

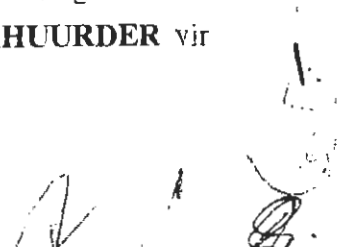
- 4.4 Enige huurgeld of inlystingsgelde wat na die vervaldatum in subklousule 4.1 en 4.2 vermeld deur die **HURDER** aangebied word, indien die **VERHUURDER** dit aanvaar, is onderworpe aan 'n rente wat maandeliks vooruit bereken sal word teen die standaardrentekoers soos artikel 214 van die Munisipale Ordonnansie, Ordonnansie nr 20 van 1974, soos gewysig of *enige ander toepaslike Ordonnansie van tyd tot tyd bepaal* ten opsigte van elke maand of gedeelte daarvan.
- 4.5 Dit is 'n spesiale voorwaarde van hierdie ooreenkoms dat die **VERHUURDER** die reg voorbehou om hierdie ooreenkoms summier te kanselleer, sonder enige voorafgaande skriftelike kennisgewing, indien die **HURDER** sou versuim om enige verskuldigde huur- of inlystingsgeld binne 7 (**SEWE**) dae vanaf die vervaldatum te vereffen, en so 'n kansellering affekteer generwyse die reg van die **VERHUURDER** om enige bedrag wat die **HURDER** skuld of verskuldig mag word van hom te vorder nie.
- 4.6 Die **HURDER** sal aanspreeklik wees om die belastings deur die Stadsraad op die **EIENDOM** gehef te betaal, onderworpe aan die voorwaardes en vereistes soos bepaal mag word in terme van die Munisipale Ordonnansie, Ordonnansie nr 20 van 1974, soos gewysig of enige ander vervangende of toepaslike Ordonnansie.

5 STREEKSDIENSTERAADHEFFING

Die **HURDER** onderneem om alle heffings wat deur die Distriksraad op die **EIENDOM** gehef word, regstreeks aan daardie owerheid te betaal.

6 MYN- EN ANDER REGTE

Die **VERHUURDER** behou voor alle regte op metale, minerale, steenkool, klip van alle soorte, klei en gruis, met inbegrip van die reg van toegang tot die **EIENDOM** te alle tye om sodanige metale, minerale of steenkool te myn of om klei, gruis en klip te verwyder, onderworpe aan 'n vermindering van die huurgeld in verhouding tot die oppervlakte wat deur die **VERHUURDER** vir sodanige mynwerk of verwydering teruggeneem word.

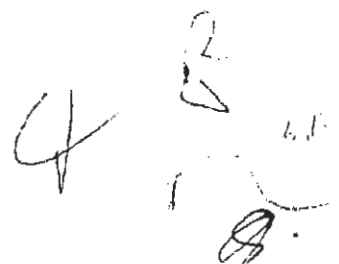


7 BESKERMING VAN BOME

- 7.1 Alle bome, wingerde of dergelike verbeteringe op die verhuurde perseel bly die **EIENDOM** van die **VERHUURDER** en mag nie deur die **HURDER** beskadig of verwyder word nie.
- 7.2 Die **HURDER** moet die geskrewe toestemming van die **VERHUURDER** vooraf verkry vir die verwydering van enige bome, wingerde en dergelike verbeteringe op 'n terrein wat hy vir verbouing nodig het, en as sodanige toestemming verleen word, behou die **VERHUURDER** die reg voor om oor die hout vir sy eie voordeel te beskik.
- 7.3 Die **VERHUURDER** behou die reg voor om deur sy amptenare periodieke inspeksies van bome, wingerde en dergelike verbeteringe op die **EIENDOM** uit te voer en om sodanige stappe ter beskerming daarvan te neem as wat hy nodig mag ag.
- 7.4 Die **VERHUURDER** behou die reg voor om self enige bome op die **EIENDOM** wat nie deur die **HURDER** aangeplant is nie, te kap en te verwyder, en hiervoor het hy vrye toegang tot die **EIENDOM**.

8 WATERBRONNE

- 8.1 Die **VERHUURDER** waarborg geen voorraad van oppervlakte- of ondergrondse water nie.
- 8.2 Die **HURDER** onderneem om nie met fonteine of met die natuurlike vloei van oppervlakte-afloopwater in te meng nie deur kanale, vore of damme te bou of om enige ander werke uit te voer sonder die voorafverkreë skriftelike toestemming van die **VERHUURDER** nie, en vir die toepassing van hierdie subklousule is 'n opinie van die betrokke Staatsdepartemente en/of onderafdelings daarvan bindend en finaal.

Handwritten signature and initials in the bottom right corner of the page. The signature appears to be 'A. B.' and there are some other scribbles and initials nearby.

8.3 Die **VERHUURDER** behou die reg voor om water op die **EIENDOM** op te gaar of om die gebruik van water uit fonteine of strome te beperk, indien sodanige opgaring of beperking na sy mening noodsaaklik is ter beskerming van die regte van derde partye.

8.4 Die **HURDER** onderneem om alle strome, fonteine of opgaardamme teen besoedeling te beskerm, en om sodanige instruksies uit te voer as wat die **VERHUURDER** periodiek te dien einde mag uitreik.

9 GRONDBEWARING

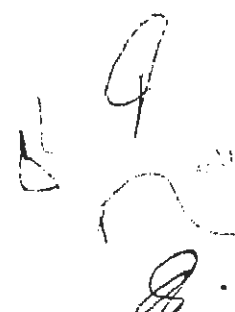
9.1 Die **HURDER** onderneem om die **EIENDOM** te gebruik deur die verbouing van die grond op 'n versigtige en sorgsame wyse, en ook om verswakking van die natuurlike vrugbaarheid en kwaliteit teen te werk.

