or decrease) from year to year due to migration patterns. Regardless, these backlogs are now being dealt with systematically (refer to baseline).

“baseline”

the accurate and quantitative data at a stated point in time that marks the beginning of a trend.

“councillor”

means a member of a municipal council

“ Section 57 employee”

means a person employed by a municipality as a municipal manager or as a manager directly accountable to a municipal manager;

“employer”

means the municipality employing a person as a municipal manager or as manager directly accountable to a municipal manager and as represented by the mayor, executive mayor or municipal manager as the case may be;

“employment contract”

means a contract as contemplated in Section 57 of the Municipal Systems Act;

“external service provider”

means an external mechanism referred to in section 76(b) of the Municipal Systems Act; which provides a municipal service for a municipality

“financial statements”

in relation to municipality or municipal entity, means statements consisting of at least-

- (a) a statement of financial position;
- (b) a statement of financial performance;
- (c) a cash-flow statement;
- (d) any other statements that may be prescribed; and
- (e) any notes to these statements

“financial year”

means the financial year of municipalities that end on 30 June of each year

“input indicator”

means an indicator that measures the costs, resources and time used to produce an output

“integrated development plan”

means a plan envisaged in section 25 of the Municipal Systems Act

“local community” or “community”

in relation to a municipality, means that body or persons comprising –

- (a) the residents of the municipality
- (b) the ratepayers of the municipality

- (c) any civic organisations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the municipality

“mayor”

in relation to –

- (a) a municipality with an executive mayor, means the councillor elected as the executive mayor of the municipality in terms of section 55 of the Municipal Structures Act; or
- (b) a municipality with an executive committee, means the councillor elected as the mayor of the municipality in terms of section 48 of that Act

“MEC for local government”

means the MEC responsible for local government in a province

“Minister”

means the national Minister responsible for local government

“municipality”

when referred to as –

- (a) an entity, means a municipality as described in section 2; and
- (b) a geographical area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998)

“municipal council” or “council”

means a municipal council referred to in section 157(1) of the Constitution

“municipal entity”

means –

- (a) a company, co-operative, trust fund or any other corporate entity established in terms of any applicable national or provincial legislation ward which operates under the ownership control of one or more municipalities, and includes, in the case of a company under such ownership control, any subsidiary of that company, a private company referred to in section 86B(1)(a); or
- (b) a service utility.
- (c) a multi-jurisdictional service utility

“Municipal Finance Management Act”

means the Local Government: Municipal Finance Management Act, 2003, and any regulations made under that Act

“municipal manager”

means a person appointed in terms of section 82 of the Municipal Structures Act

“municipal service”

has the meaning assigned to it in section 1 of the Municipal Systems Act

“Municipal Structures Act”

means the Local Government: Municipal Structures Act. 1998 (Act 117 of 1998)

“Municipal Systems Act”

means the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000)

“Outcome indicator”

means an indicator that measures the quality and or impact of an output on achieving a particular objective

“Output indicator”

means an indicator that measures the results of activities, processes and strategies of a program of a municipality

“parent municipality”

- (a) in relation to a municipal entity which is a private company in respect of which effective control vests in a single municipality, means that municipality;
- (b) in relation to a municipal entity which is a private company in respect of which effective control vests in two or more municipalities collectively, means of those municipalities;
- (c) in relation to a municipal entity which is a service utility, means the municipality which established the entity; or
- (d) in relation to a municipal entity which is a multi-jurisdictional service utility, means each municipality which is a party to the agreement establishing the service utility

“private company”

means a company referred to in section 19 and 20 of the Companies Act. 1973 (Act No. 61 of 1973)

“performance agreement”

means an agreement as contemplated in Section 57 of the Municipal Systems Act

“performance plan”

means a part of the performance agreement which details the performance objectives and targets that must be met and time frame within which these must be met.

“prescribe”

means prescribe by regulation or guidelines in terms of section 120 and **“prescribed”** has a corresponding meaning

“political office bearer”

means the speaker, executive mayor, mayor, deputy mayor or member of the executive committee as referred to in the Municipal Structures Act

“political structure”

in relation to a municipality, means the council of the municipality or any committee or other collective structure of a municipality elected, designated or appointed in terms of a specific provision of the Municipal Structures Act

“resident”

in relation to a municipality, means a person who is ordinarily resident in the municipality

“senior manager”

- (a) in relation to a municipality, means a manager referred to in section 56 of the Municipal Systems Act; or
- (b) in relation to a municipal entity, means a manager directly accountable to the chief executive officer of the entity

“service authority”

means the power of a municipality to regulate the provision of a municipal service by a service provider

“service delivery agreement”

means an agreement between a municipality and an institution or person mentioned in section 76(b) of the Municipal Systems Act in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality

“service delivery and budget implementation plan”

means a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) of the Municipal Finance Management Act for implementing the municipality’s delivery of municipal services and its annual budget, and which must indicate –

- (a) projections for each month of –
 - (i) revenue to be collected, by source; and
 - (ii) operational and capital expenditure, by vote;
- (b) service delivery targets and performance indicators for each quarter; and
- (c) any other matters that may be prescribed,
and includes any revisions of such plan by the mayor in terms of section 54(1)(c) of the Municipal Finance Management Act

“service utility”

means a municipal entity established in terms of section 82(1)(c), a body established in terms of section 86H of the Municipal Systems Act

“staff”

in relation to a municipality, means the employees of the municipality, including the municipal manager

3. Introduction

Performance Management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

The constitution of S.A (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of section 195 (1) are also linked with the concept of Performance management, with reference to the principles of inter alia:

- the promotion of efficient, economic and effective use of resources,
- accountable public administration
- to be transparent by providing information,
- to be responsive to the needs of the community, and
- to facilitate a culture of public service and accountability amongst staff.

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players."

Section 57 makes the employment of the Municipal Manager and Managers directly accountable to him subject to a separate performance agreement concluded annually before the end of

July each year. Section 67 regards the monitoring, measuring and evaluating of performance of staff as a platform to develop human resources and to hold municipal staff accountable to serve the public efficiently and effectively. Performance Management, therefore, is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers and the Municipal Entities.

This framework therefore describes how the municipality's performance process, for the organisation as a whole will be conducted, organised and managed. It also has the following objectives:

- Clarify processes of implementation
- Ensure compliance with legislation
- Demonstrate how the system will be conducted
- Define roles and responsibilities
- Promote accountability and transparency
- Reflect the linkage between the IDP, Budget, SDBIP and individual and service provider performance

4. Objectives and Benefits of a Performance Management System

4.1 Objectives

The objectives of the performance management system are described in the performance management policy and include:

- Facilitate strategy development
- Facilitate increased accountability
- Facilitate learning and improvement
- Provide early warning signals
- Create a culture of best practices
- Facilitate decision-making

The above objectives are aligned with the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) and the guidelines of the Department of Development Planning and Local Government in terms of the:-

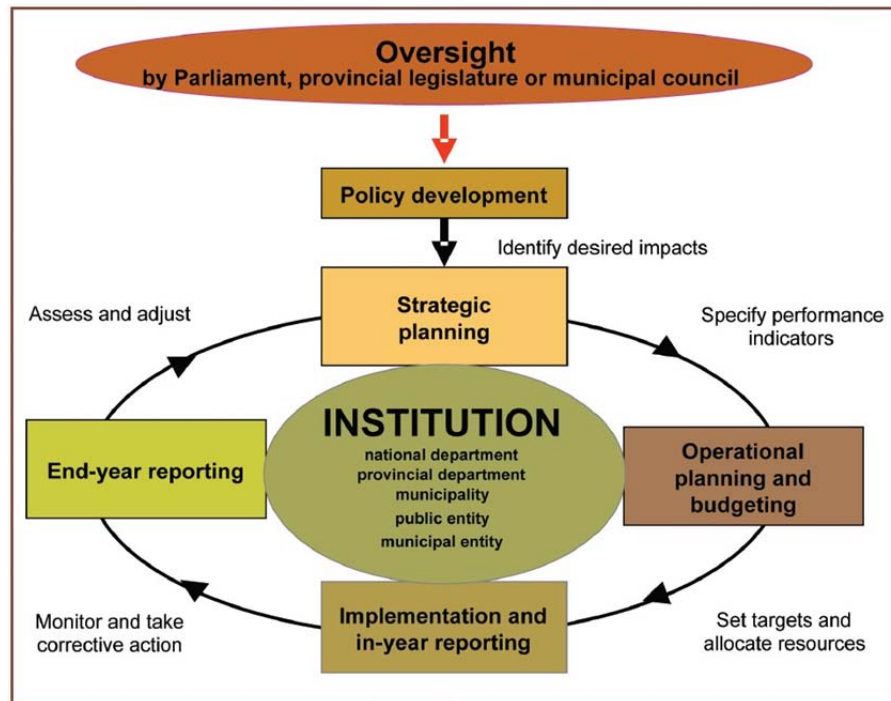
- performance of the municipality; and

- promotion of an accountable municipality.

5. Definition and Key Steps in Performance Management

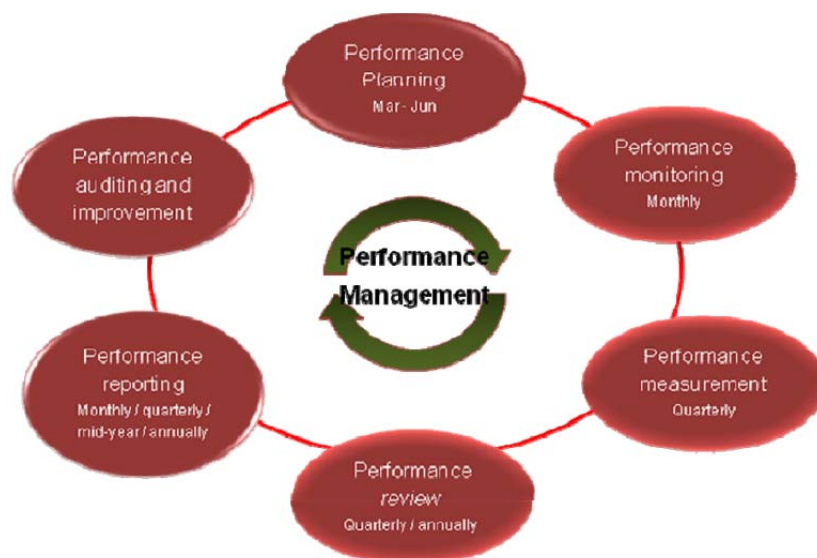
5.1 Performance Cycles

The overall planning, budgeting and reporting cycle can be summarised as follows:



Source: Framework for Managing Programme Performance Information

The performance cycle can be summarised in the following diagram and each cycle will be addressed in the remainder of this framework:



Each of the above cycles can be explained as follows:

- **Performance Planning** ensures that the strategic direction of the Municipality more explicitly informs and aligns the IDP with all planning activities and resource decisions. This is the stage where Key Performance Areas and Key Performance Indicators are designed to address the IDP objectives and where national policy and targets are set.
- **Performance Measuring and Monitoring** is an ongoing process to determine whether performance targets have been met, exceeded or not met. Projections can also be made during the year as to whether the final target and future targets will be met. It occurs during key points in a process – for example, on a quarterly and annual basis.
- **Performance evaluation analyses** to indicate the level of performance:-
 - to determine reasons for under performance
 - to rectify the factors that allowed for good performance in a particular area

Where targets have not been met, the reasons for this must be examined and corrective action recommended. Evidence to support the status is also reviewed at this stage. An additional component is the review of the indicators to determine if they are feasible and are measuring the key areas appropriately.

- **Performance Reporting** entails regular reporting to management, the performance audit committee, council and the public.
- **Performance review/auditing** is a key element of the monitoring and evaluation process. This involves verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate and improve performance. According to section 45, of the Systems Act, results of the performance measurement must be audited as part of the municipality's internal auditing process and annually by the Auditor-General. The Municipality has therefore established frameworks and structures to evaluate the effectiveness of the municipality's internal performance measurement control systems. Areas of weak performance identified at year-end must be addressed during the following years planning phase.

5.2 Key Steps in Performance Management

The key steps in implementing the performance cycle are as follows:

1. Integrated Development Planning (IDP) and strategic processes to:
 - a. Strategic Objectives aligned with the National Agenda and local needs
 - b. Establish the Municipal KPA"s
 - c. Design Strategic Focus Areas

2. Prioritise capital projects for budgeting purposes aligned with municipal strategy and approved methodology
3. Start with budget processes
4. Determine organisational KPI's in terms of strategy, budget and MTAS
5. Obtain baseline figures and past year performance
6. Set multi-year performance target dates
7. Determine steps/plans to achieve budget and KPI's
8. Assign strategic focused KPI's to Senior Management (Top Layer SDBIP)
9. Assign organisational KPI's to directorates and members of management (Departmental SDBIP)
10. Prepare individual performance agreements aligned with budget and SDBIP (s57 and management)
11. Prepare performance plans for staff and align work place skills plan with development plans
12. Provide monthly/quarterly status reports on progress with KPI implementation
13. Evaluate performance on individual (half yearly) and organisational levels (monthly and quarterly)
14. Compile of various performance reports
15. Auditing of performance reported and portfolio of evidence(POE's)
16. Appoint oversight committee to analyse and prepare report on improvement of performance
17. Submit year-end report to various stakeholders

6. Legislative Framework

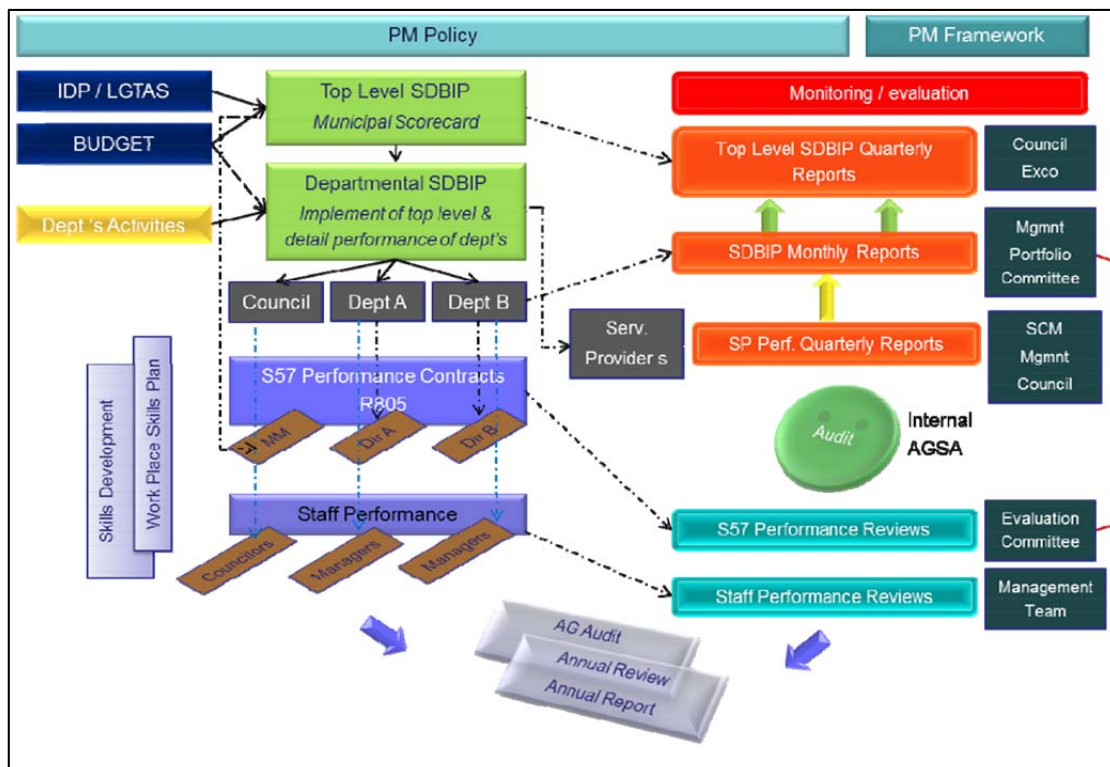
The following forms the foundation of the policy

- Constitution of the Republic Of South Africa (1996)
- Local Government :Municipal Systems Act (MSA) 2000 and its amendments
- Government Gazette :Regulations gazette No.7146
- Municipal Financial Management Act (MFMA) No.56 of 2003
- Municipal Structures Act 1998
- National Treasury : 2007 Framework for managing performance information
- White Paper on Local Government (1998)
- Batho Pele (1998)
- Municipal Planning and Performance Regulation 796 (2001)
- Municipal Performance Regulation for Municipal Managers and Managers directly accountable to Municipal Managers (805 of 2006)

- MFMA Circular 11 – Annual Reports
- MFMA Circular 13 – SDBIP
- MFMA Circular 32: Oversight report
- MFMA Circular 42: Funding of municipal budget
- MFMA Circular 54: Municipal budget circular
- Notice 464: Directive: Performance information public audit act (2007)

7. The Performance Management Model

The following section will explain the methodology of the adopted performance management model as depicted in the diagram below:



7.1 Integrated Development Planning (IDP) and the Service Delivery Budget Implementation Plan (SDBIP)

The IDP process and the performance management process must be seamlessly integrated. The IDP fulfils the planning stage whilst performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

The organisational performance will be evaluated by means of a municipal scorecard (Top Layer

SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels.

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business processes of the municipality will be implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned
- The budget must address the strategic priorities
- The SDBIP should indicate what the municipality is going to do during next 12 months
- The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP needs to be prepared as described in the paragraphs below and submitted to the Executive Mayor within 14 days after the budget has been approved. The Executive Mayor needs to approve the SDBIP within 28 days after the budget has been approved.

For each indicator the scorecard will require that a responsible official, usually the respective line manager, be designated. While this official will not necessarily be accountable for performance on this indicator, they will be responsible for conducting measurements of that indicator, analysing and reporting first to their respective superior who in turn will report to the Municipal Manager and then the Executive Mayor on these for reviews.

The municipal performance must be measured monthly and analysed at least quarterly. Municipal performance will be measured during the mid-year review where after the performance scorecard can be adjusted and action plans developed to address poor performance. The information of the annual review will be included in the Annual Report of the municipality.

7.1.1 The municipal scorecard

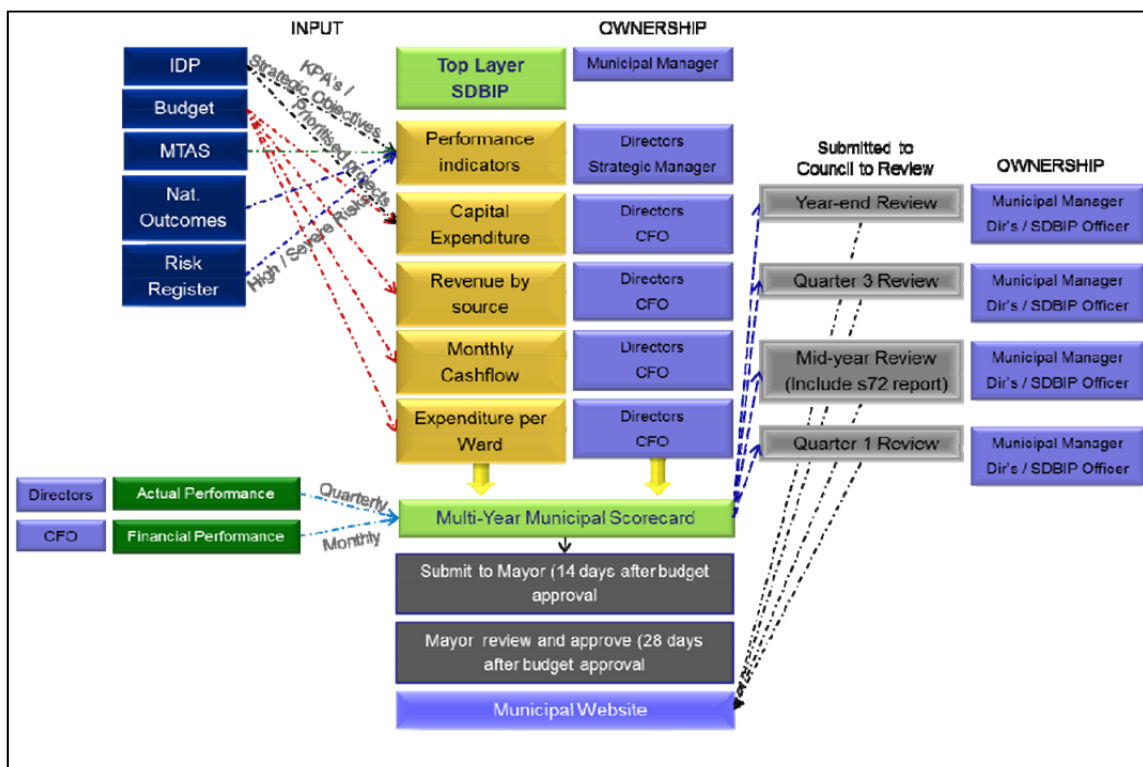
The municipal scorecard (Top Layer SDBIP) must consolidate service delivery targets set by Council / senior management and provide an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. Components of the top-layer SDBIP

includes:

- **One-year** detailed plan, but should include a **three-year capital plan**
- The 5 necessary components includes:
 - Monthly projections of revenue to be collected for each source
 - Expected revenue to be collected NOT billed
 - Monthly projections of expenditure (operating and capital) and revenue for each vote
 - Section 71 format (Monthly budget statements)
 - Quarterly projections of service delivery targets and performance indicators for each vote
 - Non-financial measurable performance objectives in the form of targets and indicators
 - Output NOT input / internal management objectives
 - Level and standard of service being provided to the community
 - Ward information for expenditure and service delivery
 - Detailed capital project plan broken down by ward over three years

Please refer Circular **13** on the development of key performance indicators for assistance on how to develop indicators and targets.

The following diagram illustrates the establishment, components and review of the municipal scorecard (Top Layer SDBIP):



7.1.2 Update actual performance

The TL SDBIP will in most instances update automatically with the actual results reported in the departmental SDBIP. The SDBIP / PMS Officer needs to review the results, update the results that require a manual update and document the final performance comments in the relevant columns.

The KPI Owners should report on the results of the KPI by properly documenting the information in the performance response fields and make reference to where the POE can be found. In the instance of poor performance, corrective measures should be identified and documented. The POE should prove that the KPI was delivered and that the expected outcome / impact has been achieved.

The actual performance should be monitored quarterly in terms of the objectives, KPI's and targets set. In order to measure the outcomes of the KPI's, the outputs and performance evidence (POE's) should be evaluated and **documented**.

It is important to note that the municipal manager needs to implement the necessary systems and processes to provide the POE's for reporting and auditing purposes.

7.1.3 Quarterly reviews

On a quarterly basis, the Executive Mayor should engage in an intensive review of municipal performance against both the directorate's scorecards and the municipal scorecard, as reported by the Municipal Manager. These reviews will take place in October (for the period July to end of September), January (for the period October to the end of December), April (for the period January to the end of March) and July (for the period April to the end of June).

The review in January will coincide with the mid-year performance assessment as per section 72 of the Municipal Finance Management Act. Section 72 determines that by 25 January of each year the accounting officer must assess the performance of the municipality and report to the Council on inter alia its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators set in the service delivery and budget implementation plan.

Many of the indicators in the municipal scorecard will only be measurable on an annual basis. The quarterly reviews should thus culminate in a comprehensive annual review of performance in terms of all the scorecards.

The Executive Mayor will need to ensure that targets committed to in the municipal scorecard are

being met, where they are not, that satisfactory and sufficient reasons are provided and that the corrective action being proposed is sufficient to address the poor performance.

The review should also focus on reviewing the systematic compliance to the performance management system, by directorates, departments, Portfolio Councillors and the Municipal Manager. The review will also include:

- An evaluation of the validity and suitability of the Key Performance Indicators and recommending must any changes.
- An evaluation of the annual and 5 year targets to determine whether the targets are over stated or understated. These changes need to be considered.
- Changes to KPI"s and 5 year targets for submission to council for approval. (The reason for this is that the original KPI"s and 5 year targets would have been published with the IDP, which would have been approved and adopted by council at the beginning of the financial year.)
- An analysis to determine whether the Municipality is performing adequately or under- performing.

It is important that the Executive Mayor not only pay attention to poor performance but also to good performance. It is expected that the Executive Mayor will acknowledge good performance, where directorates or departments have successfully met targets in their directorate/departmental scorecards.

7.1.4 Council Reviews

At least annually, the Executive Mayor will be required to report to the full council on the overall municipal performance. It is proposed that this reporting take place using the municipal scorecard in an annual performance report format as per the Municipal Systems Act. The said annual performance report will form part of the municipality's Annual Report as per section 121 of the Municipal Finance Management Act.

7.1.5 Public Reviews

The Municipal Systems Act as well as the Municipal Finance Management Act requires the public to be given the opportunity to review municipal performance. Section 127 of the MFMA requires that the accounting officer (Municipal Manager) must immediately after the Annual Report is submitted to Council make the report public and invite the local community to submit

representations with regards to the Annual Report.

7.1.6 Roles and Responsibilities

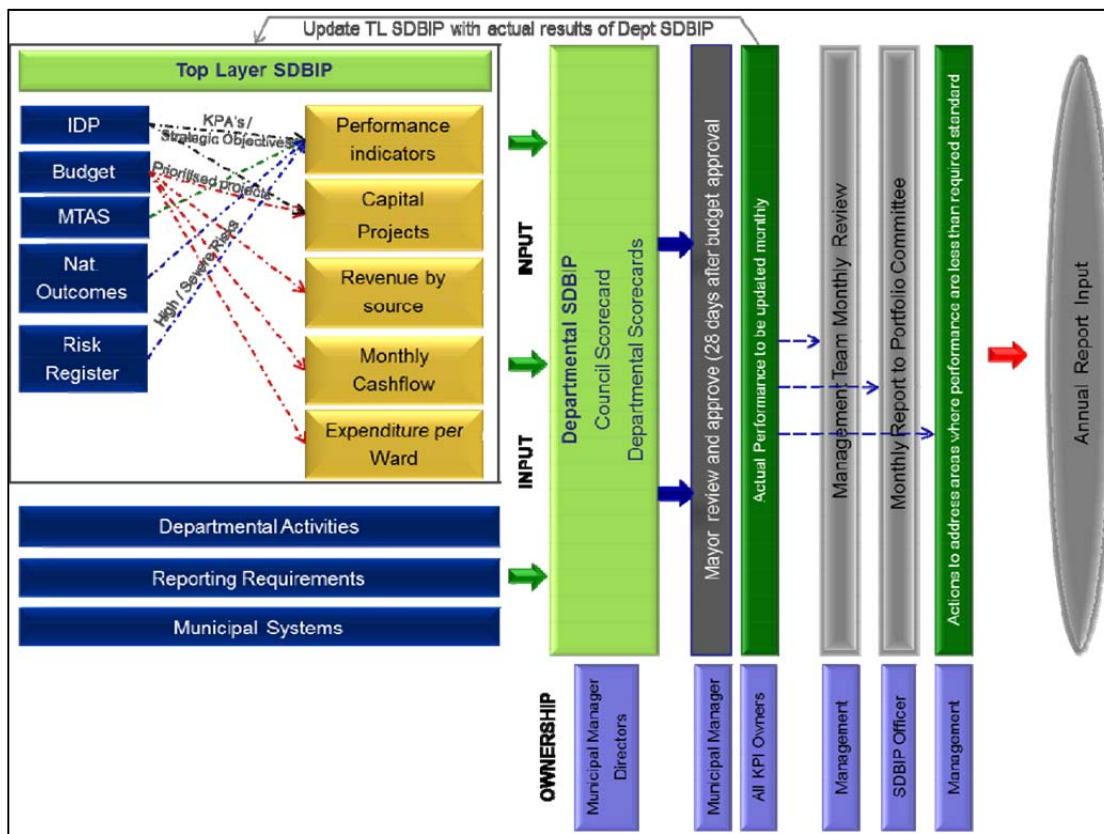
The roles and responsibilities during the TL SDBIP process can be summarised as follows:

Role Player	Roles and Responsibilities
Executive Mayor	<ul style="list-style-type: none"> • Mayor is responsible for the performance and need to approve the TL SDBIP. • Quarterly review of performance and monitor implementation of corrective action. • Submit the mid-year and annual performance reports to Council.
Mayoral Committee	<ul style="list-style-type: none"> • Support to the Executive Mayor • Provide strategic awareness and manage the development of the TL SDBIP.
Portfolio Councillor	<ul style="list-style-type: none"> • Monitor the implementation of the strategy. • Review and monitor the implementation of the TL SDBIP at Portfolio Committee level.
Council	<ul style="list-style-type: none"> • Oversight role to ensure that performance management processes are monitored
Municipal Manager	<ul style="list-style-type: none"> • Drafting of the TL SDBIP • Ensure the implementation of the TL SDBIP. • Monitor the TL SDBIP and ensure that POE's to proof performance exists. • Take corrective action where required. • Communicate with the Executive Mayor and Executive Management Team.
Senior Management Team	<ul style="list-style-type: none"> • Manage and report on departmental performance to be cascaded up to the TL SDBIP. • Plan Performance. • Integration role and ensure POE's exists to proof performance.
Internal Audit	Internal audit should quarterly audit the results reported on a sample basis and issue a report to the municipal manager/ performance audit committee.
Auditor-General	Auditing of legal compliance and outcomes.
Performance Audit Committee	Independent oversight on municipal performance and legal compliance.

7.2 Departmental scorecards

The directorate and departmental scorecards (detailed SDBIP) will capture the performance of each defined directorate or department. Unlike the municipal scorecard, which reflects on the strategic priorities of the municipality, the SDBIP will provide detail of each outcome for which top management are responsible for, in other words a comprehensive picture of the performance of that directorate/sub-directorate. It will be compiled by **senior managers** for his/her **directorate** and will consist of objectives, indicators and targets derived from the Municipality's annual service delivery and budget implementation plan and any annual business or services plan compiled for each directorate or department.

The following diagram illustrates the establishment, components and review of the departmental SDBIP:



7.2.1 Preparing the Departmental SDBIP's

KPI's should be developed for Council, the office of the Municipal Manager and for each Directorate.

The KPI's should:

- Address the TL KPI's by means of KPI's for the relevant section responsible for the KPI.
- Include the capital projects KPI's for projects that relates to services higher than R200 000. KPI's for furniture and equipment should be grouped as one KPI per directorate. The targets should to some extent be aligned with the cashflow budgets and project plans.
- Add KPI's to address the key departmental activities.
- Each KPI should have clear monthly targets and should be assigned to the person responsible for the KPI'. KPI's should be SMART.

The number KPI's developed to address National KPA's, Municipal KPA's and strategic objectives should be spread amongst the aforementioned in terms of National and Local Agendas.

Please refer to Circular **13** on the development of key performance indicators for assistance on how to develop indicators and targets.

7.2.2 Approval of Departmental SDBIP

The SDBIP of each Directorate must be submitted to the municipal manager for approval within 28 days after the budget has been approved.

7.2.3 Update actual performance

An evaluation of the validity and sustainability of the KPI's should be done and the actual performance results of each target should be updated and evaluated on a monthly basis. In order to measure the input/output of the KPI's, the performance results and performance evidence (POE's) should be evaluated and documented. The KPI owners should report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set.
- The output/outcome of achieving the KPI.
- The calculation of the actual performance reported. (If %)
- The reasons if the target was not achieved.
- Actions to improve the performance against the target set, if the target was not achieved.

The municipal manager and his/her senior management team needs to implement the necessary systems and processes to provide the POE's for reporting and auditing.

7.2.4 Monthly reviews

The Directorates will update their performance monthly in terms of the SDBIP and report to the Municipal Manager and the respective Portfolio Committee. Decision-makers should be warned immediately of any emerging failures to service delivery so that they can intervene if necessary. It is important that Directorates use these reviews as an opportunity for reflection on their goals and programmes and whether these are being achieved. The Portfolio Committee should have a standing agenda item to discuss at their monthly meetings. The SDBIP report submitted should be used to analyse and discuss performance. The Portfolio Councillor and the senior management team should report on an overview of performance at the following Mayoral Committee. Changes in indicators and targets may be proposed at this meeting, but can only be approved by the Executive Mayor, in consultation with the Municipal Manager.

7.2.5 Adjustments to KPI's

KPI's can only be adjusted after the mid-year assessment and/or after the adjustments budget has been approved. KPI's should be adjusted to be aligned with the adjustment estimate and the reason for the change in KPI's should be documented in a report to the Executive Mayor for approval.

Additional KPI's can be added during the year with the approval of the municipal manager. The approval documents should be safeguarded for audit purposes.

7.2.6 Roles and Responsibilities

The roles and responsibilities during the Departmental SDBIP process can be summarised as follows:

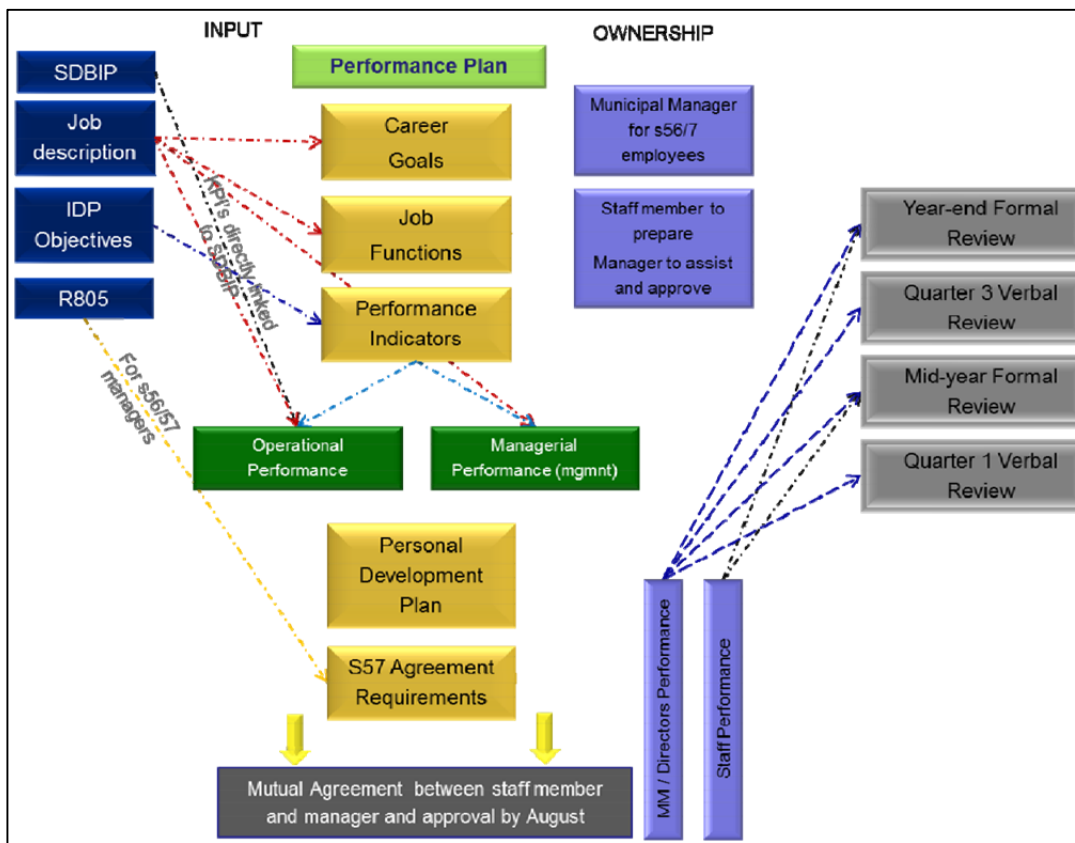
Role Player	Roles and Responsibilities
Executive Mayor	<ul style="list-style-type: none">• Responsible for the KPI's assigned to him/her and his/her committee. The mayor should update performance results monthly.
Mayoral Committee	<ul style="list-style-type: none">• Review the feedback received from Portfolio Councillors/ respective senior manager and monitor overall performance.• Support the Executive Mayor.
Portfolio Councillor	<ul style="list-style-type: none">• Support the senior manager to implement the municipal strategy.• Review and monitor progress at portfolio level.• Report to the Mayoral Committee on performance review and progress.• Assist senior management to take corrective action to improve performance.

Role Player	Roles and Responsibilities
Municipal Manager	<ul style="list-style-type: none"> • Approval of the Departmental SDBIP • Monitor SDBIP and ensure that POE's exist. • Review and monitor the implementation on the SDBIP • Ensure that KPI's address the municipal strategy and service delivery requirements. • Ensure alignment with the IDP objectives/programmes and budgets. • Take corrective actions where required. • Communicate with the senior management team on performance progress and reporting. • Ensure quarterly internal audit and take necessary action where required.
All Managers	<ul style="list-style-type: none"> • Design KPI's to address the TL SDBIP, operational needs, service delivery improvement and other key departmental activities. • Plan performance and set targets. • Assign KPI's to KPI owners. • Ensure the implementation of the SDBIP. • Monitor performance and document POE's. • Take corrective action where required. • Communicate performance results to the municipal manager and Portfolio Committee.
Internal Audit	Internal audit should quarterly audit the results reported on a sample basis and issue a report to the municipal manager/ performance audit committee.
Auditor-General	Auditing of legal compliance and outcomes.
Performance Audit Committ	Independent oversight on municipal performance and legal compliance.

8. Individual Performance

The performance of a municipality is integrally linked to that of staff. It is therefore important to link organisational performance to individual performance and to manage both at the same time, but separately. Although legislation requires that the municipal manager, and managers directly accountable to the municipal manager, sign formal performance contracts, it is also a requirement that all employees have performance plans. These must be aligned with the individual performance plan of the head of the directorate and job descriptions. In this way all employees are working towards a common goal. It is however the responsibility of the employer, to create an environment, which the employees can deliver the objectives and the targets set for them in their performance plans and job descriptions.

The following diagram illustrates the individual performance management processes:



The Benefits of Individual Performance are to:

- Ensure alignment of individual goals and objectives with that of the organisation and to co-ordinate efforts in order to achieve those goals.
- Understand what is expected from the incumbents, by when it is expected and to what standard is expected
- Understand the incumbent's key areas of accountability.
- Determine whether or not performance objectives are being met.
- Make qualified decisions within the incumbents level of competencies
- Avail the incumbents of learning and development opportunities to competently meet their performance targets.

8.1 Individual scorecards (Municipal Manager and Section 56 Managers)

The Local Government Municipal Systems Act 2000 and Regulation 805 of August 2006 (Performance of the Municipal Manager and the Managers reporting directly to the Municipal Manager) require the Municipal Manager and the Managers reporting directly to the Municipal Manager to enter into annual Performance Agreements. The Performance Agreements of the Municipal Manager and other Section 56/57 Managers should be directly linked to their

employment contract. These Performance Agreements consist of three distinct parts:

- Performance Agreement: This is an agreement between the Section 56/57 Manager and the Municipality, which regulates the performance required for a particular position and the consequences of the performance. The Agreement deals with only one aspect of the employment relationship, namely performance. This agreement must be reviewed and renewed annually, subject to the individual's annual performance.
A performance bonus may be paid as agreed in the performance agreement
- Performance Plan: The Performance Plan is an Annexure to the Performance Agreement and stipulates in detail the performance requirements for a single financial year. The SDBIP transcends into the Performance Plan/s of the respective Section 56/57 Managers according to their areas of responsibility.
- Personal Development Plan: The plan is an Annexure to the Performance Agreement and addresses the developmental needs/requirements of the manager indicating actions and timeframes.

The management of the performance process for the municipal manager and the Section 56/57 managers will be in terms of R805 of 2006. Performance will be reviewed quarterly of which the mid-year and year-end performance will be formal evaluations.

8.2 Individual scorecards (rest of staff)

The introduction of individual performance is applicable to all staff including those appointed on a temporary basis.

8.2.1 Superintendents

The data obtained from Directorate scorecards (detailed SDBIP), will provide the user with the respective Individual performance contracts for managers reporting to the s57 managers.

Performance Plans are agreed with each employee as part of his / her career development plan and should include the following:

- Qualifications – a record of formal and informal training and experience.
- Job functions – key focus areas for the year.
- Career goals - long term and intermediate career goals.
- Key performance indicators linked to the SDBIP – KPI's in the SDBIP that are the

responsibility of the respective manager and KPA's aligned to the job description of the manager.

- Managerial KPI's – the core managerial competencies that the manager will be evaluated on.
- A list of the core managerial competencies (CMC's) is provided on the performance of the performance system and the manager should select between 3 and 5 CMC's. The CMC's and the measurement criteria should be agreed with the respective senior manager.
- Weightings show the relative importance of input or output against another input or output. Every input or output in the performance agreement must be assigned a weighting. The weightings / ratings and the distribution of the ratings per level need to be determined by the management team in the beginning of each financial year and agreed with the employer or group of employers. (employee or group of employees)
- Development needs and learning plan.

The agreements must be finalised by August every year and be agreed and approved by the respective senior manager. The process on how to prepare performance plans is documented in the Performance Management System manual.

8.2.2 All staff reporting up to management

The PMS process will begin after the management phase has been completed.

A performance plan should be agreed for all employees and include the following:

- Qualifications – a record of formal and informal training and experience.
- Job functions – key focus areas for the year.
- Career goals - long term and intermediate career goals.
- Performance agreed for all employees on a specific job level.
- Performance agreed with the individual employee unique to the employees daily tasks and aligned to the individuals job description.
- Performance indicators should be designed to ensure effective and efficient service delivery (value- for-money).
- Training or other skills development needs of the employee.

The agreements must be finalised by August every year and be agreed and approved by the respective employee and supervisor. The process on how to prepare performance plans is documented in the Performance Management System manual.

8.2.3 Skills Development Plan

The skills development plan needs to be compiled / updated with the information obtained from the performance agreements and the development plans. The human resources manager together with the respective line manager is responsible to facilitate the implementation of the skills development plan.

8.2.4 Informal and Formal performance reviews

Monthly monitoring of the departmental SDBIP's take place and performance is discussed with relevant staff as and when required.

Although performance should be managed on a daily basis, formal performance reviews should be done by the respective supervisor at least bi-annually. The objective review should be based on actual performance and performance evidence. The responsibility to maintain and present a portfolio of evidence file at the performance assessment is with the subordinate. The supervisor and employee needs to prepare for the review and discuss the performance during a focused performance meeting. Feedback should be provided during the review on the employee's ability to render the allocated tasks including measures to improve on set targets

The reviews should be completed by end February for the period July to December and August for the period January to June.

Please note that performance and growth is the responsibility of each individual employee and employees should ensure that his / her performance plan is executed. Performance measurement is an ongoing process and should not only be addressed during the formal reviewing sessions.

Performance should be moderated per department per task level / group level after the performance evaluation of all staff has been finalised. The moderation should be conducted in terms of the performance management manual to ensure objectivity and fairness.

Unacceptable performance needs to be addressed and action plans to improve the performance must be prepared and agreed with the employer who did not perform. The performance against the action plans must be reviewed on a monthly basis.

9.3 Appeals process

9.3.1 Section 56/57-Employees

The Appeals process as prescribed in R805 of August 2006 and as agreed in the employment and performance contracts of the Section 56/57-Managers will be applicable in instances where they are not in agreement with their final performance evaluations.

9.3.2 Employees

Should employees not agree with the contents of their performance agreement after the performance discussions or with the final scores that are allocated to them, they may elect to follow the municipality's normal grievance procedures.

9.4 Reward and Recognition

The performance scores will be finalised during the moderation where after it must be approved by the moderation committee (fish-bowl). These scores will be used to recognise excellent performance in terms of the Council's reward and recognition policy.

9.5 Roles and Responsibilities

The roles and responsibilities during the individual performance process can be summarised as follows:

Role Player	Roles and Responsibilities
Executive Mayor	<ul style="list-style-type: none"> • Review the performance of the municipal manager. • Submit reports to the Council regarding the mid-year and year-end performance reviews of the senior management team with the required recommendations.
Council	<ul style="list-style-type: none"> • Approve the reward and recognition policy. • Approve financial rewards.
Portfolio Councillors	<ul style="list-style-type: none"> • Part of the executive committee who evaluate the performance of the senior management team in terms of the performance agreements.
Municipal Manager	<ul style="list-style-type: none"> • Implement the necessary systems and processes to ensure the implementation and monitoring of performance management. • Review the performance of the managers reporting directly to him/her • Assess overall performance results and approve reward and recognition of employees' performance.
Senior Management Team	<ul style="list-style-type: none"> • Implement individual performance in directorates. • Approve performance plans. • Evaluate performance and results • Moderate performance • Submit reports to the municipal manager
All other managers	<ul style="list-style-type: none"> • Implement individual performance in divisions. • Approve performance plans • Review performance and take corrective actions where required/ recognise excellent performance. • Moderate performance as part of moderation process.
Employees	<ul style="list-style-type: none"> • Execute agreed individual performance plans. • Report on performance.
Internal Audit	Assess the functionality, integrity, objectiveness and effectiveness of performance management.

10. Service Providers

A municipal service can be provided by the Municipality by entering into a Service Delivery Agreement in terms of Section 76(b) of the Municipal System Act with an external service provider. The Municipality is responsible for monitoring and assessing the implementation of the agreement, including the performance of the service provider in accordance with section 41 of the Municipal Systems Act.

This section sets out the framework on monitoring and reporting on the performance of service

providers in terms of Chapter 8 of the Municipal Systems Act and Section 116 of the Municipal Finance Management Act. While departments have mechanisms in place to monitor the work done by service providers, there is no standard guideline set by the Municipality.

10.1 Notification of Service Providers upon appointment

All service providers must be informed of:

- The assessment and reporting of the service provider's performance;
- setting of performance criteria in terms of the tender, the required deliverables and service level agreement;
- the exchange of information on service provider performance reports between government units/departments.

10.2 Evaluating the Performance of Service Providers

Thresholds (size and types of service provider contracts in line that need to comply with the requirements of the SCM policy should be allowed to.. The thresholds that need to be reviewed include:

- Contracts larger than R200 000 and
- Contracts where the service providers is required to deliver a service (not goods and products).

Contracts must be signed by service providers must sign a service level agreement indicating the services to be delivered:

- the timeframes,
- the amount and
- the evaluation methodology.

The service provider's performance must be assessed in the context of the project as a whole. The respective roles and obligations of the Municipality and service provider under the contract must be taken into account.

Persons preparing or reviewing the performance of a service provider must consider whether satisfactory progress or completion of a project has been affected by any matters which are:

- Outside the service provider's control, or

- The result of some action by the Municipality.

The service provider's performance must therefore be evaluated against set performance criteria, after taking into account matters beyond the service provider's control

10.2.1 Prescribed procedures to evaluate service providers

The following procedures need to be followed:

- The requirements of this policy must be included in the contract of the service provider.
- The performance of the service providers under the contract or service level agreement contracts to be included in a clause must be assessed monthly by the Reporting Officer.
- The assessment must be filed in the contract file or captured onto the database
- The Reporting Officer must complete the Service Provider Assessment Form on the database at the end of each quarter and on completion or termination of the contract.
- The quarterly assessment must be completed within 15 working days after the end of each quarter.
- The Reporting Officer must provide a copy of the assessment to the Service Provider at the end of each quarterly assessment period and on completion or termination of the contract.
- Supply Chain Management Unit will review the quarterly Service Provider assessments within 20 days after the end of each quarter and submit a summary report to Council.
- The Accounting Officer need to develop the necessary forms and report structures to be utilised to manage the above processes. The forms and reporting requirements need to be reviewed on a regular basis.
- In the instance of under-performance:
 - The Municipality will facilitate support interventions to service providers in the identified areas of underperformance.
 - Service providers who have been identified as under-performing in identified areas must be informed of these support interventions.
 - The impact of support interventions must be monitored by the Reporting Officer.
 - The records of the support interventions must be documented, signed by both parties and appropriately filed.

11 . Evaluation and Improvement of the Performance Management System

The Municipal Systems Act requires the municipality to annually evaluate its performance

management system. It is proposed that after the full cycle of the annual review is complete; the Municipal Manager will initiate an evaluation report annually, taking into account the input provided by directorates and departments. This report will then be discussed by the Management Team and finally submitted to the Council for discussion and approval. The evaluation should assess:

- The adherence of the performance management system to the Municipal Systems Act.
- The fulfilment of the objectives for a performance management system.
- The adherence of the performance management system to the objectives and principles.
- Opportunities for improvement and a proposed action plan.

While good and excellent performance must also be constantly improved to meet the needs of citizens and improve their quality of life, it is poor performance in particular that needs to be improved as a priority. In order to do this, it is important that the causal and contributing reasons for poor performance are analysed. Poor performance may arise out of one or more of the following:

- Poor systems and processes.
- Inappropriate structures.
- Lack of skills and capacity.
- Inappropriate organisational culture.
- Absence of appropriate strategy.

To improve performance, the appropriate response strategy should be chosen:

- Restructuring is a possible solution for an inappropriate structure.
- Process and system improvement will remedy poor systems and processes.
- Training and sourcing additional capacity can be useful where skills and capacity are lacking.
- Change management and education programmes can address organisational culture issues.
- The revision of strategy by key decision-makers can address shortcomings in this regard.
- Consideration of alternative service delivery strategies should be explored.

Performance analysis is a requirement in order to identify poor performance. The Municipal Manager will implement the appropriate response strategy to improve performance.

12. Governance

The governance structure was established to offer credibility to the overall performance processes. The audit of performance information and system should comply with section 166 of the Municipal Finance Management Act and Regulation 14 of the Municipal Planning and Performance Management Regulations (2001).

12.1 Continuous quality control and co-ordination

The Municipal Manager and PMS Department are required to co-ordinate and ensure good quality of performance reporting and reviews on an ongoing basis. It is their role to ensure conformity to reporting formats and verify the reliability of reported information, where possible.

The municipal manager must review overall performance monthly while the IDP/manager should support him/her in verifying the performance data and prepare the performance reports.

12.2 Performance investigations

The Executive Mayor or Performance Audit Committee should be able to commission in-depth performance investigations where there is either continued poor performance, a lack of reliability in the information being provided or on a random ad-hoc basis. Performance investigations should assess.

- The reliability of reported information
- The extent of performance gaps from targets
- The reasons for performance gaps
- Corrective action and improvement strategies

While the internal audit function may be used to conduct these investigations, it is preferable that external service providers, who are experts in the area to be audited, should be used. Clear terms of reference will need to be adopted by the Executive Mayor for such investigation.

12.3 Internal Audit

Section 165 of the MFMA requires that each municipality must have an internal audit unit however such function may be outsourced.

The municipality's internal audit function will need to be continuously involved in auditing the

performance reports based on the organisational and directorate/departmental scorecards. As required by Regulation, they will be required to produce an audit report on a quarterly basis, to be submitted to the Municipal Manager and Performance Audit Committee.

The audit should include an assessment of:

- The functionality of the municipality's performance management system
- The adherence of the system to the Municipal Systems Act
- The extent to which performance measurements are reliable

12.4 Performance Audit Committee

The MFMA and the Municipal Planning and Performance Management Regulations require that the municipal council establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No Councillor may be a member of an audit committee. Council shall also appoint a chairperson who is not an employee.

The Regulations give municipalities the option to establish a separate performance audit committee whereas the MFMA provides only for a single audit committee. The operation of this audit committee is governed by section 14 (2-3) of the regulations.

According to the regulations, the performance audit committee must

- review the quarterly reports submitted to it by the internal audit unit.
- review the municipality's performance management system and make recommendations in this regard to the council of that municipality.
- assess whether the performance indicators are sufficient.
- at least twice during a financial year submit an audit report to the municipal council .

It is further proposed that the audit committee be tasked with assessing the reliability of information reported.

In order to fulfil their function a performance audit committee may, according to the MFMA and the regulations,

- communicate directly with the council, municipal manager or the internal and external auditors of the municipality concerned;
- access any municipal records containing information that is needed to perform its duties or

exercise its powers;

- request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and
- investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

13. Performance Reporting

Performance must be reported in terms of the MSA, MFMA and the circulars and regulations issued in terms of the aforementioned legislation. These reports include:

13.1 Monthly reports

Monthly reports on the performance of the directorates/departments should be generated from the performance management system and submitted to the portfolio committees and the senior management team.

13.2 Quarterly reports

Reports to report on the performance in terms of the TL SDBIP should be generated from the system and submitted to Council. This report should also be published on the municipal website.

13.3 Mid-year assessment

The performance of the first 6 months of the financial year should be assessed and reported on in terms of section 72 of the MFMA. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustments of KPI's, if necessary. The format of the report must comply with the section 72 requirements. This report must be submitted to Council for approval before 25 January of each year and published on the municipal website afterwards.

13.4 Annual Performance Report

The annual performance report must be completed by the end of August and submitted with the financial statements. This report must be based on the performance reported in the SDBIP. Reports should be generated from the system and reviewed and updated in the performance comments field for reporting purposes.

13.5 Annual Report

The Annual Report should be prepared and submitted as per MFMA Circular 11.

13.6 Legislative Reporting Requirements

The legislative requirements regarding reporting processes are summarised in the following table:

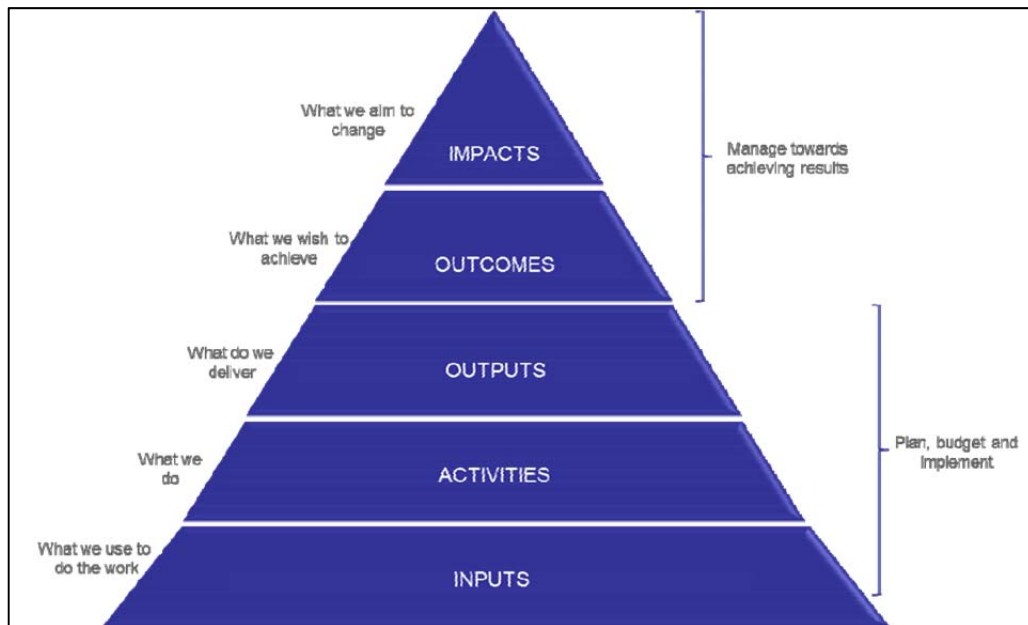
Time frame	MSA/ MFMA Reporting on PMS	Section
Quarterly reporting	<p>The municipal manager collates the information and draft the organisational performance report, which is submitted to Internal Audit.</p> <p>The Internal Auditors (IA) must submit quarterly audited reports to the Municipal Manager and to the Performance Audit Committee</p> <p>The Municipal Manager submits the reports to the Council.</p>	MSA Regulation 14(1)(c)
Bi-annual reporting	<p>The Performance Audit Committee must review the PMS and make recommendations to council</p> <p>The Performance Audit Committee must submit a report at least twice during the year a report to Council</p> <p>The Municipality must report to Council at least twice a year</p> <p>The Accounting officer must by 25 January of each year assess the performance of the municipality and submit a report to the Mayor, National Treasury and the relevant Provincial Treasury.</p>	<p>MSA Regulation 14(4)(a)</p> <p>MSA Regulation 14(4)(a)</p> <p>MSA Regulation 13(2)(a)</p> <p>MFMA S72</p>
Annual reporting	<p>The annual report of a municipality must include the annual performance report and any recommendations of the municipality's audit committee</p> <p>The accounting officer of a municipality must submit the performance report to the Auditor-General for auditing within two months after the end of the financial year to which that report relate</p> <p>The Auditor-General must audit the performance report and submit the report to the accounting officer within three months of receipt of the performance report</p> <p>The Mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality</p>	<p>MFMA S121 (3)(c)(j) & MSA S46</p> <p>MFMA S126 1(a)</p> <p>MFMA S126 (3)(a)(b)</p> <p>MFMA S127(2)</p>
	<p>The Auditor-General may submit the performance report and audit report of a municipality directly to the municipal council, the National Treasury, the relevant provincial treasury, the MEC responsible for local government in the province and any prescribed organ of the state</p> <p>Immediately after an annual report is tabled in the council, the accounting officer of the municipality must submit the</p>	<p>MFMA S127 (4)(a)</p> <p>MFMA S127</p>

	<p>annual report to the Auditor- General, the relevant provincial treasury and the provincial department responsible for local government in the province.</p> <p>The council of the municipality must consider the annual report by no later than two months from the date on which the annual report was tabled, adopt an oversight report containing council's comments on the annual report</p> <p>The meetings of a municipal council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken, must be open to the public and any organ of the state</p> <p>The Cabinet member responsible for local government must annually report to Parliament on actions taken by the MECs for local government to address issues raised by the Auditor-General</p>	<p>(5)(b)</p> <p>MFMA S129 (1)</p> <p>MFMA S130 (1)</p> <p>MFMA S134</p>
<p>Contracts and contract Management</p>	<p>The accounting officer of a municipality or municipal entity must—</p> <p>(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;</p> <p>(b) monitor on a monthly basis the performance of the contractor under the contract or agreement;</p> <p>(c) establish capacity in the administration of the municipality or municipal entity—</p> <p>(i) to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and</p> <p>(ii) to oversee the day-to-day management of the contract or agreement; an (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.</p>	<p>MFMA 116(2)</p>

14. Design of Key Performance Indicators and Targets

14.1 Setting indicators

In setting indicators it is important that one understands the key performance concepts and the relationship between the core performance information concepts illustrated below.



The following aspects must also be considered:

- The key priorities and objectives set in the IDP, which have been determined during the public participation process at ward committees.
- The activities and processes identified in the IDP for achieving the developmental objectives as well as the earmarked resources.
- Baseline and performance standard information for each indicator.
- The risks identified during the risk review of the municipality that needs to be addressed with specific actions.
- The indicators listed in the Municipal Turnaround Strategy (MTAS).
- Compliance and reporting requirements in terms of legislation.
- Core departmental activities that need to be measured to improve municipal effectiveness and efficiency.
- The alignment of departmental activities and capital projects identified in the IDP with the budget.
- Whether measurement tools (system and data) to measure the performance of the indicators are available or can be developed.
- In the event that measurement tools do not exist, then it is advisable that a KPI be set which would measure the design and implementation of such a system. Once the measurement tool has been implemented, then the KPI measuring the output from the tool can then be included in the scorecard.
- The cost involved in setting up measurement tools needs to be considered.
- The time frame for the implementation of measurement tools is also important.
- It is important that the responsibility for the KPI needs to be allocated to the appropriate

person who will be required to measure the output/outcome on the KPI"s.

- The timeframes for measuring and reporting actual performance against target set.

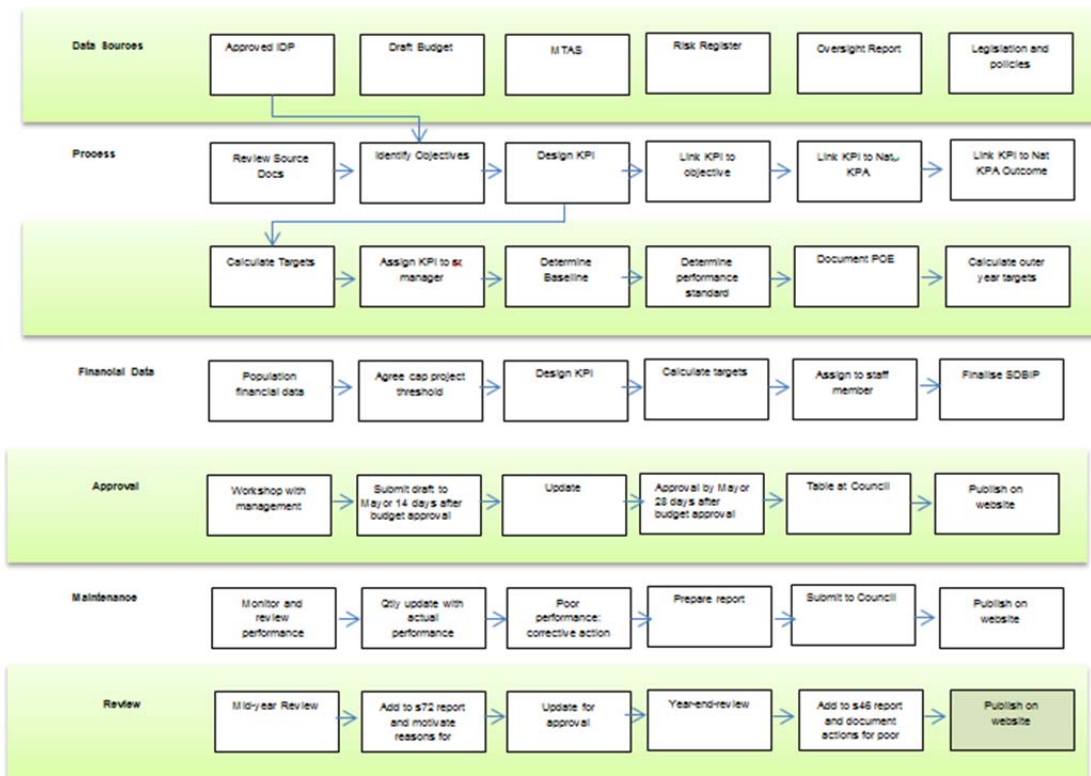
The following steps should be followed to develop a performance indicator:

- Identify the strategic objectives defined in the IDP and the key activities in the department that need to be measured.
- Agree on what you are aiming to achieve by considering the end result (outcome / impact) of each strategic objective and define the critical processes to achieve each of the strategic objectives.
- Specify the outputs, activities and inputs in order to achieve the outcomes and impacts.
- In the instance where performance indicators for individuals needs to be developed you also need to consider key job requirements (job description).
- For each activity, confirm that it will assist in achieving the objectives and determine what the proof of evidence will be that the activity has been delivered.
- Determine what resources you will require to be able to deliver the activity and confirm availability for such resources, e.g. you cannot establish a play park without the necessary financial resources.
- Determine the timeframes by when the activities need to be achieved.
- Decide which department and individual will take responsibility for the activities.
- Draft the KPI by explaining what will be done, how it will be done and what will be achieved.
- Link it to timeframes indicating by when the activity should be delivered as well as to the National KPA's, National Outcomes and the objective to be achieved.
- Formulate how the activity will be measured and what the proof will be that the activity has been delivered (how will the activity be measured).
- Add the baseline for the indicator (the level where we are before we start with the work).
- Determine and add the performance standard for the target (minimum or ideal level of performance).
- Allocate responsibility for delivering the activity to a department and individual (who will be responsible for delivery and reporting on the target).
- Set the targets to be achieved per month / quarter in order to deliver the indicator (targets should as far as possible comply with the SMART principle).
- Agree the finally formulated indicator with the respective department / manager / staff member.

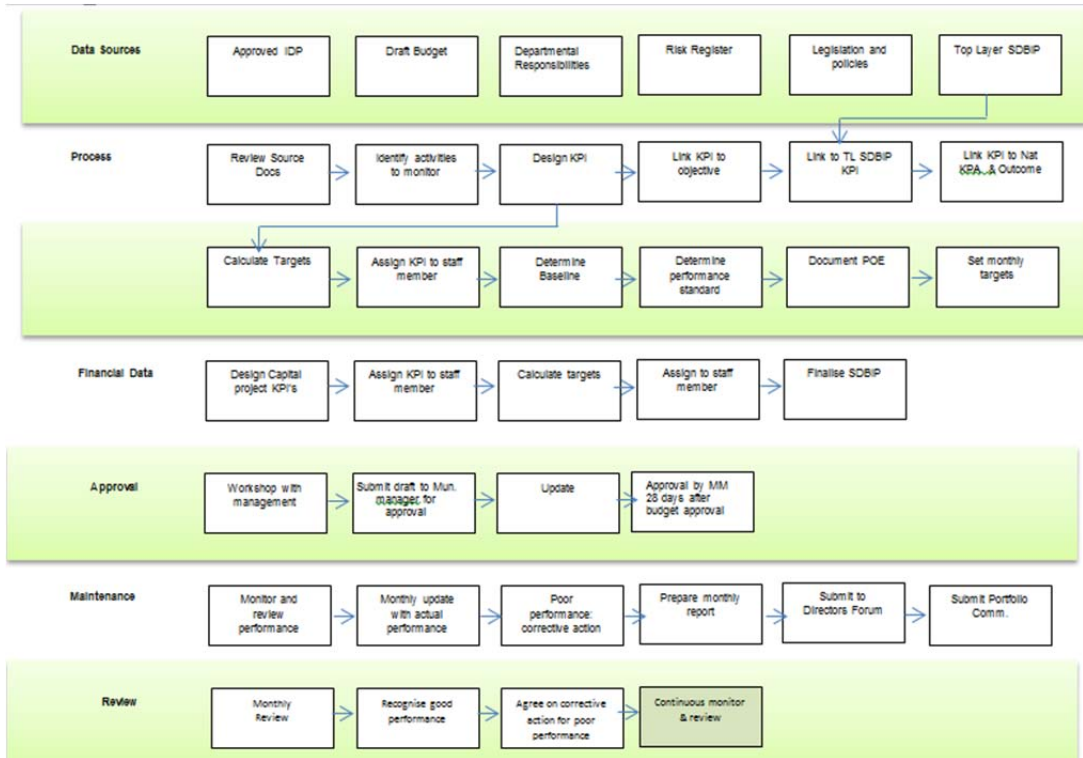
15. Performance Process Maps

The following process maps summarise the key operational and individual performance processes. These process maps should be read with the sections dealing with these performance processes

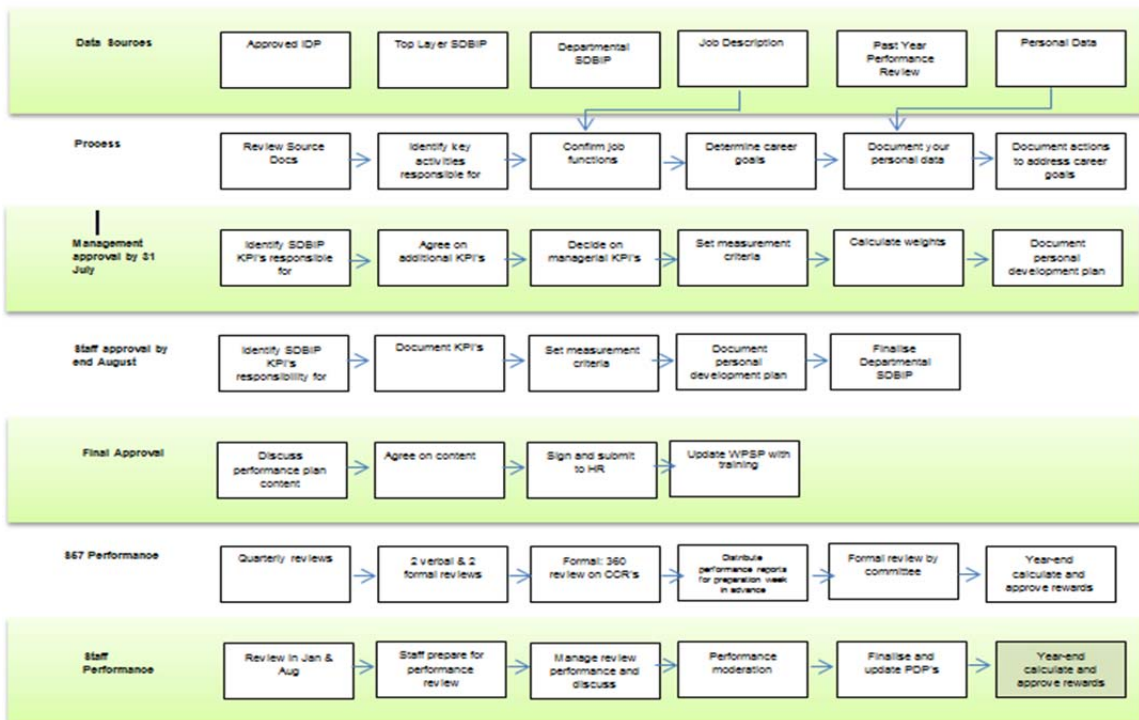
15.1 Top Layer SDBIP



15.2 Departmental SDBIP



15.3 Individual Performance



16. Role and Responsibilities of Stakeholders

The following table sets out a summary of the roles and responsibilities of the various stakeholders in the PMS within each of the management components:

STAKEHOLDERS	INVOLVEMENT	BENEFITS
	ADMINISTRATIVE OVERSIGHT	
Executive Mayor	<ul style="list-style-type: none"> Facilitate the development of a long term Vision regarding IDP and PMS Mayor is responsible for the performance and need to approve the SDBIP and submit the annual performance report to Council Approval of municipal manager performance plan and evaluate and report on municipal performance 	Optimum and equitable service delivery.
Mayoral Committee	<ul style="list-style-type: none"> Support to the Executive Mayor Provide strategic awareness and manage the development of the IDP and PMS. 	Promotes public awareness and satisfaction.

STAKEHOLDERS	INVOLVEMENT	BENEFITS
	ADMINISTRATIVE OVERSIGHT	
Portfolio Councillor	<ul style="list-style-type: none"> Monitor the implementation of the strategy Review and monitor the implementation of the IDP and the PMS Evaluate performance of senior management, where applicable 	Facilitates the process of benchmarking and collaboration with other municipalities.
Council	<ul style="list-style-type: none"> Adopt the PMS policy and approve the IDP Approve performance rewards Oversight role to ensure that performance management processes are monitored 	Provides a mechanism for the implementation and review of PMS and IDP achievement.

STAKEHOLDERS	INVOLVEMENT	BENEFITS
	IMPLEMENTERS	
Municipal Manager	<ul style="list-style-type: none"> • Ensure the implementation of the IDP and the PMS. • Communicate with the Executive Mayor and Senior Management Team. 	Clarifies goals, targets and work expectations of the executive management team, other senior managers, line managers and individual employees.
Senior Management Team	<ul style="list-style-type: none"> • Manage departmental and individual performance • Review and report on performance 	Facilitates the identification of training and development needs at different levels in the municipality.
All Other Managers	<ul style="list-style-type: none"> • Implement the departmental business / operational plans and monitor the Individual Performance Plans. 	Provides an objective basis upon which to reward good performance and correcting under performance.
Individual Employees	<ul style="list-style-type: none"> • Execute individual performance plans. 	Mechanism for early warning indicators to check and ensure compliance.
Reporting Officer (for service provider evaluations)	<ul style="list-style-type: none"> • Line Departments • Monitor and assess work done or service provided as per the service delivery agreement or contract • Report on the performance of the service provider 	Ensure quality and effective performance of service providers.
Supply Chain Management	<ul style="list-style-type: none"> • Manage the performance monitoring process of service providers • Report on contract management and service provider performance to Council quarterly • Report to Council annually on the performance of service providers Investigate and report on the impact of the interventions on areas of underperformance as part of the quarterly and annually report. • Review the policy and process annually. • Liaise with departments on interventions for under-performing areas. 	<ul style="list-style-type: none"> • Enhances service delivery and performance. • Addresses weak performance timeously. • Effective reporting.

Internal Audit	<ul style="list-style-type: none"> Assess the functionality, integrity, effectiveness and legal compliance with the PMS. 	<ul style="list-style-type: none"> Enhances the credibility of the PMS and the IDP. Enhances the status and role of Internal Audit.
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STAKEHOLDERS	INVOLVEMENT	BENEFITS
	OVERSIGHT	
Representative Forums / Ward Committees	<ul style="list-style-type: none"> Inform the identification of community priorities. Public involvement in service delivery of the municipality. 	Provide a platform for the public / communities to inform and communicate with Council.
Auditor-General	Audit legal compliance and performance processes	Provides warning signals of under-performance which can provide proactive and timely interventions.
Performance Audit Committee	Independent oversight on legal compliance.	Provides warning signals of under-performance.
Oversight Committee	Review Annual Report and suggest corrective action to address shortfalls	Improved performance

15. Conclusion

Each municipality or department or region is unique due to the ever-changing environment in which they operate, therefore a performance management system for each municipality should be unique and it needs to be developed to suit the circumstances for the institution

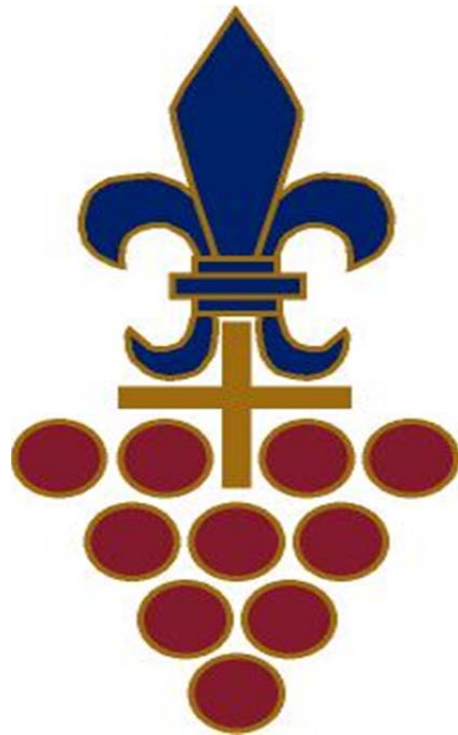
The PMS does not operate in isolation as it is a systems-wide intervention which ensures control in the ultimate achievement of vision/mission, strategic objectives and goals. It is therefore important that the municipality takes ownership and “grows” into its own PMS with the help of experts.

It is important to note that a PMS is dynamic and will change and develop over time to reflect the unique features of the municipality. The municipal environment is no exception to this phenomenon and this policy framework lends itself to improvement and positive changes with even more focused alignment to its objectives and performance levels.

16. Framework review

This framework will be reviewed as and when required

STELLENBOSCH MUNICIPALITY



**SCM Policy for Standard for
Infrastructure Procurement and
Delivery Management (SIPDM)**

2017/2018



STELLENBOSCH MUNICIPALITY

SCM POLICY FOR INFRASTRUCTURE PROCUREMENT AND DELIVERY MANAGEMENT

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1. SCOPE

This policy establishes the Stellenbosch Municipality's policy for infrastructure delivery management in accordance with the provisions of the regulatory frameworks for procurement and supply chain management. It includes the procurement for a new facility to be occupied and used as a functional entity but excludes:

- a) the storage of goods and equipment following their delivery to Stellenbosch Municipality' which are stored and issued to contractors or to employees;
- b) the disposal or letting of land;
- c) the conclusion of any form of land availability agreement;
- d) the leasing or rental of moveable assets; and
- e) public private partnerships.

2. TERMS, DEFINITIONS AND ABBREVIATIONS

2.1 Terms and definitions

For the purposes of this document, the definitions and terms given in the standard and the following apply:

agent: person or organization that is not an employee of Stellenbosch Municipality that acts on the Stellenbosch Municipality's behalf in the application of this document

authorized person: the accounting officer, the accounting authority or the appropriately delegated authority to award, cancel, amend, extend or transfer a contract or order

conflict of interest: any situation in which:

- a) someone in a position of trust has competing professional or personal interests which make it difficult for him to fulfil his duties impartially,
- b) an individual or organization is in a position to exploit a professional or official capacity in some way for his personal or for corporate benefit, or
- c) incompatibility or contradictory interests exist between an employee and the organization which employs that employee

contract manager: person responsible for administering a package on behalf of the employer and performing duties relating to the overall management of such contract from the implementer's point of view

family member: a person's spouse, whether in a marriage or in a customary union according to indigenous law, domestic partner in a civil union, or child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption

framework agreement: an agreement between an organ of state and one or more contractors, the purpose of which is to establish the terms governing orders to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged

gate: a control point at the end of a process where a decision is required before proceeding to the next process or activity

gateway review: an independent review of the available information at a gate upon which a decision to proceed or not to the next process is based

gratification: an inducement to perform an improper act

infrastructure delivery: the combination of all planning, technical, administrative and managerial actions associated with the construction, supply, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure

infrastructure procurement: the procurement of goods or services including any combination thereof associated with the acquisition, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure

maintenance: the combination of all technical and associated administrative actions during an item's service life to retain it in a state in which it can satisfactorily perform its required function

operation: combination of all technical, administrative and managerial actions, other than maintenance actions, that results in the item being in use

order: an instruction to provide goods, services or any combination thereof under a framework agreement

organ of state: an organ of state as defined in section 239 of the Constitution of the Republic of South Africa

procurement document: documentation used to initiate or conclude (or both) a contract or the issuing of an order

principal: a natural person who is a partner in a partnership, a sole proprietor, a director a company established in terms of the Companies Act of 2008 (Act No. 71 of 2008) or a member of a close corporation registered in terms of the Close Corporation Act, 1984, (Act No. 69 of 1984)

standard: the latest edition of the Standard for Infrastructure Procurement and Delivery Management as published by National Treasury

working day: any day of a week on which is not a Sunday, Saturday or public holiday

2.2 Abbreviations

For the purposes of this document, the following abbreviations apply

CIDB: Construction Industry Development Board

SARS: South African Revenue Services

3. GENERAL REQUIREMENTS

- 3.1** Infrastructure procurement and delivery management shall be undertaken in accordance with the all applicable legislation and the relevant requirements of the latest edition if the National Treasury Standard for Infrastructure Procurement and Delivery Management.
- 3.2** No departures shall be made from the provisions of the National Treasury Standard for Infrastructure Procurement and Delivery Management without the approval of the National Treasury.

No departure shall be made from the provisions of this policy without the approval of the Accounting Officer.

4. CONTROL FRAMEWORK FOR INFRASTRUCTURE DELIVERY MANAGEMENT

4.1 Assignment of responsibilities for approving or accepting end of stage deliverables

The responsibilities for approving or accepting end of stage deliverables shall be as stated in Table 1.

4.2 Gateway reviews

4.2.1 Gateway reviews for major capital projects above a threshold

- 4.2.1.1** Head: SCM shall appoint a gateway review team in accordance with the provisions of clause 4.1.13.1.2 of the standard to undertake gateway reviews for major capital projects.

Table 1: Responsibilities for approving or accepting end of stage deliverables in the control framework for the management of infrastructure delivery

Stage		Person assigned the responsibility for approving or accepting end of stage deliverables
No	Name	
0	Project initiation	Directors who uses Council Approved Budget (initiation report).
1	Infrastructure planning	<i>Council</i> approves the infrastructure plan
2	Strategic resourcing	<i>Accounting Officer</i> approves the delivery and / or procurement strategy via the Demand Management Plan
3	Pre-feasibility	<i>Relevant Director</i> accepts the pre-feasibility report
	Preparation and briefing	<i>Relevant Director</i> accepts the strategic brief
4	Feasibility	<i>Relevant Director. Review team >R50 million</i> accepts the feasibility report
	Concept and viability	<i>Relevant Director. Review team >R50 million</i> accepts the concept report
5	Design development	<i>Relevant Manager. Review team > R50 million</i> accepts the design development report
6	Design documentation	6A Production information <i>Relevant Manager</i> accepts the parts of the production information which are identified when the design development report is accepted as requiring acceptance
		6B Manufacture, fabrication and construction information The consultant accepts the manufacture, fabrication and construction information
7	Works	The contract manager certifies completion of the works or the delivery of goods and associated services
8	Handover	The owner or end user accepts liability for the works. Review team > R50 million
9	Package completion	The contract manager or supervising agent certifies the defects certificate in accordance with the provisions of the contract The contract manager certifies final completion in accordance with the provisions of the contract <i>Accounting Officer</i> accepts the close out report

End-of-stage deliverables are:

Stage		End-of-stage deliverable	
No	Name		
0	Project initiation	An initiation report which outlines the high-level business case together with the estimated project cost and proposed schedule for a single project or a group of projects having a similar high-level scope	
1	Infrastructure planning	An infrastructure plan which identifies and prioritizes projects and packages against a forecasted budget over a period of at least five years	
2	Strategic resourcing	A delivery and/or procurement strategy which, for a portfolio of projects, identifies the delivery strategy in respect of each project or package and, where needs are met through own procurement system, a procurement strategy	
3	Prefeasibility	A prefeasibility report which determines whether or not it is worthwhile to proceed to the feasibility stage	
	Preparation and briefing	A strategic brief which defines project objectives, needs, acceptance criteria and client priorities and aspirations, and which sets out the basis for the development of the concept report for one or more packages	
4	Feasibility	A feasibility report which presents sufficient information to determine whether or not the project should be implemented	
	Concept and viability	A concept report which establishes the detailed brief, scope, scale, form and control budget, and sets out the integrated concept for one or more packages	
5	Design development	A design development report which develops in detail the approved concept to finalize the design and definition criteria, sets out the integrated developed design, and contains the cost plan and schedule for one or more packages	
6	Design documentation	6A Production information	Production information which provides the detailing, performance definition, specification, sizing and positioning of all systems and components enabling either construction (where the constructor is able to build directly from the information prepared) or the production of manufacturing and installation information for construction
		6B Manufacture, fabrication and construction information	Manufacture, fabrication and construction information produced by or on behalf of the constructor, based on the production information provided for a package which enables manufacture, fabrication or construction to take place
7	Works	Completed works which are capable of being occupied or used	
8	Handover	Works which have been taken over by the user or owner complete with record information	
9	Package completion	Works with notified defects corrected, final account settled and the close out report issued	

5. CONTROL FRAMEWORK FOR INFRASTRUCTURE PROCUREMENT

- 5.1** The responsibilities for taking the key actions associated with the formation and conclusion of contracts including framework agreements above the quotation threshold shall be as stated in Table 2.
- 5.2** The responsibilities for taking the key actions associated with the quotation procedure and the negotiation procedure where the value of the contract is less than the threshold set for the quotation procedure shall be as follows:

- a) BSC shall grant approval for the issuing of the procurement documents, based on the contents of a documentation review report developed in accordance with the provisions of the standard;
 - b) the authorized person may award the contract if satisfied with the recommendations contained in the evaluation report prepared in accordance with the provisions of the standard.
- 5.3** The responsibilities for taking the key actions associated with the issuing of an order in terms of a framework agreement shall be as stated in Table 3.

6. INFRASTRUCTURE DELIVERY MANAGEMENT REQUIREMENTS

6.1 Institutional arrangements

6.1.1 Committee system for procurement

6.1.1.1 General

- 6.1.1.1.1** A committee system comprising the documentation committee, evaluation committee and tender committee shall be applied to all procurement procedures where the estimated value of the procurement exceeds the financial threshold for quotations and to the putting in place of framework agreements.
- 6.1.1.1.2** The evaluation committee shall, where competition for the issuing of an order amongst framework contractors takes place and the value of the order exceeds the financial threshold for quotations, evaluate the quotations received.
- 6.1.1.1.3** The persons appoint in writing as technical advisors and subject matter experts may attend any committee meeting. Such advisers and experts shall not participate in the decisions making proceedings of such meetings.
- 6.1.1.1.4** No person who is a political officer bearer, a public office bearer, a political advisor or a person appointed in terms of section 12A of the Public Service Act of 1994 or who has a conflict of interest shall be appointed to a procurement documentation, evaluation or tender committee.
- 6.1.1.1.5** Committee decisions shall as far as possible be based on the consensus principle i.e. the general agreement characterized by the lack of sustained opposition to substantial issues. Committees shall record their decisions in writing. Such decisions shall be kept in a secured environment for a period of not less than five years after the completion or cancellation of the contract unless otherwise determined in terms of the National Archives and Record Services Act of 1996.
- 6.1.1.1.6** Committees may make decisions at meetings or, subject to the committee chairperson's approval, on the basis of responses to documents circulated to committee members provided that not less than sixty percent of the members are present or respond to the request for responses. Where the committee chairperson is absent from the meeting, the members of the committee who are present shall elect a chairperson from one of them to preside at the meeting.

Table 2: Procurement activities and gates associated with the formation and conclusion of contracts above the quotation threshold

Activity		Sub-Activity (see Table 3 of the standard)		Key action	Person assigned responsibility to perform key action
1*	Establish what is to be procured	1.3 PG1	Obtain permission to start with the procurement process	Make a decision to proceed / not to proceed with the procurement based on the broad scope of work and the financial estimates.	Relevant Director
2*	Decide on procurement strategy	2.5 PG2	Obtain approval for procurement strategies that are to be adopted including specific approvals to approach a confined market or the use of the negotiation procedure	Confirm selection of strategies so that tender offers can be solicited	Relevant Director
3	Solicit tender offers	3.2 PG3	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	BSC
		3.3 PG4	Confirm that budgets are in place	Confirm that finance is available for the procurement to take place	CFO
4	Evaluate tender offers	4.2 PG5	Obtain authorization to proceed with next phase of tender process in the qualified, proposal or competitive negotiations procedure	Review evaluation report, ratify recommendations and authorize progression to the next stage of the tender process	BEC
		4.7 PG6	Confirm recommendations contained in the tender evaluation report	Review recommendations of the evaluation committee and refer back to evaluation committee for reconsideration or make recommendation for award	BAC / Accounting Officer > R10 million
5	Award contract	5.3 PG7	Award contract	Formally accept the tender offer in writing and issue the contractor with a signed copy of the contract	Delegated Authority via delegation 5 (Relevant Director, Contract and Compliance Manager and SCM Manager)
		5.5 GF1	Upload data in financial management and payment system	Verify data and upload contractor's particulars and data associated with the contract or order	Database Administrator

* Applies only to goods and services not addressed in a procurement strategy developed during stage 2 (strategic resourcing) of the control framework for infrastructure delivery management

Table 2 (concluded)

Activity		Sub-Activity		Key action	Person assigned responsibility to perform key action
6	Administer contracts and confirm compliance with requirements	6.4 PG8A	Obtain approval to waive penalties or low performance damages.	Approve waiver of penalties or low performance damages	<i>Relevant Director</i>
		6.5 PG8B	Obtain approval to notify and refer a dispute to an adjudicator	Grant permission for the referral of a dispute to an adjudicator or for final settlement to an arbitrator or court of law	<i>Relevant Director</i>
		6.6 PG8C	Obtain approval to increase the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at the award of a contract or the issuing of an order up to a specified percentage	Approve amount of time and cost overruns up to the threshold	0-5%: <i>Relevant Director</i> 5-20%: <i>BAC</i> >20%: <i>Accounting Officer</i>
		6.7 PG8D	Obtain approval to exceed the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at award of a contract or the issuing of an order by more than 20% and 30%, respectively	Approve amount of time and cost overruns above a the threshold	<i>Accounting Officer</i>
		6.8 PG8E	Obtain approval to cancel or terminate a contract	Approve amount	<i>Relevant Director</i>
		6.9 PG8F	Obtain approval to amend a contract	Approve proposed amendment to contract	<i>Accounting Officer</i>

Table 3: Procurement activities and gates associated with the issuing of an order above the quotation threshold in terms of a framework agreement

Activity		Key action	Person assigned responsibility to perform key action
1 FG1	Confirm justifiable reasons for selecting a framework contractor where there is more than one framework agreement covering the same scope of work	Confirm reasons submitted for not requiring competition amongst framework contractors or instruct that quotations be invited	<i>Relevant Director</i>
3 FG2	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	<i>BSC</i>
4 FG3	Confirm that budgets are in place	Confirm that finance is available so that the order may be issued	<i>CFO</i>
6 FG4	Authorize the issuing of the order	If applicable, review evaluation report and confirm or reject recommendations. Formally accept the offer in writing and issue the contractor with a signed copy of the order	<i>Head: SCM</i>

6.1.1.2 Procurement documentation committee

6.1.1.2.1 The relevant Director shall appoint in writing on a procurement by procurement basis:

- a) the persons to review the procurement documents and to develop a procurement documentation review report in accordance with clause 4.2.2.1 of the standard; and

Clause 4.2.2.1: The approval of procurement documents at Procurement Gate 3 or Framework Agreement Gate 2 shall be based on the contents of a procurement documentation review report. Where the procurement relates to the provision of new infrastructure or the rehabilitation, refurbishment or alteration of existing infrastructure, such a report shall be prepared by one or more persons who participated in the review and who are registered as:

- a professional architect or professional senior architectural technologist in terms of the Architectural Profession Act or a professional landscape architect or a professional landscape technologist in terms of the Landscape Architectural Profession;
- a professional engineer or professional engineering technologist in terms of the Engineering Profession Act; or
- a professional quantity surveyor in terms of the Quantity Surveying Professions Act.

- b) the members of the procurement documentation committee.

6.1.1.2.2 The procurement documentation committee shall comprise one or more persons. The chairperson shall be an employee of Stellenbosch Municipality with requisite skills. Other members shall, where relevant, include a representative of the end user or the institution requiring infrastructure delivery.

6.1.1.2.3 No member of, or technical adviser or subject matter expert who participates in the work of the any of the procurement committees or a family member or associate of such a member, may tender for any work associated with the tender which is considered by these committees.

6.1.1.3 Evaluation committee

6.1.1.3.1 The Accounting Officer shall appoint on a procurement by procurement basis in writing:

- a) the persons to prepare the evaluation and, where applicable, the quality evaluations, in accordance with clauses 4.2.3.2 and 4.2.3.4 of the standard, respectively; and

Clauses 4.2.3.2: The evaluation report shall be prepared by one or more persons who are conversant with the nature and subject matter of the procurement documents or the framework contract, and who are registered as:

- a professional architect or professional senior architectural technologist in terms of the Architectural Profession Act;

- a professional engineer or professional engineering technologist in terms of the Engineering Profession Act;
- a professional landscape architect or a professional landscape technologist in terms of the Landscape Architectural Profession;
- a professional project manager or a professional construction manager in terms of the Project and Construction Management Professions Act; or
- a professional quantity surveyor in terms of the Quantity Surveying Profession Act.

Clause: 4.2.3.4 Submissions shall be evaluated strictly in accordance with the provisions of the procurement documents (see Annex C of SANS 10845-3 and Annex C of SANS 10845-4, as relevant). Where quality is evaluated, at least three persons who satisfy the requirements of 4.2.3.2 shall undertake such evaluation. Quality shall be scored in terms of the prompts for judgement, with fixed scores assigned to each prompt, either individually and averaged or collectively, as appropriate.

- b) the members of the evaluation committee.

6.1.1.3.2 The evaluation committee shall comprise not less than three people. The chairperson shall be an employee of Stellenbosch Municipality with requisite skills. Other members shall, where relevant, include a representative of the end user or the institution requiring infrastructure delivery.

6.1.1.3.3 The evaluation committee shall review the evaluation reports prepared in accordance with sub clause 4.2.3 of the standard and as a minimum verify the following in respect of the recommended tenderer:

- a) the capability and capacity of a tenderer to perform the contract;
- b) the tenderer's tax compliance status;
- c) the Compulsory Declaration has been completed; and
- d) the tenderer is not listed in the National Treasury's Register for Tender Defaulters or the List of Restricted Suppliers.

6.1.1.3.4 No tender submitted by a member of, or technical adviser or subject matter expert who participates in the work of the procurement documentation committee or a family member or associate of such a member, may be considered by the evaluation committee.

6.1.1.3.5 The chairperson of the evaluation committee shall promptly notify the of any respondent or tenderer who is disqualified for having engaged in fraudulent or corrupt practices during the tender process.

6.1.1.4 Tender committee

6.1.1.4.1 The tender committee shall comprise the same persons as the BAC.

6.1.1.4.2 No member of the evaluation committee may serve on the tender committee. A member of an evaluation committee may, however, participate in the deliberations of a tender committee as a technical advisor or a subject matter expert.

6.1.1.4.3 The tender committee shall:

- a) consider the report and recommendations of the evaluation committee and:
 - verify that the procurement process which was followed complies with the provisions of this document;
 - confirm that the report is complete and addresses all considerations necessary to make a recommendation;
 - confirm the validity and reasonableness of reasons provided for the elimination of tenderers; and
 - consider commercial risks and identify any risks that have been overlooked or fall outside of the scope of the report which warrant investigation prior to taking a final decision; and
- b) refer the report back to the evaluation committee for their reconsideration or make a recommendation to the authorized person on the award of a tender, with or without conditions, together with reasons for such recommendation.

6.1.1.4.4 The tender committee shall consider proposals regarding the cancellation, amendment, extension or transfer of contracts that have been awarded and make a recommendation to the accounting officer on the course of action which should be taken.

6.1.1.4.5 The tender committee shall consider the merits of an unsolicited offer and make a recommendation to the accounting officer.

6.1.1.4.6 The tender committee shall report to the accounting officer any recommendation made to award a contract to a tenderer other than the tenderer recommended by the evaluation committee, giving reasons for making such a recommendation.

6.1.1.4.7 The tender committee shall not make a recommendation for an award of a contract or order if the recommended tenderer or framework contractor has:

- a) made a misrepresentation or submitted false documents in competing for the contract or order; or
- b) been convicted of a corrupt or fraudulent act in competing for any contract during the past five years.

6.1.1.4.8 The tender committee may on justifiable grounds and after following due process, disregard the submission of any tenderer if that tenderer or any of its directors, members or trustees or partners has abused the delivery management system or has committed fraud, corruption or any other improper

conduct in relation to such system. The [National Treasury or the name of provincial treasury, as applicable] shall be informed where such tenderers are disregarded.

6.1.2 Actions of an authorized person relating to the award of a contract or an order

6.1.2.1 Award of a contract

The authorized person shall, if the value of the contract inclusive of VAT, is within his or her delegation, consider the report(s) and recommendations of the tender committee, or in the case of the awards for contracts below the quotation threshold, the recommendation of the BAC , and either:

- a) award the contract after confirming that the report is complete and addresses all considerations necessary to make a recommendation and budgetary provisions are in place; or
- b) decide not to proceed or to start afresh with the process.

6.1.2.2 Issuing of an order

The authorized person shall, if the value of an order issued in terms of a framework contract, is within his or her delegation, consider the recommendation of the evaluation committee or the Head:SCM, as relevant, and authorize the issuing of an order in accordance with the provisions of clause 4.25 of the standard.

6.1.3 Conduct of those engaged in infrastructure delivery

6.1.3.1 General requirements

6.1.3.1.1 All personnel and agents of Stellenbosch Municipality shall comply with the requirements of the CIDB Code of Conduct for all Parties engaged in Construction Procurement. They shall:

- a) behave equitably, honestly and transparently;
- b) discharge duties and obligations timeously and with integrity;
- c) comply with all applicable legislation and associated regulations;
- d) satisfy all relevant requirements established in procurement documents;
- e) avoid conflicts of interest; and
- f) not maliciously or recklessly injure or attempt to injure the reputation of another party.

6.1.3.1.2 All personnel and agents engaged in Stellenbosch Municipality's infrastructure delivery management system shall:

- a) not perform any duties to unlawfully gain any form of compensation, payment or gratification from any person for themselves or a family member or an associate;
- b) perform their duties efficiently, effectively and with integrity and may not use their position for private gain or to improperly benefit another person;
- c) strive to be familiar with and abide by all statutory and other instructions applicable to their duties;
- d) furnish information in the course of their duties that is complete, true and fair and not intended to mislead;
- e) ensure that resources are administered responsibly;
- f) be fair and impartial in the performance of their functions;
- g) at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual;
- h) not abuse the power vested in them;
- i) not place themselves under any financial or other obligation to external individuals or firms that might seek to influence them in the performance of their duties;
- j) assist Stellenbosch Municipality in combating corruption and fraud within the infrastructure procurement and delivery management system;
- k) not disclose information obtained in connection with a project except when necessary to carry out assigned duties;
- l) not make false or misleading entries in reports or accounting systems; and
- m) keep matters of a confidential nature in their possession confidential unless legislation, the performance of duty or the provision of the law require otherwise.

6.1.3.1.3 An employee or agent may not amend or tamper with any submission, tender or contract in any manner whatsoever.

6.1.3.2 Conflicts of interest

6.1.3.2.1 The employees and agents of Stellenbosch Municipality who are connected in any way to procurement and delivery management activities which are subject to this policy, shall:

- a) disclose in writing to the employee of the Stellenbosch Municipality to whom they report, or to the person responsible for managing their contract, if they have, or a family member or associate has, any conflicts of interest; and

- b) not participate in any activities that might lead to the disclosure of Stellenbosch Municipality proprietary information.

6.1.3.2.2 The employees and agents of Stellenbosch Municipality shall declare and address any perceived or known conflict of interest, indicating the nature of such conflict to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to a procurement process or as soon as they become aware of such conflict, and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

6.1.3.2.3 Agents who prepare a part of a procurement document may in exceptional circumstances, where it is in Stellenbosch Municipality's interest to do so, submit a tender for work associated with such documents provided that:

- a) Stellenbosch Municipality states in the tender data that such an agent is a potential tenderer;
- b) all the information which was made available to, and the advice provided by that agent which is relevant to the tender, is equally made available to all potential tenderers upon request, if not already included in the scope of work; and
- c) the procurement documentation committee is satisfied that the procurement document is objective and unbiased having regard to the role and recommendations of that agent.

6.1.3.3 Evaluation of submissions received from respondents and tenderers

6.1.3.3.1 The confidentiality of the outcome of the processes associated with the calling for expressions of interest, quotations or tenders shall be preserved. Those engaged in the evaluation process shall:

- a) not have any conflict between their duties as an employee or an agent and their private interest;
- b) may not be influenced by a gift or consideration (including acceptance of hospitality) to show favour or disfavour to any person;
- c) deal with respondents and tenderers in an equitable and even-handed manner at all times; and
- d) not use any confidential information obtained for personal gain and may not discuss with, or disclose to outsiders, prices which have been quoted or charged to Stellenbosch Municipality.

6.1.3.3.2 The evaluation process shall be free of conflicts of interest and any perception of bias. Any connections between the employees and agents of Stellenbosch Municipality and a tenderer or respondent shall be disclosed and recorded in the tender evaluation report.

6.1.3.3.3 Stellenbosch Municipality personnel and their agents shall immediately withdraw from participating in any manner whatsoever in a procurement process in which they, or any close family member, partner or associate, has any private or business interest.

6.1.3.4 Non-disclosure agreements

Confidentiality agreements in the form of non-disclosure agreements shall, where appropriate, be entered into with agents and potential contractors to protect Stellenbosch Municipality's confidential information and interests.

6.1.3.5 Gratifications, hospitality and gifts

6.1.3.5.1 The employees and agents of Stellenbosch Municipality shall not, directly or indirectly, accept or agree or offer to accept any gratification from any other person including a commission, whether for the benefit of themselves or for the benefit of another person, as an inducement to improperly influence in any way a procurement process, procedure or decision.

6.1.3.5.2 The employees and agents of Stellenbosch Municipality as well as their family members of associates shall not receive any of the following from any tenderer, respondent or contractor or any potential contractor:

- a) money, loans, equity, personal favours, benefits or services;
- b) overseas trips; or
- c) any gifts or hospitality irrespective of value from tenderers or respondents prior to the conclusion of the processes associated with a call for an expression of interest or a tender.

6.1.3.5.3 The employees and agents of Stellenbosch Municipality shall not purchase any items at artificially low prices from any tenderer, respondent or contractor or any potential contractor at artificially low prices which are not available to the public.

6.1.3.5.4 All employees and agents of Stellenbosch Municipality may for the purpose of fostering inter-personal business relations accept the following:

- a) meals and entertainment, but excluding the cost of transport and accommodation;
- b) promotional material of small intrinsic value such as pens, paper-knives, diaries, calendars, etc;
- c) incidental business hospitality such as business lunches or dinners, which the employee is prepared to reciprocate;
- d) complimentary tickets to sports meetings and other public events, but excluding the cost of transport and accommodation, provided that such tickets are not of a recurrent nature; and
- e) gifts in kind other than those listed in a) to d) which have an intrinsic value not more than R350 unless they have declared them to the [designated person].

6.1.3.5.5 Under no circumstances shall gifts be accepted from prospective contractors during the evaluation of calls for expressions of interest, quotations or tenders that could be perceived as undue and improper influence of such processes.

6.1.3.5.6 Employees and agents of Stellenbosch Municipality shall without delay report to the accounting officer any incidences of a respondent, tenderer or contractor who directly or indirectly offers a gratification to them or any other person to improperly influence in any way a procurement process, procedure or decision.

6.1.3.6 Reporting of breaches

Employees and agents of Stellenbosch Municipality shall promptly report to the [accounting officer / accounting authority or chief financial officer or appropriately delegated authority] any alleged improper conduct which they may become aware of, including any alleged fraud or corruption.

6.1.4 Measures to prevent abuse of the infrastructure delivery system

The accounting officer shall investigate all allegations of corruption, improper conduct or failure to comply with the requirements of this policy against an employee or an agent, a contractor or other role player and, where justified:

- a) take steps against an employee or role player and inform the relevant treasury of those steps;
- b) report to the South African Police Service any conduct that may constitute a criminal offence;
- c) lodge complaints with the Construction Industry Development Board or any other relevant statutory council where a breach of such council's code of conduct or rules of conduct are considered to have been breached;
- d) cancel a contract if:
 - it comes to light that the contractor has made a misrepresentation, submitted falsified documents or has been convicted of a corrupt or fraudulent act in competing for a particular contract or during the execution of that contract; or
 - an employee or other role player committed any corrupt or fraudulent act during the tender process or during the execution of that contract.

6.1.5 Involvement of employees of departments in tenders

Any submissions made by a respondent or tenderer who declares in the Compulsory Declaration that a principal is an employee of a national or provincial department and does not have the written permission of the executive of that department as required in terms of Section 30(1) of the Public Service Act of 1994 shall be rejected.

6.1.6 Collusive tendering

Any submissions made by a respondent or tenderer who fails to declare in the Compulsory Declaration that the tendering entity:

- a) is not associated, linked or involved with any other tendering entity submitting tender offers; or

- b) has not engaged in any prohibited restrictive horizontal practices including consultation, communication, agreement, or arrangement with any competing or potential tendering entity regarding prices, geographical areas in which goods and services will be rendered, approaches to determining prices or pricing parameters, intentions to submit a tender or not, the content of the submission (specification, timing, conditions of contract etc.) or intention to not win a tender shall be rejected.

6.1.7 Placing of contractors under restrictions

6.1.7.1 If any tenderer which has submitted a tender offer or a contractor which has concluded a contract has, as relevant:

- a) withdrawn such tender or quotation after the advertised closing date and time for the receipt of submissions;
- b) after having been notified of the acceptance of his tender, failed or refused to commence the contract;
- c) had their contract terminated for reasons within their control without reasonable cause;
- d) offered, promised or given a bribe in relation to the obtaining or the execution of such contract;
- e) acted in a fraudulent, collusive or anti-competitive or improper manner or in bad faith towards
- f) Stellenbosch Municipality; or
- g) made any incorrect statement in any affidavit or declaration with regard to a preference claimed and is unable to prove to the satisfaction of Stellenbosch Municipality that the statement was made in good faith or reasonable steps were taken to confirm the correctness of the statements,

a [designated person] shall prepare a report on the matter and make a recommendation to the [accounting officer or accounting authority] for placing the contractor or any of its principals under restrictions from doing business with the Stellenbosch Municipality.

6.1.7.2 The Accounting Officer may, as appropriate, upon the receipt of a recommendation made in terms of 6.1.7.1 and after notifying the contractor of such intention in writing and giving written reasons for such action, suspend a contractor or any principal of that contractor from submitting a tender offer to Stellenbosch Municipality for a period of time.

6.1.7.3 The Head: SCM shall:

- a) record the names of those placed under restrictions in an internal register which shall be accessible to employees and agents of Stellenbosch Municipality who are engaged in procurement processes; and
- b) notify the relevant treasury and , if relevant, the Construction Industry Development Board, of such decision and provide them with the details associated therewith.

6.1.8 Complaints

- 6.1.8.1** All complaints regarding the Stellenbosch Municipality's infrastructure delivery management system shall be addressed to the Accounting Officer. Such complaints shall be in writing.
- 6.1.8.2** The Head: SCM shall investigate all complaints regarding the infrastructure procurement and delivery management system and report on actions taken to the Accounting Officer who will decide on what action to take.

6.2 Acquisition management

6.2.1 Unsolicited proposal

- 6.2.1.1** The Stellenbosch Municipality is not obliged to consider unsolicited offers received outside a normal procurement process but may consider such an offer only if:
- a) the goods, services or any combination thereof that is offered is a demonstrably or proven unique innovative concept;
 - b) proof of ownership of design, manufacturing, intellectual property, copyright or any other proprietary right of ownership or entitlement is vested in the person who made the offer;
 - c) the offer presents a value proposition which demonstrates a clear, measurable and foreseeable benefit for Stellenbosch Municipality;
 - d) the offer is in writing and clearly sets out the proposed cost;
 - e) the person who made the offer is the sole provider of the goods or service; and
 - f) the Accounting Officer finds the reasons for not going through a normal tender processes to be sound.
- 6.2.1.2** The Accounting Officer may only accept an unsolicited offer and enter into a contract after considering the recommendations of the tender committee if:
- a) the offer relates to known institutional requirements that cannot, within reasonable and practical limits, be acquired through a competitive or competitive negotiation procedure as provided for in SANS 10845-1;
 - b) the goods, service or any combination thereof is used for or relates to a matter that falls within the Stellenbosch Municipality's mandate or functions; and
 - c) the person who made the offer satisfies all other requirements which are conditional upon the award of a contract.

6.2.2 Tax compliance

6.2.2.1 No contract may be awarded or order issued unless a tenderer or contractor is in possession of an original valid Tax Clearance Certificate issued by SARS provided that the tenderer is not domiciled in the Republic of South Africa and the SARS has confirmed that such a tenderer is not required to prove their tax compliance status.

6.2.2.2 In the case of a partnership, each partner shall comply with the requirements of 6.2.2.1.

6.2.2.3 No payment shall be made to a contractor who does not satisfy the requirements of 6.2.2.2. An employee of Stellenbosch Municipality shall upon detecting that a tenderer or contractor is not tax compliant, immediately notify such person of such status.

6.2.2.4 Notwithstanding the requirements of 6.2.2.1 and 6.2.2.3 the following shall apply, unless a person who is not tax compliant indicates to [designated person] that it intends challenging its tax compliance status with SARS,

- a) a contract may be awarded to a non-compliant tenderer if such a tenderer is able to remedy its tax compliance status within a period not exceeding 10 working days after being duly notified of its non-compliant status;
- b) an order may be awarded to a non-compliant contractor if such a contractor is able to remedy its tax compliance status within a period not exceeding 10 working days after being duly notified of its non-compliant status;
- c) a non-compliant contractor shall be issued with a first warning that payments in future amounts due in terms of the contract may be withheld, before the authorizing of any payment due to such contractor;
- d) before authorizing a further payment due to a non-compliant contractor who has failed to remedy its tax compliance status after receiving a first warning, a second and final warning shall be issued to such contractor;
- e) no payments may be released for any amounts due in terms of the contract due to a non-compliant contractor if, after a period of 30 calendar days have lapsed since the second warning was issued, the non-compliant contractor has failed to remedy its tax compliance status.

6.2.2.5 The Stellenbosch Municipality may cancel a contract with a non-compliant contractor if such a contractor fails to remedy its tax compliance status after a period of 30 calendar days have lapsed since the second warning was issued in terms of 6.2.2.4e).

6.2.3 Declarations of interest

Tenders and respondents making submissions in response to an invitation to submit a tender or a call for an expression of interest, respectively shall declare in the Compulsory Declaration whether or not any of the principals:

- a) are an employee of the Stellenbosch Municipality or in the employ of the state;
or

- b) have a family member or a business relation with a person who is in the employ of the state.

6.2.4 Invitations to submit expressions of interest or tender offers

- 6.2.4.1** All invitations to submit tenders where the estimated value of the contract exceeds R500 000 including VAT, except where a confined tender process is followed, and expressions of interest shall be advertised on the Stellenbosch Municipality's website and on the National Treasury eTender Publication Portal. Advertisements shall be placed by Head: SCM.
- 6.2.4.2** Advertisements relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Act of 2000 shall in addition to the requirements of 6.2.4.1 be advertised on the CIDB website. Advertisements shall be placed by the Head: SCM.
- 6.2.4.3** Where deemed appropriate by Head: SCM an invitation to tender and a call for an expression of interest shall be advertised in suitable local and national newspapers as directed by such person. Advertisements shall be placed by Head: SCM.
- 6.2.4.4** Invitations to submit expressions of interest or tender offers shall be issued not less than 22 working days before the closing date for tenders and at least 10 working days before any compulsory clarification meeting. Procurement documents shall be made available not less than 28 days before the closing time for submissions.

6.2.5 Publication of submissions received and the award of contracts

- 6.2.5.1** The Head: SCM shall publish within 10 working days of the closure of any advertised call for an expression of interest or an invitation to tender where the estimated value of the contract exceeds R500 000 including VAT on the institution's website, the names of all tenderers that made submissions to that advertisement, and if practical or applicable, the total of the prices and the preferences claimed. Such information shall remain on the website for at least 30 days.
- 6.2.5.2** The Head: SCM shall publish within 7 working days of the next month after the award of a contract the following on the Stellenbosch Municipality's website
 - a) the contract number;
 - b) contract title;
 - c) brief description of the goods, services or works;
 - d) the total of the prices, if practical;
 - e) the names of successful tenderers and their B-BBEE status level of contribution;
 - f) duration of the contract; and
 - g) brand names, if applicable.
- 6.2.5.3** The Head: SCM shall submit within 7 working days of the next month after the award of a contract the information required by National Treasury on the

National Treasury eTender Publication Portal regarding the successful and unsuccessful tenders. Submissions shall be made by Head: SCM.

6.2.5.4 The award of contracts relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Act of 2000 shall in addition to the requirements of 6.2.5.3 be notified on the CIDB website. The notification shall be made by placed by Head: SCM.

6.2.5.5 The award of the contract shall in addition to the requirements of 6.2.4.1 to 6.2.4.3 also be published in the Government Tender Bulletin.

6.2.6 Disposal committee

6.2.6.1 The Accounting Officer shall appoint on a disposal by disposal basis in writing the members of the disposal committee to decide on how best to undertake disposals in accordance with the provisions of clause 10 of the standard.

6.2.6.2 The disposal panel shall comprise not less than three people. The chairperson shall be an employee of Stellenbosch Municipality.

6.2.6.3 The disposal committee shall make recommendations to Accounting Officer who shall approve the recommendations, refer the disposal strategy back to the disposal committee for their reconsideration, decide not to proceed or to start afresh with the process.

6.3 Reporting of infrastructure delivery management information

The Accounting Office shall submit any reports required in terms of the standard to the relevant treasury.

7. INFRASTRUCTURE PROCUREMENT

7.1 Procurement documents

The standard forms of contract that may be used are as per table 10 of the standard.

7.2 Payment of contractors

The Stellenbosch Municipality shall settle all accounts in accordance with the terms of the contract.

7.3 Approval to utilize specific procurement procedures

7.3.1 Prior approval shall be obtained for the following procurement procedures from the following persons, unless such a procedure is already provided for in the approved procurement strategy:

- a) The Accounting Officer shall authorize the use of the negotiated procedure above the thresholds provided in the standard.
- b) [designated person / committee] shall authorize the approaching of a confined market except where a rapid response is required in the presence of, or the imminent risk of, an extreme or emergency situation arising from the conditions set out in the standard and which can be dealt with or the risks relating thereto arrested within 48 hours; and
- c) the proposal procedure using the two-envelope system, the proposal procedure using the two-stage system or the competitive negotiations procedure³⁶

7.3.2 The person authorized to pursue a negotiated procedure in an emergency is the Accounting Officer.

7.4 Receipt and safeguarding of submissions

7.4.1 A dedicated and clearly marked tender box shall be made available to receive all submissions made.

7.4.2 The tender box shall be fitted with two locks and the keys kept separately by two senior SCM officials. Such personnel shall be present when the box is opened on the stipulated closing date for submissions.

7.5 Opening of submissions

7.5.1 Submissions shall be opened by an opening panel comprising two people nominated by [designated persons] who have declared their interest or confirmed that they have no interest in the submissions that are to be opened.

7.5.2 The opening panel shall open the tender box at the stipulated closing time and:

- a) sort through the submissions and return those submissions to the box that are not yet due to be opened including those whose closing date has been extended;
- b) return submissions unopened (opened by Head: SCM if no return data on the envelope) and suitably annotated where:
 - submissions are received late, unless otherwise permitted in terms of the submission data;
 - submissions were submitted by a method other than the stated method,
 - submissions were withdrawn in accordance with the procedures contained in SANS 10845-3
- c) record in the register submissions that were returned unopened;
- d) open submissions if received in sealed envelopes and annotated with the required particulars and read out the name of and record in the register the name of the tenderer or respondent and, if relevant, the total of prices including VAT where this is possible;
- e) record in the register the name of any submissions that is returned with the reasons for doing so;
- f) record the names of the tenderer's representatives that attend the public opening;
- g) sign the entries into the register; and
- h) stamp each returnable document in each tender submission.

7.5.3 Each member of the opening panel shall initial the front cover of the submission and all pages that are stamped in accordance with the requirements of 7.7.3h).

7.5.4 Respondents and tenderers whose submissions are to be returned shall be afforded the opportunity to collect their submissions.

7.5.5 Submissions shall be safeguarded from the time of receipt until the conclusion of the procurement process.

7.6 Use of another organ of state's framework agreement

The Stellenbosch Municipality may make use of another organ of state's framework contract which has been put in place by means of a competitive tender process and there are demonstrable benefits for doing so. The accounting officer shall make the necessary application to that organ of state to do so.

7.7 Use of a framework agreement by another organ of state

7.7.1 An organ of state may request in writing to make use of one or more of Stellenbosch Municipality's framework contracts. Such a request signed by the accounting officer or accounting authority of that organ of state, shall:

- a) outline the scope and anticipated quantum of work associated with the work that is required;
- b) provide a motivation for the use of the framework agreement; and
- c) detail the benefit for the state to be derived from making use of the framework agreement.

7.7.2 The Accounting Officer may approve a request made in terms of 7.9.1 to make use of the Stellenbosch Municipality's framework contract, conditionally or unconditionally, if:

- a) the framework agreement was put in place following a competitive tender process;
- b) confirmation is obtained that the framework contract is suitable for the intended use and the required goods, services and works fall within the scope of such contract;
- c) the framework contractor agrees in writing to accept an order from that organ of state; and
- d) the organ of state undertakes to pay the contractor in accordance with the terms and conditions of the agreement; and
- e) the term of the framework agreement does not expire before the issuing of the required orders.

7.8 Insurances

7.8.7 Contractors shall be required to take out all insurances required in terms of the contract.

7.8.8 The insurance cover in engineering and construction contracts for loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract shall in general not be less than the value stated in Table 4, unless otherwise directed by [designated person].

7.8.9 Lateral earth support insurance in addition to such insurance shall be take out on a case by case basis.

Table 4: Minimum insurance cover

Type of insurance	Value
Engineering and construction contracts - loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract	Not less than R20 million
Professional services and service contracts - death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract or damage to property	Not less than R10 million
Professional indemnity insurance	geotechnical, civil and structural engineering: R5,0 million electrical, mechanical and engineering: R3,0 million architectural: R5,0 million other:R3,0 million

- 7.8.10 The insurance cover in professional services and service contracts for damage to property or death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract shall not be less than the value stated in Table 4 for any one event unless otherwise directed by the Accounting Officer.
- 7.8.11 SASRIA Special Risk Insurance in respect of riot and associated risk of damage to the works, Plant and Materials shall be taken out on all engineering and construction works.
- 7.8.12 Professional service appointments shall as a general rule be subject to proof of current professional indemnity insurance being submitted by the contractor in an amount not less than the value stated in Table 4 in respect of each claim, without limit to the number of claims, unless otherwise directed by the Accounting Officer in relation to the nature of the service that they provide.
- 7.8.13 Stellenbosch Municipality shall take out professional indemnity insurance cover where it is deemed necessary to have such insurance at a level higher than the levels of insurance commonly carried by contractors.
- 7.8.14 Where payment is to be made in multiple currencies, either the contractor or Stellenbosch Municipality should be required to take out forward cover. Alternatively, the prices for the imported content should be fixed as soon as possible after the starting date for the contract

7.9 Written reasons for actions taken

7.9.7 Written reasons for actions taken shall be provided by the Accounting Officer.

7.9.8 The written reasons for actions taken shall be as brief as possible and shall as far as is possible, and where relevant, be framed around the clauses in the:

- a) ISO 10845-3, Construction procurement - Part 3: Standard conditions of tender, and, giving rise to the reason why a respondent was not short listed, prequalified or admitted to a data base; or
- b) ISO 10845-4, Construction procurement - Part 4: Standard conditions for the calling for expressions of interest; as to why a tenderer was not considered for the award of a contract or not awarded a contract.

7.9.9 Requests for written reasons for actions taken need to be brief and to the point and may not divulge information which is not in the public interest or any information which is considered to prejudice the legitimate commercial interests of others or might prejudice fair competition between tenderers.

7.10 Request for access to information

7.10.1 Should an application be received in terms of Promotion of Access to Information Act of 2000 (Act 2 of 2000), the “requestor” should be referred to the Stellenbosch Municipality’s Information Manual which establishes the procedures to be followed and the criteria that have to be met for the “requester” to request access to records in the possession or under the control of Stellenbosch Municipality’s.

7.10.2 Access to technical and commercial information such as a comprehensive programme which links resources and prices to such programme should be refused as such information provides the order and timing of operations, provisions for time risk allowances and statements as to how the contractor plans to do the work which identifies principal equipment and other resources which he plans to use. Access to a bill of quantities and rates should be provided in terms of the Act



APPLICATION FOR GRANT-IN-AID: 2017/18

NOTE: ATTENDANCE OF THE GRANT-IN-AID WORKSHOP IS COMPULSORY

PLEASE COMPLETE THE FOLLOWING					
A	REGISTERED NAME OF ORGANISATION				
B	DATE AND YEAR IN WHICH THE ORGANISATION WAS FOUNDED: (include a brief description of the business or activities of the organization)				
C	ADDRESS OF REGISTERED ORGANISATION				
	PHYSICAL ADDRESS			POSTAL ADDRESS	
	CODE:			CODE:	
D	CONTACT DETAILS (Details of the person to contact regarding this GIA application)				
	NAME & SURNAME:				
	POSITION:				
	TEL:	()		FAX:	()
	MOBILE:		ALTERNATIVE:		
	EMAIL ADDRESS:				

E REGISTRATION:					
	Is the organization a NP/NG Organisation?	YES		NO	
	If YES, please provide the Registration Number: (Attach a copy of the registration certificate or proof of other affiliation where applicable)				
F BOARD/COMMITTEE MEMBERS OF THE ORGANISATION:					
(List ALL Board/Committee Members of the Organisation) Insert a separate page if the space is not enough).					
1	NAME & SURNAME:				
	POSITION:				
	ADDRESS:				
	CONTACT NUMBER:				
2	NAME & SURNAME:				
	POSITION:				
	ADDRESS:				
	CONTACT NUMBER:				
3	NAME & SURNAME:				
	POSITION:				
	ADDRESS:				
	CONTACT NUMBER:				
4	NAME & SURNAME:				
	POSITION:				
	ADDRESS:				

	CONTACT NUMBER:	
5	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
	CONTACT NUMBER:	
6	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
	CONTACT NUMBER:	
7	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
	CONTACT NUMBER:	
8	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	

	CONTACT NUMBER:	
9	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
		CONTACT NUMBER:
10	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
		CONTACT NUMBER:
G	PREVIOUS FUNDING:	
	Have you successfully applied and received Stellenbosch Municipal Grant-In-Aid funding previously?	
	If yes for which financial year?	
	What amount was received?	
	Did you submit Financial Reports for the funds received?	
	Do you receive any other sources of funding? (If YES please provide details)	

H	CATEGORY A: For more information refer to the Grant-In-Aid Policy for general guidelines and categories (Please categorize your application by marking the appropriate category with X)				
	HEALTH				
	ENVIRONMENT				
	SOLID WASTE				
	SOCIAL DEVELOPMENT				
	SPORTS & RECREATION				
	CATEGORY B: For more information refer to the Grant-In-Aid Policy for general guidelines and categories (Please categorize your application by marking the appropriate category with X)				
	NIGHT SHELTER				
	OTHER (Please specify)				
I	REQUEST FOR FUNDING:				
	Is funding required for the ensuing year?	YES		NO	
	Is funding required for a specific project? (If YES attach details separately)	YES		NO	
	Is funding required for General Support? (If YES, attach a copy of the Organisation's Overall Budget)	YES		NO	
	Budgeted amount requested				
	Duration of project?				
J	SERVICE FOCUS				
	Ward number in which services are delivered				
	Which Ward Priority/ies are addressed through the service: (Please provide details below)				
	Which Municipal Strategic Goal/s is linked to the services: (Please mark with a X)				
	Preferred Investment Destination				
	Greenest Municipality				
	Dignified Living				
	Safest Valley				
	Good governance and Compliance				
K	THE FOLLOWING MUST BE ATTACHED TO THIS APPLICATION: (Please use this form as a check-list, to ensure that you comply to the specified requirements)				
1	AUDITED FINANCIAL STATEMENTS (A copy of the latest audited financial statements. Should the organization be classified as an emerging organization, the financial statements MUST be dated and signed by the Treasurer and Chairperson and MUST include a monthly income and expense statement for the months that the organization has been in existence or for the last 12 months)				
2	ORGANISATIONAL CONSTITUTION (A signed and dated copy of the Organisation's Constitution, as well as a signed copy of the Minutes of the AGM, to verify the acceptance of the Constitution.)				
3	PROJECT PROGRAMME/BUSINESS PLAN (A copy of the project/program description and/or a business plan for the ensuing financial year. Please ensure that the following is included in the project/program and or business plan, by using the below mentioned bullet points as a guide). ❖ Full details of the proposal/project/business plan including objectives;				

	❖ The number of people who will benefit and how the project/program will contribute or enhance the strategic objectives of Stellenbosch Municipality;	
	❖ The project/program commencement and completion dates;	
	❖ Information on the total costs of the project/program budget;	
	❖ A breakdown of costs and an outline of any contributions by fundraising and / or own contributions;	
	❖ A list of all other sources of funding together with the assessments;	
	❖ A summary of past achievements;	
	❖ Reference independent of the applicant and its executive/board or committee members.	
4	SIGNED AND STAMPED CREDITOR CONTROL FORM (An original signed copy of a correctly completed Creditors Control form of the Stellenbosch Municipality)	
5	ACCOUNT ON EXPENDITURE FOR PRECEDING FUNDING (If you have received funding from Stellenbosch Municipality in the preceding financial year, expenditure of the funds received needs to be accounted for with this new application). Please refer to Section K for the format.	
6	PROOF OF REGISTRATION/AFFILIATION (Attach a copy of the organisation's Registration Certificate of Affiliation)	
L	FORMAT FOR FEEDBACK REPORT (Please ensure that your feedback of previous funding received, includes the following)	
1	Narrative report on the project including numbers reached, outcomes reached, outcomes reached, evaluation of the project indicating successes and failures/lessons learned.	
2	Pictures of the project/program.	
3	Financial report on expenditure regarding previous donation separate from the annual financial statements. (Attach proof of expenditure).	
M	THE FOLLOWING SHALL APPLY:	
1	The allocation of Grant-In-Aid will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein.	
2	An applicant who has been registered as a non-profit organization in terms of Section 13 of the Non-Profit Organisation Act, 1997, and the necessary proof thereof is submitted together with this application.	
3	Applicants must in their submission clearly indicate/specify and motivate what the funds will be utilized for.	
4	The Grant-In-Aid must be exclusively utilized for the purpose defined and the successful applicant must submit the necessary undertaking to this effect.	
5	Applicants must in their submission satisfy the Council of their ability to execute the project successfully.	
6	Organisations who have already received financial or other assistance from the Council during the previous financial year MUST specify same in their application.	
7	No funding will be considered for political groupings, churches or ratepayers organisations.	
8	No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain.	
9	Projects outside the boundaries of the Council will not be considered.	
10	Expenditure that will not be funded includes: travel costs (unless it is for the transport of beneficiaries), subsistence, accommodation, food (unless intended for the beneficiaries) or entertainment expenses of any kind, staff salaries including bonuses, bursaries and payments in lieu of rates or other municipal charges.	
11	Subsequent requests from the applicants to cover overspending on projects will not be considered.	
12	Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance management Act no. 56 of 2003 which inter alia stipulates that the organization or body has to:-	

	<ul style="list-style-type: none"> ❖ Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting financial management and auditing requirements as may be contained in such an agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programs of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion.
	<ul style="list-style-type: none"> ❖ Report monthly on the actual expenditure of the amount allocated to it. Should monthly allocations be made.
13	The Council reserves the right not to give a Grant-In-Aid to any organization applying for grants. Having been awarded a grant previously does not give an applicant the right to receive a grant again.
14	Funding will not be considered where a project or organization is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.
15	Funding will not be considered where in Council's opinion, an organization received sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.
16	Organisations having received funding from Stellenbosch Municipality during the previous financial year, are required to attach to any new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of Section 17 of the Non-profit Organisation Act, 1997 and Section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).
17	Funding will not be considered where expenses have already been incurred on a project by the applicant. (The Council's Grant-In-Aid Policy must be consulted for the sake of completeness).
N DECLARATION OF INTEREST:	
The beneficiary declares that the following municipal employees and/or councillors have a vested interest in the business of the beneficiary. However, they do not benefit directly from this donation and were not part of the decision making process in the allocation of the donations:	
Name & Surname:	
Designation:	
Name & Surname:	
Designation:	
O UNDERTAKING:	
	<p>I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of a grant-in-aid as set out above and in the GIA Policy have been read and is understood and will be complied with.</p> <p>I/We also declare that the organization implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.</p>

Thus completed and signed at Stellenbosch on this ____ day of _____
20____.

Chairperson/Authorised Representative

Secretary/Duly Authorised Signatory

P

PLEASE TAKE NOTE:

(Completed application forms, together with all the required supporting documentation must be posted to):

The Director: Planning & Economic Development

**P O Box 17
Stellenbosch
7599**

Or hand delivered to:

**The Manager: Community Development
58 Andringa Street
Stellenbosch
7600**

The submission of applications closes at 13H00 on the closing date as per the advertisement.

PLEASE NOTE: Neither LATE nor INCOMPLETE applications shall be considered.



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

APPENDIX B

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT
MEMORANDUM OF AGREEMENT

Entered into and between

STELLENBOSCH MUNICIPALITY

(hereafter called the "**MUNICIPALITY**")

Herein represented by **Geraldine Mettler**, in her capacity as **Municipal Manager**, being duly authorised

and

(hereafter called the "**BENEFICIARY**")

Herein represented by _____ in his/her capacity as _____,
being duly authorised.

WHEREAS Section 67(1) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (MFMA) oblige the Accounting Officer of a **MUNICIPALITY** to satisfy himself that, before transferring funds of the **MUNICIPALITY** to an organisation or body outside any sphere of government otherwise than in compliance with a commercial or other business transaction, that such organisation or body:-

- (a) has the capacity and has agreed-
 - (i) to comply with any agreement with the **MUNICIPALITY**;
 - (ii) for the period of the agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement;
 - (iii) to report at least monthly to the Accounting Officer on actual expenditure against such transfer (should transfers be done on a monthly basis); and
- (b) implements effective, efficient and transparent financial management and internal control systems to guard against fraud, theft and financial mismanagement; and

- (c) has in respect of previous similar transfers complied with all the requirements as set out above; and
- (d) give permission to site visits done by the **MUNICIPALITY**.

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WHEREAS the **MUNICIPALITY** has approved a Grants-in-Aid Policy, in terms whereof applications are considered;

WHEREAS the **BENEFICIARY** has applied for a grant-in-aid as per the official grant-in-aid application form; and

WHEREAS the **MUNICIPALITY** has approved such application, subject to certain conditions;

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. TRANSFER OF FUNDS

1.1 The **MUNICIPALITY** hereby undertakes to transfer an all-inclusive amount of

R40 000.00 (Forty thousand, rand only), being a donation for the period **01 July 2017 to 30 June 2018** to the **BENEFICIARY**.

1.2 Bank Account details: (The following are confirmed through a correctly completed Creditors Control Form.)

Account number : _____
Name of financial institution : _____
Name of account holder : _____
Branch code : _____
Type of account : _____

1.3 The all inclusive amount will be transferred in equal amounts on the following dates (if applicable):

2. OBLIGATIONS OF BENEFICIARY

2.1 The **BENEFICIARY** must acknowledge in writing to the Municipal Manager that the amount(s) was(were) received in it's bank account.

2.2 The **BENEFICIARY** hereby certifies that the money will be utilised in accordance with the role of the organisation or society, to the benefit of the community and in accordance with the project(s) / programme(s) as indicated in the application form.

Stellenbosch Municipality – Grants-in-Aid Memorandum of Understanding

2.3 The **BENEFICIARY** undertakes to regularly report on a monthly basis to the Municipal Manager regarding the activities conducted, actual expenditure against such transferred funds, as well as the number of people benefiting from the activities should monthly payments be made. If not, an annual report on the expenditure will be provided.

2.4 The **BENEFICIARY** further undertakes to submit an audited financial statement for its financial year to the Municipal Manager by not later than **30 June 2017**

3. SPECIFIC CONDITIONS

3.1 The parties specifically agree on the following:

That the organization will commit to active involvement in any programme run by the municipality in the area of operation of the organization when such a programme is active in the community.

Other conditions:

4. DECLARATION OF INTEREST

The beneficiary declares that the following municipal employees and/or councillors have a vested interest in the business of the beneficiary. However, they do not benefit directly from this donation and were not part of the decision making process in the allocation of the donations: (Name and designation)

5. ACQUISITION OF ASSETS

- 5.1 Should the **BENEFICIARY** wish to acquire any moveable or immovable assets with the money donated in terms of this Agreement, the **BENEFICIARY** hereby undertakes to:-
- 5.1.1 adhere to the principles as per the **MUNICIPALITY'S** Supply Chain Management Policy, and
- 5.1.2 take all reasonable steps to ensure that such assets are maintained and that a system of internal control of such assets is in place.

Stellenbosch Municipality – Grants-in-Aid Memorandum of Understanding

6. RIGHTS OF THE MUNICIPALITY

- 6.1 The **MUNICIPALITY** shall be entitled, from time to time, to verify the existence and to inspect the activities of the **BENEFICIARY**, having regards for its right to privacy as entrenched in terms of the Constitution of the Republic of South Africa..
- 6.2 The **MUNICIPALITY** shall further be entitled to peruse the budgets and any progress reports related to the project / programme as per this Agreement.

7. FAILURE TO COMPLY

- 7.1 Failure by the **BENEFICIARY** to comply with the obligations as set out in Clause 2 of this Agreement, may lead to the cancellation of this Agreement, in which case the **MUNICIPALITY** may demand that the organisation pays back any unspent funds as per this Agreement. The **MUNICIPALITY** may even, depending on the circumstances leading to the non-compliance by the **BENEFICIARY**, demand that the organisation pays back the full amount paid to the **BENEFICIARY**.

8. INDEMNIFICATION

- 8.1 The **BENEFICIARY** hereby acknowledges that it receives the grant voluntarily and that it shall keep the **MUNICIPALITY** indemnified at all times against any loss, cost, damage, injury or liability suffered by the **MUNICIPALITY** resulting from any action, proceeding or claim made by any person (including themselves) against the **MUNICIPALITY** caused directly or indirectly by the use/spending of the grant.

9. DISPUTE RESOLUTION

9.1 Any dispute arising from this Agreement shall be mediated between the Parties by a mutually agreed upon and suitably skilled mediator. Should the mediator be unsuccessful and the Parties fail to reach agreement, the dispute may be referred by the aggrieved Party to the arbitration of a single arbitrator, to be agreed upon between the Parties, or failing agreement, to be nominated on the application of any Party, by the President for the time being of the South African Association of Arbitrators. The decision of the single arbitrator shall be final and binding on the Parties.

10. NOTICES AND DOMICILIA

10.1 The parties choose as their *domicilia citandi et executandi* their respective addresses as set out in this clause for all purposes arising out of or in connection with the agreement at which addresses all processes and notices arising out of or in connection with this Agreement, its breach or termination, may validly be served upon or delivered to the Parties.

10.2 For purposes of this Agreement the Parties' respective addresses shall be:

10.2.1 The **MUNICIPALITY:**

Town House
Plein Street
Stellenbosch
7600
Fax: 021 – 808 8025

10.2.2 The **BENEFICIARY:**

email address: _____

or at such other address of which the Party concerned may notify the other(s) in writing provided that no street address mentioned in this sub-clause shall be changed to a post office box or poste restante.

10.3 Any notice given in terms of this Agreement shall be in writing and shall-

10.3.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;

10.3.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 8th (eighth) day following the date of such posting;

10.3.3 if transmitted by facsimile be deemed to have been received by the addressee on the day following the date of despatch;

Stellenbosch Municipality – Grants-in-Aid Memorandum of Understanding

10.4 Notwithstanding anything to the contrary contained or implied in this Agreement, a written notice or communication actually received by one of the Parties from another, including by way of facsimile transmission, shall be adequate written notice or communication to such party.

11. ENTIRE AGREEMENT

This Agreement, including the **Grant-in-Aid policy and application form**, reflects the entire Agreement between the Parties and no variation, amendment or addendum shall be of any force and effect between the Parties unless contained in writing, signed and agreed on by both Parties.

Signed at Stellenbosch on this _____ day of _____ 2017.

.....
for the **MUNICIPALITY**

WITNESS: 1.
2.

Signed at Stellenbosch on this _____ day of _____ 2017.

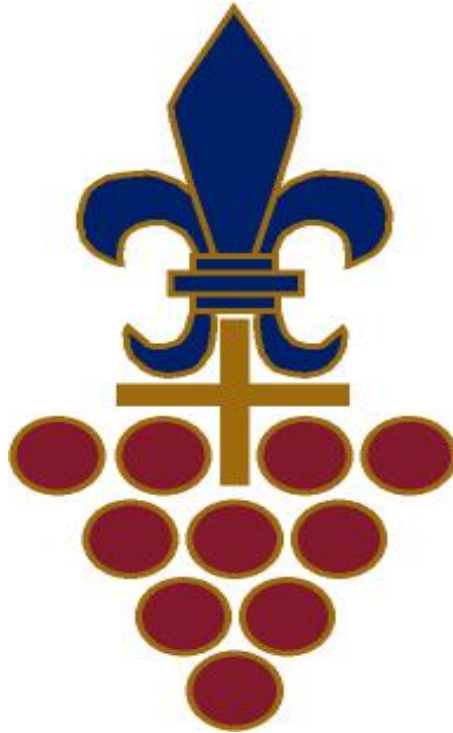
.....

for the **BENEFICIARY**

WITNESS: 1.

2.

STELLENBOSCH MUNICIPALITY



MFMA Circular No.86

**MUNICIPAL BUDGET CIRCULAR FOR
THE 2017/2018 MTREF**



Municipal Budget Circular for the 2017/18 MTREF

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Introduction

This budget circular is a follow-up to the one issued in December 2016. It guides municipalities with their preparation of the 2017/18 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars it should be read within that context. Among the objectives of this circular, is to support municipalities with giving effect to National Treasury's Municipal Budget and Reporting Regulations (MBRR) within the current economic climate. The key focus of this circular is the implementation of municipal Standard Chart of Accounts (*mSCOA*) and the grant allocations as per the 2017 Budget Review.

1. The South African economy and inflation targets

The 2017 Budget Review emphasised that, while the global economic growth outlook has improved, it is clouded by the prevailing policy uncertainty due to the increasing pressure within the world trading system. These factors may jeopardise South Africa's prudent macroeconomic and fiscal policies, which include inflation targeting and a flexible exchange rate, the local economy's ability to adjust to global volatility and the stable investment platform.

GDP growth rate is forecasted to increase by 1.3 per cent in 2017 and to improve moderately over the medium term with to 2 per cent and 2.2 per cent in 2018 and 2019 respectively. This forecast is supported by marginally higher global growth, stabilising commodity prices, greater reliability of the electricity network, more favourable weather conditions, recovering business and consumer confidence, and improved labour relations. The positive trajectory marks a shift from several years of declining growth however; this is still not high enough to markedly reduce unemployment, poverty and inequality.

The unemployment rate was 26.5 per cent in the fourth quarter of 2016. In aggregate mining and manufacturing employment declined by 80 306 jobs in 2016 while the services sector created 119 189 jobs during the same period. The economy continues to create opportunities for semi-skilled and skilled workers, and to shed unskilled jobs, reinforcing poverty and inequality and widening the wage gap.

These economic challenges will continue to pressurise municipal revenue generation and collection levels hence a conservative approach is advised for projecting revenue. Municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures.

The following macro-economic forecasts must be considered when preparing the 2017/18 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2015 - 2019

Fiscal year	2016/17	2017/18	2018/19	2019/20
	Estimate	Forecast		
Consumer Price Inflation (CPI)	6.4%	6.4%	5.7%	5.6%
Real GDP growth	0.5%	1.3%	2.0%	2.2%

Source: 2017 Budget Review.

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

2. Key focus areas for the 2017/18 budget process

2.1 Local government conditional grants and additional allocations

The *2017 Budget Review* provides for R366.3 billion to be transferred directly to local government and a further R23 billion allocated to indirect grants for the 2017 MTREF. Direct transfers to local government over the medium term account for 9.1 per cent of national government's non-interest expenditure. When adding indirect transfers, the total spending for local government increases to 9.7 per cent of national non-interest expenditure.

Direct transfers to local government grow at an average rate of 8 per cent per annum over the 2017 MTEF. This strong growth in transfers to local government recognises the importance of local government functions and associated rising costs of municipal service delivery. Similarly, minor reductions are made to the larger conditional grants so that funds are prioritised in favour of other government priorities. Grant administrators and municipalities are encouraged to maximise the value derived from spending so that service delivery is not compromised.

Conditional grant funding targets delivery of national government's service delivery priorities. It is imperative that municipalities understand and comply with the conditions stipulated in the Division of Revenue Act (DoRA) in order to access this funding. The equitable share and the sharing of the general fuel levy constitute additional unconditional funding, of which the equitable share is designed to fund the provision of free basic services to disadvantaged communities.

Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website by clicking on the link below:
<http://ntintranet/documents/national%20budget/2017/>

Changes to local government allocations

- The *local government equitable share* will grow by R3.3 billion over the MTEF period to assist municipalities with the rising costs of providing free basic services. An additional R1 billion will be added in 2018/19 and R2.3 billion in 2019/20 which further grows the 2016 Division of Revenue provision of R1.5 billion in 2017/18 and R3 billion in 2018/19. The formula, which is informed by the 2011 Census data, will be updated over the MTEF with data from the 2016 Community Survey. This data will be phased in over the MTEF period to ensure a smooth transition of the impact on the allocations to municipalities.
- Minor reductions are made to a mix of urban and rural grants, including, the *public transport network grant*, the *water services infrastructure grant*, the *municipal infrastructure grant* and the *urban settlements development grant* so that resources are available to fund other government priorities. In spite of the decreased allocations each of these grants will grow by at least 5 per cent annually over the 2017 MTEF period.
- Funds reprioritised from:
 - the *expanded public works programme integrated grant* to municipalities to fund the expanded mandate of the Commission for Conciliation, Mediation and Arbitration (as the commission will be providing its services to additional sectors);
 - the indirect *integrated national electrification programme (Eskom) grant*, mainly to fund the management of nuclear waste; and

- the indirect *regional bulk infrastructure grant* of which small amounts will be utilised to augment funding for water catchment management agencies.
- There is intent to introduce a new funding model for district municipalities upon completion of the Department of Cooperative Governance's review of their functional role. In 2017/18, adjustments are made to the *RSC/ JSB levies replacement grant* to redistribute funds to the 13 district municipalities currently receiving less than R40 million per year from this grant. The growth rates of the 10 district municipalities with the largest allocations are reduced to fund the increases to the other districts. They will receive two-thirds of their original growth rate in 2017/18 and one-third of their original growth rate in 2018/19.

In the outer year of the MTEF period, the grant increases by 8.8 per cent a year for district municipalities that are authorised to undertake water and sanitation services and 2.9 per cent for district municipalities that are not such authorities. The different rates recognise the various service delivery responsibilities of these district municipalities and the fact that the allocations to unauthorised municipalities have an average growth rate below inflation.

The Department of Cooperative Governance, which administers the *municipal infrastructure grant*, continues to implement measures to strengthen the management and implementation of the grant. Changes to be introduced in 2017/18 include the circulation of:

- a guideline on how to plan, assess and implement refurbishment projects funded by the grant. The rules of the grant were changed in 2015/16 to allow this funding to be utilised for refurbishment however there have not been many projects of this nature since then. The new guideline will clarify the requirements for accessing this refurbishment funding.
- a revised guideline on the use of project management unit funds. Municipalities are allowed to use up to 5 per cent of their allocations from this grant for a project management unit. Grant conditions that require municipalities to submit business plans for their project management units will also allow the Department of Cooperative Governance to ensure that municipalities adhere to the guideline's best practices.

2.2 Municipal Standard Chart of Accounts (*mSCOA*)¹

The *mSCOA* Regulations apply to all municipalities and municipal entities with effect from 1 July 2017.

Technically, for a municipality to be regarded as *mSCOA* compliant on 1 July 2017 it must be able to transact across all the *mSCOA* segments and its core system and all sub-systems (including that of its municipal entities) must seamlessly integrate. Among the lessons learnt from the pilot municipalities, stems the recommendation that a municipality's point of departure for achieving system integration is that it prioritises the maximum integration potential of its core system so that it integrates with the Debtors main sub-system (including cash management and receipting), Payroll and the Assets Management sub-system modules. Furthermore, all municipalities must accommodate seamless integration of the Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) and Budget facilities into the core financial system as these documents create a point of departure for the transactional environment come 1 July 2017.

¹ The Minister of Finance promulgated the Municipal Regulations on a Standard Chart of Accounts in government gazette Notice No. 37577 on 22 April 2014.

This means that the compilation of the 2017/18 Medium-Term Budget and Expenditure Framework (MTREF) must be compliant with the *m*SCOA classification framework.

In summary, *m*SCOA compliance in respect of the tabled 2017/18 MTREF and IDP submission means that the data string uploaded to the LG Database portal must meet the following requirements:

- No mapping;
- Correct use of all segments;
- Seamless integration of core system with sub-systems (municipalities must ensure the integration of the Debtors, Payroll and Asset sub-systems); and
- Integrated budgeting facility directly linked to the IDP and SDBIP facilities on the system.

It is imperative that municipalities are familiar with the addendum to MFMA Circular No. 80 which describes what constitutes *m*SCOA compliance by 1 July 2017. National Treasury has a dedicated website to support municipalities with their *m*SCOA readiness efforts.

For more information on *m*SCOA and other benefits of the reform, visit: <http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx>

2.3 *m*SCOA training for municipal officials

Municipalities are advised not to approach the market to procure services for *m*SCOA training as National Treasury has partnered with the Chartered Institute of Government Finance, Audit and Risk Officers (CIGFARO, previously IMFO) to undertake *m*SCOA training.

3. The revenue budget

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation has however breached the upper limit of the 3 to 6 per cent target band; therefore municipalities are now required to ***justify all increases in excess of the 6.4 per cent*** projected inflation target in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups.

Where revenue collection is not well planned or managed, or where tariffs are not properly set, serious financial problems can arise. Eskom's recent move to cut off power supply to municipalities that have not paid electricity bills is an indication of what can happen when municipalities fail to manage this risk.

3.1 Eskom bulk tariff increases

On the 23rd February 2017, the National Energy Regulator of South Africa (NERSA), issued a media statement saying that Eskom's allowed revenue for 2017/18 would result in a 2.2 per cent increase in the approved bulk tariffs for Eskom that year. NERSA's consultation paper on tariff benchmarking indicates that this will result in a 0.31 per cent increase in bulk tariffs to municipalities (the difference is due to the different financial years of Eskom and municipalities).

This is significantly lower than the 8 per cent tariff increase provided for in the current Multi-Year Price Determination as a result of higher increases approved in preceding years (12.7

per cent for 2015/16 and 9.4 per cent for 2016/17). The statement also says that, “Nothing prevents Eskom from considering any possible cash flow risks and the implications thereof on its financial sustainability and make an application to NERSA for relief in this regard should it consider it necessary.” The complete media statement can be accessed at www.nersa.org.za.

Section 42 of the MFMA requires that bulk price increases charged to municipalities by an organ of state must be tabled by 15 March if they are to be effected as from 1 July of the same year, unless the Minister of Finance grants an extension. The Minister of Finance, at the request of the Minister of Public Enterprises, has granted an extension until 5 April 2017 for the tabling of Eskom’s 2017/18 bulk prices for municipalities. Municipalities must ensure that their budgets are informed by Eskom’s bulk tariff to be tabled on that date. In the meantime municipalities are advised to use the NERSA’s guided 0.31 per cent bulk tariff increase when compiling their budgets. This means that any changes to the final bulk tariff increase for 2017/18 to be tabled by Eskom on the 5 April 2017 will have to be factored in at that time.

Municipalities must note that the free basic services subsidy provided for in the local government equitable share were informed by the 8 per cent bulk tariff increase previously approved for the current Multi-Year Price Determination period. The equitable share allocations were tabled on 22 February 2017 in the Division of Revenue Bill, 2017. If a lower electricity bulk tariff is tabled for 2017/18 this will be offset in the calculation of the free basic services subsidy for equitable share allocations for 2018/19. This means that municipalities will have to budget to retain any surplus funds from the higher free basic services subsidy paid in 2017/18 in order to offset the cost of providing free basic electricity in 2018/19.

4. Funding choices and management issues

Municipalities should carefully consider the costs associated with service delivery while keeping in mind affordability and inflation when setting revenue raising measures. Once again, approving tariffs that are less than the associated cost of providing the services will negatively impact the financial sustainability of municipalities.

4.1 Employee related costs

The South African Local Government Bargaining Council entered into a three-year *Salary and Wage Collective Agreement* for the period 01 July 2015 to 30 June 2018. The preparation of the 2017/18 MTREF constitutes implementation of the last year of the agreement which municipalities must implement as follows:

- 2017/18 Financial Year – average CPI (Feb 2016 – Jan 2017) + 1 per cent

The previous years were:

- 2015/16 Financial Year – 7 per cent
- 2016/17 Financial Year – average CPI (Feb 2015 – Jan 2016) + 1 per cent

4.2 Remuneration of councilors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance.

5. Conditional Grant Transfers to Municipalities

5.1 Unspent Conditional Grants for 2016/17

In addition to the requirements outlined in the previous MFMA Circulars regarding unspent conditional grants, municipalities must know that the National Treasury uses the pre-audited Annual Financial Statements (AFS) to determine the unspent conditional grants. The decision is made based on the pre-audited AFS. Therefore, there will not be a review of the unspent conditional grants once the audited AFS are available. It is therefore imperative that municipalities ensure that there is completeness in reported figures on the pre-audited AFS.

Following the determination of unspent conditional grants to be surrendered to the National Revenue Fund, where municipalities fail to repay the unspent allocations and will not be able to withstand the impact of the offsetting of unspent allocations from their equitable share in one instalment, municipalities have an opportunity in terms of section 22 (5)(b) (ii) and (iii) to propose an alternative means acceptable to National Treasury by which the unspent allocations will be paid into the National Revenue Fund or to propose an alternative payment schedule (repayment arrangement).

Municipalities who intend to exercise the above option are encouraged to inform the National Treasury within 14 days upon receipt of the letter informing them of the unspent conditional grants to be repaid into the National Revenue Fund. Requests for repayment arrangements following the lapse of the 14 days will not be considered. The repayment arrangement is limited to a maximum of three installments, whereby municipalities can repay unspent allocations into the National Revenue Fund.

6. The Municipal Budget and Reporting Regulations

National Treasury has released Version 6.1 of Schedule A1 (the Excel Formats) which is aligned to version 6.1 of the *m*SCOA classification framework which must be used when compiling the 2017/18 MTREF budget. This version incorporates major changes (see Annexure A). Therefore **ALL** municipalities **MUST** use this version for the preparation of their 2017/18 MTREF budget.

Download Version 6.1 of Schedule A1 by clicking [HERE](#)

The Municipal Budget and Reporting Regulations, formats and associated guides are available on National Treasury's website at:

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

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury official:

	Responsible NT officials	Tel. No.	Email
Eastern Cape	Templeton Phogole	012-315 5054	Templeton.Phogole@treasury.gov.za
	Matjatji Mashoeshoe	012-315 6567	Matjatji.Mashoeshoe@treasury.gov.za
Free State	Vincent Malepa	012-315 5539	Vincent.Malepa@treasury.gov.za
	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za
	Katlego Mabiletsa	012-395 6742	Katlego.Mabiletsa@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
	Nomxolisi Mawulana	012-315 5460	Nomxolisi.Mawulana@treasury.gov.za

KwaZulu-Natal	Bernard Mokgabodi	012-315 5936	Bernard.Mokgabodi@treasury.gov.za
	Johan Botha	012-315 5171	Johan.Botha@treasury.gov.za
Limpopo	Una Rautenbach	012-315 5700	Una.Rautenbach@treasury.gov.za
	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Jordan Maja	012-315 5663	Jordan.Maja@treasury.gov.za
	Anthony Moseki	012-315 5174	Anthony.Moseki@treasury.gov.za
Northern Cape	Willem Voigt	012-315 5830	Willem.Voigt@treasury.gov.za
	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
North West	Sadesh Ramjathan	012-315 5101	Sadesh.Ramjathan@treasury.gov.za
	Makgabo Mabotja	012-315 5156	Makgabo.Mabotja@treasury.gov.za
Western Cape	Templeton Phogole	012-315 5054	Templeton.Phogole@treasury.gov.za
	Vuyo Mbunge	012-315 5661	Vuyo.Mbunge@treasury.gov.za
	Kevin Bell	012-315 5725	Kevin.Bell@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National Treasury, together with the provincial treasuries, will undertake a compliance check and, where municipalities have not provided complete budget information, the municipal budgets will be returned to the mayors and municipal managers of the affected municipalities for the necessary corrections. Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution in accordance with the format specified in item 31 of Schedule A of the Municipal Budget and Reporting Regulations. In addition to the above compliance check, the *m*SCOA data strings will be assessed to determine whether the municipalities are compliant.

The National Treasury herewith emphasises that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, ***they will be required to go back to the municipal council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations. In addition, where municipalities have tabled an unfunded budget, they will be required to correct the budget to ensure that a funded budget is adopted and implemented.***

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

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

The A Schedule that the municipality submits to National Treasury must be a consolidated budget for the municipality (plus entities) and the budget of the parent municipality. D schedules must be submitted for each entity.

7. Budget process and submissions for the 2017/18 MTREF

7.1 Budgeting for the audited years on the A schedule (*m*SCOA)

According to international best practices, it is appropriate to reclassify historical information in line with the changes that occur in the Standard Chart of Accounts. However considering our

own circumstances and the technical capability of smaller municipalities, it is proposed that municipalities disclose audited and the current years' (2016/17) information using version 2.8 of the A schedule. In relation to the 2017/18 MTREF municipalities must use version 6.1 of the A schedule. By implication two separate schedules must be submitted.

The amalgamated municipalities must not complete the audited years because they are new institutions that existed after the Local Government elections in August 2016, therefore they do not have the audited figures. As a result of that, there will not be verification of audited years for the pre-amalgamation municipalities. They are required to submit the current year (2016/17) and the 2017/18 MTREF budgets.

7.2 Submitting budget documentation and schedules for 2017/18 MTREF

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

- Section 22(b)(i) of the MFMA requires that, **immediately** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. If the annual budget is tabled to council on 31 March 2017, the final date of submission of the electronic budget documents and corresponding electronic returns is **Monday, 03 April 2017**. This includes the submission of the *m*SCOA data string. The deadline for submission of hard copies including council resolution is **Friday, 7 April 2017**.
- Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury **within ten working days** after the council has approved the annual budget. If the council only approves the annual budget on 30 June 2017, the final date for such a submission is **Friday, 14 July 2017**, otherwise an earlier date applies.

The municipal manager must submit:

- the budget documentation as set out in Schedule A (version 6.1) of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and ALL the supporting tables (SA1 – SA38) in both printed and electronic formats;
- the draft service delivery and budget implementation plan in both printed and electronic format;
- the draft service delivery standards;
- the draft integrated development plan;
- the council resolution;
- signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations;
- schedules D, E and F specific for the entities; and
- the budget locking certificate.

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

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

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

For couriered documents

Ms Linda Kruger
National Treasury
40 Church Square
Pretoria, 0002

For posted documents

Ms Linda Kruger
National Treasury
Private Bag X115
Pretoria, 0001

In addition to the above mentioned budget documentation, metropolitan municipalities must submit the Built Environment Performance Plan (BEPP) tabled in council on 31 March 2017 to Yasmin.coovadia@treasury.gov.za. If the BEPP documents are too large to be sent via email (exceeds 4MB) please submit to yasmin.coovadia@gmail.com or send to Yasmin Coovadia via Dropbox; any problems experienced in this regard can be addressed with Yasmin.Coovadia@treasury.gov.za. Hard copies of the BEPP may be sent to Yasmin Coovadia, National Treasury, 3rd floor 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001.

7.3 Budget reform returns to the Local Government Database for publication

Municipalities are required to continue to use the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database for publication purposes. All returns are to be sent to lqdatabase@treasury.gov.za. Municipalities must submit returns for both the tabled budget and the final adopted budget as this will assist the National and provincial treasuries with the annual benchmark process.

In addition, municipalities must submit the *m*SCOA compliant data strings to the LG Upload Portal. National Treasury will continue with parallel reporting from municipalities until it is satisfied that all municipalities are *m*SCOA compliant and reporting adequately to support all publications.

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

7.4 Publication of budgets on municipal websites

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

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

7.5 The use of private emails for business purposes

There are municipalities that use private email addresses for business purposes (e.g. Gmail). For the purpose of the implementation of *m*SCOA the Local Government Database requires municipalities to update their contact details and provide official email addresses instead of private. Therefore municipalities must follow the process of ensuring that their Information and Communication Technology infrastructure can accommodate official email addresses. Further requirements will be issued in this regard.

Contact



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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

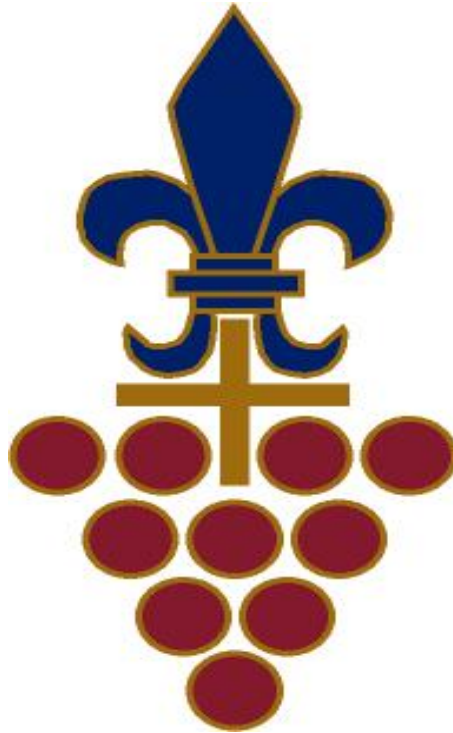
JH Hattingh
Chief Director: Local Government Budget Analysis
08 March 2017

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

As noted above, National Treasury has released Version 6.1 of Schedule A1 (the Excel Formats). It incorporates the following changes:

No.	Sheet	Amendment	Reason
1	A2 and A2A	Changed reference to “Standard Classification” to functional classification and included detailed functional classification.	Align to version 6.1 of mSCOA classification framework
2	A4, SA2 and SA25	Deleted “Property rates – penalties and collection charges”. Changed description for fines to “Fines, penalties and forfeits”.	Align to version 6.1 of mSCOA classification framework
4	A5	Changed reference to “Standard Classification” to functional classification	Align to version 6.1 of mSCOA classification framework
5	A7 and SA30	Changed description for “property rates, penalties and collection charges” to property rates	Align to version 6.1 of mSCOA classification framework
6	A9	Changed breakdown of asset categories to align to CDIMS. Added a section on Upgrading of Existing Infrastructure.	Align to version 6.1 of mSCOA classification framework
8	SA3	Changed descriptions for “Call deposits < 90 days” and “Other current investments > 90 days” to exclude “< > 90 days”.	Align to version 6.1 of mSCOA classification framework
9	SA17	Changed description of “Long-Term Loans (annuity/reducing balance)” to Annuity and Bullet Loans.	Align to version 6.1 of mSCOA classification framework
11	SA34(a-d)	Changed breakdown of asset categories to align to CDIMS.	Align to version 6.1 of mSCOA classification framework
12	SA34e	Added a table on Upgrading of Existing Infrastructure.	Align to version 6.1 of mSCOA classification framework
13	SA38	Added a table on operating expenditure projects	Align to version 6.1 of mSCOA classification framework

STELLENBOSCH MUNICIPALITY



**SCM Policy for Standard for
Infrastructure Procurement and Delivery
Management (SIPDM)**

2017/2018

Stellenbosch Municipality's SCM Policy for Infrastructure procurement and delivery management

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1. Scope

This policy establishes the *Stellenbosch Municipality's* policy for infrastructure delivery management in accordance with the provisions of the regulatory frameworks for procurement and supply chain management. It includes the procurement for a new facility to be occupied and used as a functional entity but excludes:

- a) the storage of goods and equipment following their delivery to *Stellenbosch Municipality* which are stored and issued to contractors or to employees;
- b) the disposal or letting of land;
- c) the conclusion of any form of land availability agreement;
- d) the leasing or rental of moveable assets; and
- e) public private partnerships.

2. Terms, definitions and abbreviations

2.1 Terms and definitions

For the purposes of this document, the definitions and terms given in the standard and the following apply:

agent: person or organization that is not an employee of *Stellenbosch Municipality* that acts on the *Stellenbosch Municipality's* behalf in the application of this document

authorized person: the accounting officer, the accounting authority or the appropriately delegated authority to award, cancel, amend, extend or transfer a contract or order

conflict of interest: any situation in which:

- a) someone in a position of trust has competing professional or personal interests which make it difficult for him to fulfil his duties impartially,
- b) an individual or organization is in a position to exploit a professional or official capacity in some way for his personal or for corporate benefit, or
- c) incompatibility or contradictory interests exist between an employee and the organization which employs that employee

contract manager: person responsible for administering a package on behalf of the employer and performing duties relating to the overall management of such contract from the implementer's point of view

family member: a person's spouse, whether in a marriage or in a customary union according to indigenous law, domestic partner in a civil union, or child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption

framework agreement: an agreement between an organ of state and one or more contractors, the purpose of which is to establish the terms governing orders to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged

gate: a control point at the end of a process where a decision is required before proceeding to the next process or activity

gateway review: an independent review of the available information at a gate upon which a decision to proceed or not to the next process is based

gratification: an inducement to perform an improper act

infrastructure delivery: the combination of all planning, technical, administrative and managerial actions associated with the construction, supply, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure

infrastructure procurement: the procurement of goods or services including any combination thereof associated with the acquisition, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure

maintenance: the combination of all technical and associated administrative actions during an item's service life to retain it in a state in which it can satisfactorily perform its required function

operation: combination of all technical, administrative and managerial actions, other than maintenance actions, that results in the item being in use

order: an instruction to provide goods, services or any combination thereof under a framework agreement

organ of state: an organ of state as defined in section 239 of the Constitution of the Republic of South Africa

procurement document: documentation used to initiate or conclude (or both) a contract or the issuing of an order

principal: a natural person who is a partner in a partnership, a sole proprietor, a director a company established in terms of the Companies Act of 2008 (Act No. 71 of 2008) or a member of a close corporation registered in terms of the Close Corporation Act, 1984, (Act No. 69 of 1984)

standard: the latest edition of the Standard for Infrastructure Procurement and Delivery Management as published by National Treasury

working day: any day of a week on which is not a Sunday, Saturday or public holiday

2.2 Abbreviations

For the purposes of this document, the following abbreviations apply

CIDB: Construction Industry Development Board

SARS: South African Revenue Services

3. General requirements

3.1 Infrastructure procurement and delivery management shall be undertaken in accordance with the all applicable legislation and the relevant requirements of the latest edition of the National Treasury Standard for Infrastructure Procurement and Delivery Management.

3.2 No departures shall be made from the provisions of the National Treasury Standard for Infrastructure Procurement and Delivery Management without the approval of the National Treasury.

No departure shall be made from the provisions of this policy without the approval of the Accounting Officer.

4. Control framework for infrastructure delivery management

4.1 Assignment of responsibilities for approving or accepting end of stage deliverables

The responsibilities for approving or accepting end of stage deliverables shall be as stated in Table 1.

4.2 Gateway reviews

4.2.1 Gateway reviews for major capital projects above a threshold

4.2.1.1 *Head: SCM* shall appoint a gateway review team in accordance with the provisions of clause 4.1.13.1.2 of the standard to undertake gateway reviews for major capital projects.

Table 1: Responsibilities for approving or accepting end of stage deliverables in the control framework for the management of infrastructure delivery

Stage		Person assigned the responsibility for approving or accepting end of stage deliverables	
No	Name		
0	Project initiation	<i>Council Approved Budget</i> accepts the initiation report	
1	Infrastructure planning	<i>Council</i> approves the infrastructure plan	
2	Strategic resourcing	<i>Accounting Officer</i> approves the delivery and / or procurement strategy	
3	Pre-feasibility	<i>Relevant Director</i> accepts the pre-feasibility report	
	Preparation and briefing	<i>Relevant Director</i> accepts the strategic brief	
4	Feasibility	<i>Relevant Director. Review team >R50 million</i> accepts the feasibility report	
	Concept and viability	<i>Relevant Director. Review team >R50 million</i> accepts the concept report	
5	Design development	<i>Relevant Manager. Review team > R50 million</i> accepts the design development report	
6	Design documentation	6A Production information	<i>Relevant Manager</i> accepts the parts of the production information which are identified when the design development report is accepted as requiring acceptance
		6B Manufacture, fabrication and construction information	The contract manager accepts the manufacture, fabrication and construction information
7	Works	The contract manager certifies completion of the works or the delivery of goods and associated services	
8	Handover	The owner or end user accepts liability for the works. Review team > R50 million	
9	Package completion	The contract manager or supervising agent certifies the defects certificate in accordance with the provisions of the contract The contract manager certifies final completion in accordance with the provisions of the contract <i>Accounting Officer</i> accepts the close out report	

End-of-stage deliverables are:

Stage		End-of-stage deliverable	
No	Name		
0	Project initiation	An initiation report which outlines the high-level business case together with the estimated project cost and proposed schedule for a single project or a group of projects having a similar high-level scope	
1	Infrastructure planning	An infrastructure plan which identifies and prioritizes projects and packages against a forecasted budget over a period of at least five years	
2	Strategic resourcing	A delivery and/or procurement strategy which, for a portfolio of projects, identifies the delivery strategy in respect of each project or package and, where needs are met through own procurement system, a procurement strategy	
3	Prefeasibility	A prefeasibility report which determines whether or not it is worthwhile to proceed to the feasibility stage	
	Preparation and briefing	A strategic brief which defines project objectives, needs, acceptance criteria and client priorities and aspirations, and which sets out the basis for the development of the concept report for one or more packages	
4	Feasibility	A feasibility report which presents sufficient information to determine whether or not the project should be implemented	
	Concept and viability	A concept report which establishes the detailed brief, scope, scale, form and control budget, and sets out the integrated concept for one or more packages	
5	Design development	A design development report which develops in detail the approved concept to finalize the design and definition criteria, sets out the integrated developed design, and contains the cost plan and schedule for one or more packages	
6	Design documentation	6A Production information	Production information which provides the detailing, performance definition, specification, sizing and positioning of all systems and components enabling either construction (where the constructor is able to build directly from the information prepared) or the production of manufacturing and installation information for construction
		6B Manufacture, fabrication and construction information	Manufacture, fabrication and construction information produced by or on behalf of the constructor, based on the production information provided for a package which enables manufacture, fabrication or construction to take place
7	Works	Completed works which are capable of being occupied or used	
8	Handover	Works which have been taken over by the user or owner complete with record information	
9	Package completion	Works with notified defects corrected, final account settled and the close out report issued	

5 Control framework for infrastructure procurement

5.1 The responsibilities for taking the key actions associated with the formation and conclusion of contracts including framework agreements above the quotation threshold shall be as stated in Table 2.

5.2 The responsibilities for taking the key actions associated with the quotation procedure and the negotiation procedure where the value of the contract is less than the threshold set for the quotation procedure shall be as follows:

- a) *BSC* shall grant approval for the issuing of the procurement documents, based on the contents of a documentation review report developed in accordance with the provisions of the standard;
- b) the authorized person may award the contract if satisfied with the recommendations contained in the evaluation report prepared in accordance with the provisions of the standard.

5.3 The responsibilities for taking the key actions associated with the issuing of an order in terms of a framework agreement shall be as stated in Table 3.

6 Infrastructure delivery management requirements

6.1 Institutional arrangements

6.1.1 Committee system for procurement

6.1.1.1 General

6.1.1.1.1 A committee system comprising the documentation committee, evaluation committee and tender committee shall be applied to all procurement procedures where the estimated value of the procurement exceeds the financial threshold for quotations and to the putting in place of framework agreements.

6.1.1.1.2 The evaluation committee shall, where competition for the issuing of an order amongst framework contractors takes place and the value of the order exceeds the financial threshold for quotations, evaluate the quotations received.

6.1.1.1.3 The persons appoint in writing as technical advisors and subject matter experts may attend any committee meeting. Such advisers and experts shall not participate in the decisions making proceedings of such meetings.

6.1.1.1.4 No person who is a political officer bearer, a public office bearer, a political advisor or a person appointed in terms of section 12A of the Public Service Act of 1994 or who has a conflict of interest shall be appointed to a procurement documentation, evaluation or tender committee.

6.1.1.1.5 Committee decisions shall as far as possible be based on the consensus principle i.e. the general agreement characterized by the lack of sustained opposition to substantial issues. Committees shall record their decisions in writing. Such decisions shall be kept in a secured environment for a period of not less than five years after the completion or cancellation of the contract unless otherwise determined in terms of the National Archives and Record Services Act of 1996.

6.1.1.1.6 Committees may make decisions at meetings or, subject to the committee chairperson's approval, on the basis of responses to documents circulated to committee members provided that not less than sixty percent of the members are present or respond to the request for responses. Where the committee chairperson is absent from the meeting, the members of the committee who are present shall elect a chairperson from one of them to preside at the meeting.

Table 2: Procurement activities and gates associated with the formation and conclusion of contracts above the quotation threshold

Activity		Sub-Activity (see Table 3 of the standard)		Key action	Person assigned responsibility to perform key action
1*	Establish what is to be procured	1.3 PG1	Obtain permission to start with the procurement process	Make a decision to proceed / not to proceed with the procurement based on the broad scope of work and the financial estimates.	<i>Council approved budget</i>
2*	Decide on procurement strategy	2.5 PG2	Obtain approval for procurement strategies that are to be adopted including specific approvals to approach a confined market or the use of the negotiation procedure	Confirm selection of strategies so that tender offers can be solicited	<i>Relevant Director</i>
3	Solicit tender offers	3.2 PG3	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	BSC
		3.3 PG4	Confirm that budgets are in place	Confirm that finance is available for the procurement to take place	<i>Approved Budget</i>
4	Evaluate tender offers	4.2 PG5	Obtain authorization to proceed with next phase of tender process in the qualified, proposal or competitive negotiations procedure	Review evaluation report, ratify recommendations and authorize progression to the next stage of the tender process	<i>BEC</i>
		4.7 PG6	Confirm recommendations contained in the tender evaluation report	Review recommendations of the evaluation committee and refer back to evaluation committee for reconsideration or make recommendation for award	<i>BAC / Accounting Officer > R10 million</i>
5	Award contract	5.3 PG7	Award contract	Formally accept the tender offer in writing and issue the contractor with a signed copy of the contract	<i>HEAD:SCM</i>
		5.5 GF1	Upload data in financial management and payment system	Verify data and upload contractor's particulars and data associated with the contract or order	<i>HEAD:SCM</i>

* Applies only to goods and services not addressed in a procurement strategy developed during stage 2 (strategic resourcing) of the control framework for infrastructure delivery management

Table 2 (concluded)

Activity		Sub-Activity		Key action	Person assigned responsibility to perform key action
6	Administer contracts and confirm compliance with requirements	6.4 PG8A	Obtain approval to waive penalties or low performance damages.	Approve waiver of penalties or low performance damages	<i>Accounting Officer</i>
		6.5 PG8B	Obtain approval to notify and refer a dispute to an adjudicator	Grant permission for the referral of a dispute to an adjudicator or for final settlement to an arbitrator or court of law	<i>Accounting Officer</i>
		6.6 PG8C	Obtain approval to increase the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at the award of a contract or the issuing of an order up to a specified percentage	Approve amount of time and cost overruns up to the threshold	<i>0-5%: Relevant Director 5-20%: BAC >20%: Accounting Officer</i>
		6.7 PG8D	Obtain approval to exceed the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at award of a contract or the issuing of an order by more than 20% and 30%, respectively	Approve amount of time and cost overruns above a the threshold	<i>Accounting Officer</i>
		6.8 PG8E	Obtain approval to cancel or terminate a contract	Approve amount	<i>Accounting Officer</i>
		6.9 PG8F	Obtain approval to amend a contract	Approve proposed amendment to contract	<i>Accounting Officer</i>

Table 3: Procurement activities and gates associated with the issuing of an order above the quotation threshold in terms of a framework agreement

Activity		Key action	Person assigned responsibility to perform key action
1 FG1	Confirm justifiable reasons for selecting a framework contactor where there is more than one framework agreement covering the same scope of	Confirm reasons submitted for not requiring competition amongst framework contractors or instruct that quotations be invited	<i>Relevant Director</i>
3 FG2	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	<i>BSC</i>
4 FG3	Confirm that budgets are in place	Confirm that finance is available so that the order may be issued	<i>Approved Budget</i>
6 FG4	Authorize the issuing of the order	If applicable, review evaluation report and confirm or reject recommendations. Formally accept the offer in writing and issue the contractor with a signed copy of the order	<i>Head: SCM</i>

6.1.1.2 Procurement documentation committee

6.1.1.2.1 The relevant Director shall appoint in writing on a procurement by procurement basis:

- a) the persons to review the procurement documents and to develop a procurement documentation review report in accordance with clause 4.2.2.1 of the standard; and

Clause 4.2.2.1: The approval of procurement documents at Procurement Gate 3 or Framework Agreement Gate 2 shall be based on the contents of a procurement documentation review report. Where the procurement relates to the provision of new infrastructure or the rehabilitation, refurbishment or alteration of existing infrastructure, such a report shall be prepared by one or more persons who participated in the review and who are registered as:

- a professional architect or professional senior architectural technologist in terms of the Architectural Profession Act or a professional landscape architect or a professional landscape technologist in terms of the Landscape Architectural Profession;
- a professional engineer or professional engineering technologist in terms of the Engineering Profession Act; or
- a professional quantity surveyor in terms of the Quantity Surveying Professions Act.

- b) the members of the procurement documentation committee.

6.1.1.2.2 The procurement documentation committee shall comprise one or more persons. The chairperson shall be an employee of Stellenbosch Municipality with requisite skills. Other members shall, where relevant, include a representative of the end user or the institution requiring infrastructure delivery.

6.1.1.2.3 No member of, or technical adviser or subject matter expert who participates in the work of the any of the procurement committees or a family member or associate of such a member, may tender for any work associated with the tender which is considered by these committees.

6.1.1.3 Evaluation committee

6.1.1.3.1 The Accounting Officer shall appoint on a procurement by procurement basis in writing:

- a) the persons to prepare the evaluation and, where applicable, the quality evaluations, in accordance with clauses 4.2.3.2 and 4.2.3.4 of the standard, respectively; and

Clauses 4.2.3.2: The evaluation report shall be prepared by one or more persons who are conversant with the nature and subject matter of the procurement documents or the framework contract, and who are registered as:

- a professional architect or professional senior architectural technologist in terms of the Architectural Profession Act;
- a professional engineer or professional engineering technologist in terms of the Engineering Profession Act;
- a professional landscape architect or a professional landscape technologist in terms of the Landscape Architectural Profession;
- a professional project manager or a professional construction manager in terms of the Project and Construction Management Professions Act; or
- a professional quantity surveyor in terms of the Quantity Surveying Profession Act.

Clause: 4.2.3.4 Submissions shall be evaluated strictly in accordance with the provisions of the procurement documents (see Annex C of SANS 10845-3 and Annex C of SANS 10845-4, as relevant). Where quality is evaluated, at least three persons who satisfy the requirements of 4.2.3.2 shall undertake such evaluation. Quality shall be scored in terms of the prompts for judgement, with fixed scores assigned to each prompt, either individually and averaged or collectively, as appropriate.

- b) the members of the evaluation committee.

6.1.1.3.2 The evaluation committee shall comprise not less than three people. The chairperson shall be an employee of Stellenbosch Municipality with requisite skills. Other members shall, where relevant, include a representative of the end user or the institution requiring infrastructure delivery.

6.1.1.3.3 The evaluation committee shall review the evaluation reports prepared in accordance with sub clause 4.2.3 of the standard and as a minimum verify the following in respect of the recommended tenderer:

- a) the capability and capacity of a tenderer to perform the contract;
- b) the tenderer's tax compliance status;
- c) the Compulsory Declaration has been completed; and
- d) the tenderer is not listed in the National Treasury's Register for Tender Defaulters or the List of Restricted Suppliers.

6.1.1.3.4 No tender submitted by a member of, or technical adviser or subject matter expert who participates in the work of the procurement documentation committee or a family member or associate of such a member, may be considered by the evaluation committee.

6.1.1.3.5 The chairperson of the evaluation committee shall promptly notify the of any respondent or tenderer who is disqualified for having engaged in fraudulent or corrupt practices during the tender process.

6.1.1.4 Tender committee

6.1.1.4.1 The tender committee shall comprise the same persons as the BAC.

6.1.1.4.2 No member of the evaluation committee may serve on the tender committee. A member of an evaluation committee may, however, participate in the deliberations of a tender committee as a technical advisor or a subject matter expert.

6.1.1.4.3 The tender committee shall:

- a) consider the report and recommendations of the evaluation committee and:
 - 1) verify that the procurement process which was followed complies with the provisions of this document;
 - 2) confirm that the report is complete and addresses all considerations necessary to make a recommendation;
 - 3) confirm the validity and reasonableness of reasons provided for the elimination of tenderers; and
 - 4) consider commercial risks and identify any risks that have been overlooked or fall outside of the scope of the report which warrant investigation prior to taking a final decision; and
- b) refer the report back to the evaluation committee for their reconsideration or make a recommendation to the authorized person on the award of a tender, with or without conditions, together with reasons for such recommendation.

6.1.1.4.4 The tender committee shall consider proposals regarding the cancellation, amendment, extension or transfer of contracts that have been awarded and make a recommendation to the accounting officer on the course of action which should be taken.

6.1.1.4.5 The tender committee shall consider the merits of an unsolicited offer and make a recommendation to the accounting officer.

6.1.1.4.6 The tender committee shall report to the accounting officer any recommendation made to award a contract to a tenderer other than the tenderer recommended by the evaluation committee, giving reasons for making such a recommendation.

6.1.1.4.7 The tender committee shall not make a recommendation for an award of a contract or order if the recommended tenderer or framework contractor has:

- a) made a misrepresentation or submitted false documents in competing for the contract or order; or
- b) been convicted of a corrupt or fraudulent act in competing for any contract during the past five years.

6.1.1.4.8 The tender committee may on justifiable grounds and after following due process, disregard the submission of any tenderer if that tenderer or any of its directors, members or trustees or partners has abused the delivery management system or has committed fraud, corruption or any other improper

conduct in relation to such system. The [National Treasury or the name of provincial treasury, as applicable] shall be informed where such tenderers are disregarded.

6.1.2 Actions of an authorized person relating to the award of a contract or an order

6.1.2.1 Award of a contract

The authorized person shall, if the value of the contract inclusive of VAT, is within his or her delegation, consider the report(s) and recommendations of the tender committee, or in the case of the awards for contracts below the quotation threshold, the recommendation of the BAC , and either:

- a) award the contract after confirming that the report is complete and addresses all considerations necessary to make a recommendation and budgetary provisions are in place; or
- b) decide not to proceed or to start afresh with the process.

6.1.2.2 Issuing of an order

The authorized person shall, if the value of an order issued in terms of a framework contract, is within his or her delegation, consider the recommendation of the evaluation committee or the Head:SCM, as relevant, and authorize the issuing of an order in accordance with the provisions of clause 4.25 of the standard.

6.1.3 Conduct of those engaged in infrastructure delivery

6.1.3.1 General requirements

6.1.3.1.1 All personnel and agents of Stellenbosch Municipality shall comply with the requirements of the CIDB Code of Conduct for all Parties engaged in Construction Procurement. They shall:

- a) behave equitably, honestly and transparently;
- b) discharge duties and obligations timeously and with integrity;
- c) comply with all applicable legislation and associated regulations;
- d) satisfy all relevant requirements established in procurement documents;
- e) avoid conflicts of interest; and
- f) not maliciously or recklessly injure or attempt to injure the reputation of another party.

6.1.3.1.2 All personnel and agents engaged in Stellenbosch Municipality's infrastructure delivery management system shall:

- a) not perform any duties to unlawfully gain any form of compensation, payment or gratification from any person for themselves or a family member or an associate;
- b) perform their duties efficiently, effectively and with integrity and may not use their position for private gain or to improperly benefit another person;
- c) strive to be familiar with and abide by all statutory and other instructions applicable to their duties;

- d) furnish information in the course of their duties that is complete, true and fair and not intended to mislead;
- e) ensure that resources are administered responsibly;
- f) be fair and impartial in the performance of their functions;
- g) at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual;
- h) not abuse the power vested in them;
- i) not place themselves under any financial or other obligation to external individuals or firms that might seek to influence them in the performance of their duties;
- j) assist Stellenbosch Municipality in combating corruption and fraud within the infrastructure procurement and delivery management system;
- k) not disclose information obtained in connection with a project except when necessary to carry out assigned duties;
- l) not make false or misleading entries in reports or accounting systems; and
- m) keep matters of a confidential nature in their possession confidential unless legislation, the performance of duty or the provision of the law require otherwise.

6.1.3.1.2 An employee or agent may not amend or tamper with any submission, tender or contract in any manner whatsoever.

6.1.3.2 Conflicts of interest

6.1.3.2.1 The employees and agents of Stellenbosch Municipality who are connected in any way to procurement and delivery management activities which are subject to this policy, shall:

- a) disclose in writing to the employee of the Stellenbosch Municipality to whom they report, or to the person responsible for managing their contract, if they have, or a family member or associate has, any conflicts of interest; and
- b) not participate in any activities that might lead to the disclosure of Stellenbosch Municipality proprietary information.

6.1.3.2.2 The employees and agents of Stellenbosch Municipality shall declare and address any perceived or known conflict of interest, indicating the nature of such conflict to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to a procurement process or as soon as they become aware of such conflict, and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

6.1.3.2.3 Agents who prepare a part of a procurement document may in exceptional circumstances, where it is in Stellenbosch Municipality's interest to do so, submit a tender for work associated with such documents provided that:

- a) Stellenbosch Municipality states in the tender data that such an agent is a potential tenderer;
- b) all the information which was made available to, and the advice provided by that agent which is relevant to the tender, is equally made available to all potential tenderers upon request, if not already included in the scope of work; and
- c) the procurement documentation committee is satisfied that the procurement document is objective and unbiased having regard to the role and recommendations of that agent.

6.1.3.3 Evaluation of submissions received from respondents and tenderers

6.1.3.3.1 The confidentiality of the outcome of the processes associated with the calling for expressions of interest, quotations or tenders shall be preserved. Those engaged in the evaluation process shall:

- a) not have any conflict between their duties as an employee or an agent and their private interest;
- b) may not be influenced by a gift or consideration (including acceptance of hospitality) to show favour or disfavour to any person;
- c) deal with respondents and tenderers in an equitable and even-handed manner at all times; and
- d) not use any confidential information obtained for personal gain and may not discuss with, or disclose to outsiders, prices which have been quoted or charged to Stellenbosch Municipality.

6.1.3.3.2 The evaluation process shall be free of conflicts of interest and any perception of bias. Any connections between the employees and agents of Stellenbosch Municipality and a tenderer or respondent shall be disclosed and recorded in the tender evaluation report.

6.1.3.3.3 Stellenbosch Municipality personnel and their agents shall immediately withdraw from participating in any manner whatsoever in a procurement process in which they, or any close family member, partner or associate, has any private or business interest.

6.1.3.4 Non-disclosure agreements

Confidentiality agreements in the form of non-disclosure agreements shall, where appropriate, be entered into with agents and potential contractors to protect Stellenbosch Municipality's confidential information and interests.

6.1.3.5 Gratifications, hospitality and gifts

6.1.3.5.1 The employees and agents of Stellenbosch Municipality shall not, directly or indirectly, accept or agree or offer to accept any gratification from any other person including a commission, whether for the benefit of themselves or for the benefit of another person, as an inducement to improperly influence in any way a procurement process, procedure or decision.

6.1.3.5.2 The employees and agents of Stellenbosch Municipality as well as their family members of associates shall not receive any of the following from any tenderer, respondent or contractor or any potential contractor:

- a) money, loans, equity, personal favours, benefits or services;
- b) overseas trips; or
- c) any gifts or hospitality irrespective of value from tenderers or respondents prior to the conclusion of the processes associated with a call for an expression of interest or a tender.

6.1.3.5.3 The employees and agents of Stellenbosch Municipality shall not purchase any items at artificially low prices from any tenderer, respondent or contractor or any potential contractor at artificially low prices which are not available to the public.

6.1.3.5.4 All employees and agents of Stellenbosch Municipality may for the purpose of fostering inter-personal business relations accept the following:

- a) meals and entertainment, but excluding the cost of transport and accommodation;
- b) promotional material of small intrinsic value such as pens, paper-knives, diaries, calendars, etc;

- c) incidental business hospitality such as business lunches or dinners, which the employee is prepared to reciprocate;
- d) complimentary tickets to sports meetings and other public events, but excluding the cost of transport and accommodation, provided that such tickets are not of a recurrent nature; and
- e) gifts in kind other than those listed in a) to d) which have an intrinsic value not more than R750 unless they have declared them to the [designated person].

6.1.3.5.5 Under no circumstances shall gifts be accepted from prospective contractors during the evaluation of calls for expressions of interest, quotations or tenders that could be perceived as undue and improper influence of such processes.

6.1.3.5.6 Employees and agents of Stellenbosch Municipality shall without delay report to the accounting officer any incidences of a respondent, tenderer or contractor who directly or indirectly offers a gratification to them or any other person to improperly influence in any way a procurement process, procedure or decision.

6.1.3.6 Reporting of breaches

Employees and agents of Stellenbosch Municipality shall promptly report to the [accounting officer / accounting authority or chief financial officer or appropriately delegated authority] any alleged improper conduct which they may become aware of, including any alleged fraud or corruption.

6.1.4 Measures to prevent abuse of the infrastructure delivery system

The accounting officer shall investigate all allegations of corruption, improper conduct or failure to comply with the requirements of this policy against an employee or an agent, a contractor or other role player and, where justified:

- a) take steps against an employee or role player and inform the relevant treasury of those steps;
- b) report to the South African Police Service any conduct that may constitute a criminal offence;
- c) lodge complaints with the Construction Industry Development Board or any other relevant statutory council where a breach of such council's code of conduct or rules of conduct are considered to have been breached;
- d) cancel a contract if:
 - 1) it comes to light that the contractor has made a misrepresentation, submitted falsified documents or has been convicted of a corrupt or fraudulent act in competing for a particular contract or during the execution of that contract; or
 - 2) an employee or other role player committed any corrupt or fraudulent act during the tender process or during the execution of that contract.

6.1.5 Involvement of employees of departments in tenders

Any submissions made by a respondent or tenderer who declares in the Compulsory Declaration that a principal is an employee of a national or provincial department and does not have the written permission of the executive of that department as required in terms of Section 30(1) of the Public Service Act of 1994 shall be rejected.

6.1.6 Collusive tendering

Any submissions made by a respondent or tenderer who fails to declare in the Compulsory Declaration that the tendering entity:

- a) is not associated, linked or involved with any other tendering entity submitting tender offers; or
- b) has not engaged in any prohibited restrictive horizontal practices including consultation, communication, agreement, or arrangement with any competing or potential tendering entity regarding prices, geographical areas in which goods and services will be rendered, approaches to determining prices or pricing parameters, intentions to submit a tender or not, the content of the submission (specification, timing, conditions of contract etc.) or intention to not win a tender shall be rejected.

6.1.7 Placing of contractors under restrictions

6.1.7.1 If any tenderer which has submitted a tender offer or a contractor which has concluded a contract has, as relevant:

- a) withdrawn such tender or quotation after the advertised closing date and time for the receipt of submissions;
- b) after having been notified of the acceptance of his tender, failed or refused to commence the contract;
- c) had their contract terminated for reasons within their control without reasonable cause;
- d) offered, promised or given a bribe in relation to the obtaining or the execution of such contract;
- e) acted in a fraudulent, collusive or anti-competitive or improper manner or in bad faith towards Stellenbosch Municipality; or
- f) made any incorrect statement in any affidavit or declaration with regard to a preference claimed and is unable to prove to the satisfaction of Stellenbosch Municipality that the statement was made in good faith or reasonable steps were taken to confirm the correctness of the statements,

a [designated person] shall prepare a report on the matter and make a recommendation to the [accounting officer or accounting authority] for placing the contractor or any of its principals under restrictions from doing business with the Stellenbosch Municipality.

6.1.7.2 The Accounting Officer may, as appropriate, upon the receipt of a recommendation made in terms of 6.1.7.1 and after notifying the contractor of such intention in writing and giving written reasons for such action, suspend a contractor or any principal of that contractor from submitting a tender offer to Stellenbosch Municipality for a period of time.

6.1.7.3 The Head: SCM shall:

- a) record the names of those placed under restrictions in an internal register which shall be accessible to employees and agents of Stellenbosch Municipality who are engaged in procurement processes; and
- b) notify the relevant treasury and , if relevant, the Construction Industry Development Board, of such decision and provide them with the details associated therewith.

6.1.8 Complaints

6.1.8.1 All complaints regarding the Stellenbosch Municipality's infrastructure delivery management system shall be addressed to the Accounting Officer. Such complaints shall be in writing.

6.1.8.2 The Head: SCM shall investigate all complaints regarding the infrastructure procurement and delivery management system and report on actions taken to the Accounting Officer who will decide on what action to take.

6.2 Acquisition management

6.2.1 Unsolicited proposal

6.2.1.1 The Stellenbosch Municipality is not obliged to consider unsolicited offers received outside a normal procurement process but may consider such an offer only if:

- a) the goods, services or any combination thereof that is offered is a demonstrably or proven unique innovative concept;
- b) proof of ownership of design, manufacturing, intellectual property, copyright or any other proprietary right of ownership or entitlement is vested in the person who made the offer;
- c) the offer presents a value proposition which demonstrates a clear, measurable and foreseeable benefit for Stellenbosch Municipality;
- d) the offer is in writing and clearly sets out the proposed cost;
- e) the person who made the offer is the sole provider of the goods or service; and
- f) the Accounting Officer finds the reasons for not going through a normal tender processes to be sound.

6.2.1.2 The Accounting Officer may only accept an unsolicited offer and enter into a contract after considering the recommendations of the tender committee if:

- a) the offer relates to known institutional requirements that cannot, within reasonable and practical limits, be acquired through a competitive or competitive negotiation procedure as provided for in SANS 10845-1;
- b) the goods, service or any combination thereof is used for or relates to a matter that falls within the Stellenbosch Municipality's mandate or functions; and
- c) the person who made the offer satisfies all other requirements which are conditional upon the award of a contract.

6.2.2 Tax compliance

6.2.2.1 No contract may be awarded or order issued unless a tenderer or contractor is in possession of an original valid Tax Clearance Certificate issued by SARS provided that the tenderer is not domiciled in the Republic of South Africa and the SARS has confirmed that such a tenderer is not required to prove their tax compliance status.

6.2.2.2 In the case of a partnership, each partner shall comply with the requirements of 6.2.2.1.

6.2.2.3 No payment shall be made to a contractor who does not satisfy the requirements of 6.2.2.2. An employee of Stellenbosch Municipality shall upon detecting that a tenderer or contractor is not tax compliant, immediately notify such person of such status.

6.2.2.4 Notwithstanding the requirements of 6.2.2.1 and 6.2.2.3 the following shall apply, unless a person who is not tax compliant indicates to [designated person] that it intends challenging its tax compliance status with SARS,

- a) a contract may be awarded to a non-compliant tenderer if such a tenderer is able to remedy its tax compliance status within a period not exceeding 10 working days after being duly notified of its non-compliant status;
- b) an order may be awarded to a non-compliant contractor if such a contractor is able to remedy its tax compliance status within a period not exceeding 10 working days after being duly notified of its non-compliant status;
- c) a non-compliant contractor shall be issued with a first warning that payments in future amounts due in terms of the contract may be withheld, before the authorizing of any payment due to such contractor;
- d) before authorizing a further payment due to a non-compliant contractor who has failed to remedy its tax compliance status after receiving a first warning, a second and final warning shall be issued to such contractor;
- e) no payments may be released for any amounts due in terms of the contract due to a non-compliant contractor if, after a period of 30 calendar days have lapsed since the second warning was issued, the non-compliant contractor has failed to remedy its tax compliance status.

6.2.2.5 The Stellenbosch Municipality may cancel a contract with a non-compliant contractor if such a contractor fails to remedy its tax compliance status after a period of 30 calendar days have lapsed since the second warning was issued in terms of 6.2.2.4e).

6.2.3 Declarations of interest

Tenders and respondents making submissions in response to an invitation to submit a tender or a call for an expression of interest, respectively shall declare in the Compulsory Declaration whether or not any of the principals:

- a) are an employee of the Stellenbosch Municipality or in the employ of the state; or
- b) have a family member or a business relation with a person who is in the employ of the state.

6.2.4 Invitations to submit expressions of interest or tender offers

6.2.4.1 All invitations to submit tenders where the estimated value of the contract exceeds R500 000 including VAT, except where a confined tender process is followed, and expressions of interest shall be advertised on the Stellenbosch Municipality's website and on the National Treasury eTender Publication Portal. Advertisements shall be placed by Head: SCM.

6.2.4.2 Advertisements relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Act of 2000 shall in addition to the requirements of 6.2.4.1 be advertised on the CIDB website. Advertisements shall be placed by the Head: SCM.

6.2.4.3 Where deemed appropriate by Head: SCM an invitation to tender and a call for an expression of interest shall be advertised in suitable local and national newspapers as directed by such person. Advertisements shall be placed by Head: SCM.

6.2.4.4 Invitations to submit expressions of interest or tender offers shall be issued not less than 22 working days before the closing date for tenders and at least 10 working days before any compulsory

clarification meeting. Procurement documents shall be made available not less than 28 days before the closing time for submissions.

6.2.5 Publication of submissions received and the award of contracts

6.2.5.1 The Head: SCM shall publish within 10 working days of the closure of any advertised call for an expression of interest or an invitation to tender where the estimated value of the contract exceeds R500 000 including VAT on the institution's website, the names of all tenderers that made submissions to that advertisement, and if practical or applicable, the total of the prices and the preferences claimed. Such information shall remain on the website for at least 30 days.

6.2.5.2 The Head: SCM shall publish within 7 working days of the next month after the award of a contract the following on the Stellenbosch Municipality's website

- a) the contract number;
- b) contract title;
- c) brief description of the goods, services or works;
- d) the total of the prices, if practical;
- e) the names of successful tenderers and their B-BBEE status level of contribution;
- f) duration of the contract; and
- g) brand names, if applicable.

6.2.5.3 The Head: SCM shall submit within 7 working days of the next month after the award of a contract the information required by National Treasury on the National Treasury eTender Publication Portal regarding the successful and unsuccessful tenders. Submissions shall be made by Head: SCM.

6.2.5.4 The award of contracts relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Act of 2000 shall in addition to the requirements of 6.2.5.3 be notified on the CIDB website. The notification shall be made by placed by Head: SCM.

6.2.4.5 The award of the contract shall in addition to the requirements of 6.2.4.1 to 6.2.4.3 also be published in the Government Tender Bulletin.

6.2.6 Disposal committee

6.2.6.1 The Accounting Officer shall appoint on a disposal by disposal basis in writing the members of the disposal committee to decide on how best to undertake disposals in accordance with the provisions of clause 10 of the standard.

6.2.6.2 The disposal panel shall comprise not less than three people. The chairperson shall be an employee of Stellenbosch Municipality.

6.2.6.3 The disposal committee shall make recommendations to Accounting Officer who shall approve the recommendations, refer the disposal strategy back to the disposal committee for their reconsideration, decide not to proceed or to start afresh with the process.

6.3 Reporting of infrastructure delivery management information

The Accounting Office shall submit any reports required in terms of the standard to the relevant treasury.

7 Infrastructure procurement

7.1 Procurement documents

The standard forms of contract that may be used are as per table 10 of the standard.

7.2 Payment of contractors

The Stellenbosch Municipality shall settle all accounts in accordance with the terms of the contract.

7.3 Approval to utilize specific procurement procedures

7.3.1 Prior approval shall be obtained for the following procurement procedures from the following persons, unless such a procedure is already provided for in the approved procurement strategy:

- a) The Accounting Officer shall authorize the use of the negotiated procedure above the thresholds provided in the standard.
- b) [designated person / committee] shall authorize the approaching of a confined market except where a rapid response is required in the presence of, or the imminent risk of, an extreme or emergency situation arising from the conditions set out in the standard and which can be dealt with or the risks relating thereto arrested within 48 hours; and
- c) the proposal procedure using the two-envelope system, the proposal procedure using the two-stage system or the competitive negotiations procedure³⁶.

7.3.2 The person authorized to pursue a negotiated procedure in an emergency is the Accounting Officer.

7.4 Receipt and safeguarding of submissions

7.4.1 A dedicated and clearly marked tender box shall be made available to receive all submissions made.

7.4.2 The tender box shall be fitted with two locks and the keys kept separately by two senior SCM officials. Such personnel shall be present when the box is opened on the stipulated closing date for submissions.

7.5 Opening of submissions

7.5.1 Submissions shall be opened by an opening panel comprising two people nominated by [designated persons] who have declared their interest or confirmed that they have no interest in the submissions that are to be opened.

7.5.2 The opening panel shall open the tender box at the stipulated closing time and:

- a) sort through the submissions and return those submissions to the box that are not yet due to be opened including those whose closing date has been extended;
- b) return submissions unopened (opened by Head: SCM if no return data on the envelope) and suitably annotated where:
 - 1) submissions are received late, unless otherwise permitted in terms of the submission data;
 - 2) submissions were submitted by a method other than the stated method,
 - 3) submissions were withdrawn in accordance with the procedures contained in SANS 10845-3
- c) record in the register submissions that were returned unopened;

- d) open submissions if received in sealed envelopes and annotated with the required particulars and read out the name of and record in the register the name of the tenderer or respondent and, if relevant, the total of prices including VAT where this is possible;
- e) record in the register the name of any submissions that is returned with the reasons for doing so;
- f) record the names of the tenderer's representatives that attend the public opening;
- g) sign the entries into the register; and
- h) stamp each returnable document in each tender submission.

7.5.3 Each member of the opening panel shall initial the front cover of the submission and all pages that are stamped in accordance with the requirements of 7.7.3h).

7.5.4 Respondents and tenderers whose submissions are to be returned shall be afforded the opportunity to collect their submissions.

7.5.5 Submissions shall be safeguarded from the time of receipt until the conclusion of the procurement process.

7.6 Use of another organ of state's framework agreement

The Stellenbosch Municipality may make use of another organ of state's framework contract which has been put in place by means of a competitive tender process and there are demonstrable benefits for doing so. The accounting officer shall make the necessary application to that organ of state to do so.

7.7 Use of a framework agreement by another organ of state

7.7.1 An organ of state may request in writing to make use of one or more of Stellenbosch Municipality's framework contracts. Such a request signed by the accounting officer or accounting authority of that organ of state, shall:

- a) outline the scope and anticipated quantum of work associated with the work that is required;
- b) provide a motivation for the use of the framework agreement; and
- c) detail the benefit for the state to be derived from making use of the framework agreement.

7.7.2 The Accounting Officer may approve a request made in terms of 7.9.1 to make use of the Stellenbosch Municipality's framework contract, conditionally or unconditionally, if:

- a) the framework agreement was put in place following a competitive tender process;
- b) confirmation is obtained that the framework contract is suitable for the intended use and the required goods, services and works fall within the scope of such contract;
- c) the framework contractor agrees in writing to accept an order from that organ of state; and
- d) the organ of state undertakes to pay the contractor in accordance with the terms and conditions of the agreement; and
- f) the term of the framework agreement does not expire before the issuing of the required orders.

7.8 Insurances

7.8.1 Contractors shall be required to take out all insurances required in terms of the contract.

7.8.2 The insurance cover in engineering and construction contracts for loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract shall in general not be less than the value stated in Table 4, unless otherwise directed by [designated person].

7.8.3 Lateral earth support insurance in addition to such insurance shall be take out on a case by case basis.

Table 4: Minimum insurance cover

Type of insurance	Value
Engineering and construction contracts - loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract	Not less than R20 million
Professional services and service contracts - death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract or damage to property	Not less than R10 million
Professional indemnity insurance	geotechnical, civil and structural engineering: R5,0 million electrical, mechanical and engineering: R3,0 million architectural: R5,0 million other:R3,0 million

7.8.4 The insurance cover in professional services and service contracts for damage to property or death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract shall not be less than the value stated in Table 4 for any one event unless otherwise directed by the Accounting Officer.

7.8.5 SASRIA Special Risk Insurance in respect of riot and associated risk of damage to the works, Plant and Materials shall be taken out on all engineering and construction works.

7.8.6 Professional service appointments shall as a general rule be subject to proof of current professional indemnity insurance being submitted by the contractor in an amount not less than the value stated in Table 4 in respect of each claim, without limit to the number of claims, unless otherwise directed by the Accounting Officer in relation to the nature of the service that they provide.

7.8.7 Stellenbosch Municipality shall take out professional indemnity insurance cover where it is deemed necessary to have such insurance at a level higher than the levels of insurance commonly carried by contractors.

7.8.8 Where payment is to be made in multiple currencies, either the contractor or Stellenbosch Municipality should be required to take out forward cover. Alternatively, the prices for the imported content should be fixed as soon as possible after the starting date for the contract.

7.9 Written reasons for actions taken

7.9.1 Written reasons for actions taken shall be provided by the Accounting Officer.

7.9.2 The written reasons for actions taken shall be as brief as possible and shall as far as is possible, and where relevant, be framed around the clauses in the:

- a) ISO 10845-3, Construction procurement - Part 3: Standard conditions of tender, and, giving rise to the reason why a respondent was not short listed, prequalified or admitted to a data base; or
- b) ISO 10845-4, Construction procurement - Part 4: Standard conditions for the calling for expressions of interest; as to why a tenderer was not considered for the award of a contract or not awarded a contract.

7.9.3 Requests for written reasons for actions taken need to be brief and to the point and may not divulge information which is not in the public interest or any information which is considered to prejudice the legitimate commercial interests of others or might prejudice fair competition between tenderers.

7.10 Request for access to information

7.10.1 Should an application be received in terms of Promotion of Access to Information Act of 2000 (Act 2 of 2000), the “requestor” should be referred to the Stellenbosch Municipality’s Information Manual which establishes the procedures to be followed and the criteria that have to be met for the “requester” to request access to records in the possession or under the control of Stellenbosch Municipality’s.

7.10.2 Access to technical and commercial information such as a comprehensive programme which links resources and prices to such programme should be refused as such information provides the order and timing of operations, provisions for time risk allowances and statements as to how the contractor plans to do the work which identifies principal equipment and other resources which he plans to use. Access to a bill of quantities and rates should be provided in terms of the Act