9.2 Die **HURDER** onderneem om gronderosie teen te werk en om stiptelik uitvoering te gee aan die bepalings van enige grondbewaringskema wat volgens wet op die **EIENDOM** van toepassing mag wees, en te dien einde behou die **VERHUURDER** die reg voor om periodieke instruksies uit te reik.

9.3 Die **VERHUURDER** behou die reg voor om sodanige werke uit te voer as wat hy nodig mag ag vir die bestryding van gronderosie, en wel op die koste van die **HURDER** as laasgenoemde versuim om dit op die **VERHUURDER** se versoek te doen.

9.4 Die **HURDER** onderneem om geen sand, grond of gruis vanaf die **EIENDOM** vir verkoping of gebruik elders te verwyder nie.

9.5 Die **HURDER** onderneem om toe te sien dat geen vullis, rommel of afval op die **EIENDOM** gestort word nie.



10 SKADELIKE GEWASSE

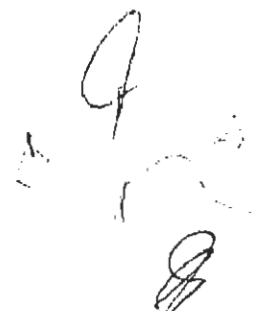
- 10.1 Die **HURDER** onderneem om die **EIENDOM** van skadelike gewasse skoon te hou.
- 10.2 Die **VERHUURDER** behou die reg voor om sodanige stappe as wat hy dienlik mag ag, te doen ter verwydering van dergelike geproklameerde onkruid, en wel op die koste van die **HURDER** ingeval laasgenoemde versuim om dit op die **VERHUURDER** se versoek te doen.

11 BRANDBESTRYDING

- 11.1 Die **HURDER** onderneem om die uiterste sorg uit te oefen ter beskerming van die **EIENDOM** teen veldbrande, en die **VERHUURDER** kan vereis dat die **HURDER** op sy eie koste sodanige brandpaaie bou as wat die **VERHUURDER** nodig mag ag.
- 11.2 die **HURDER** is aanspreeklik vir vergoeding aan die **VERHUURDER** vir enige uitgawe aangegaan om brande te voorkom of te blus. Brandskade aan bome of ander plante op die **EIENDOM** wat aan die **VERHUURDER** behoort, word deur 'n taksateur wat deur die **VERHUURDER** aangestel en wie se bevinding bindend is, bepaal en aan die **VERHUURDER** deur die **HURDER** vergoed.

12 OMHEINING

- 12.1 Die **HURDER** is verantwoordelik vir die oprigting en koste van enige omheining wat hy vir die beskerming van sy oeste of diere op die **EIENDOM** nodig mag ag.



12.2 Omheining wat deur die **HURDER** opgerig word, kan binne 1 (**EEN**) maand na die afloop van die huuroorenkoms verwyder word, maar die **VERHUURDER** kan uitstel vir sodanige verwydering verleen totdat die **EIENDOM** weer verhuur is om onderhandeling met die opvolger vir die verkoping of oordrag daarvan moontlik te maak, met dien verstande dat die **VERHUURDER** eienaar van sodanige omheining word indien geen finale reëlings binne 60 (**SESTIG**) dae vanaf die datum van herverhuur deur die **HURDER** getref is nie, en in so 'n geval is die **HURDER** nie geregtig tot enige vergoeding vir die omheining wat aldus deur hom verbeur is nie.

13 ONDERVERHURINGS, SESSIES OF OORDRAGTE, ENSOVOORTS

13.1 Die **HURDER** sal nie hierdie huuroorenkoms seeder of oordra nie, en onderverhuur nie die **EIENDOM** of enige deel daarvan sonder die voorafverkreë skriftelike toestemming van die **VERHUURDER** nie.

13.2 Die **VERHUURDER** kan 'n sertifikaat as bewys vereis dat 'n maatskappy, beslote korporasie of trust wat 'n **HURDER** is, wel as sodanig geregistreer is.

13.3 Dit word op rekord geplaas dat die **VERHUURDER** toestemming verleen vir die sessie en delegasie van hierdie huurkontrak aan en ten gunste van 'n erfgenaam of erfgename van die **HURDER** as sodanig deur die **HURDER** benoem.

13.4 By verandering van die beherende aandeelhouding of beherende belange in 'n maatskappy of beslote korporasie wat 'n **HURDER** is, of by verandering van direkteure of by likwidasie van die maatskappy of beslote korporasie of ingeval die maatskappy of beslote korporasie onder geregtelike bestuur geplaas word, bly die oorspronklike borge ten behoeve van die maatskappy of beslote korporasie gesamentlik en afsonderlik en as medehoofskuldenaars teenoor die **VERHUURDER** aanspreeklik, tensy die **VERHUURDER** op skriftelike aansoek van die **HURDER** toestem tot vervanging van sodanige borge.

Handwritten signature and initials in the bottom right corner of the page.

- 13.5 Verandering van die beherende aandeelhouing of beherende ledebelang, direkteure of trustees van 'n maatskappy, beslote korporasie of 'n trust wat 'n **HURDER** is, word geag 'n onderverhuring te wees.

14 **GEBOUE EN STRUKTURELE VERBETERINGE**

- 14.1 Enige gebou of strukturele verbetering wat op die **EIENDOM** by die aanvang van die huurooreenkoms bestaan, of mettertyd gedurende die huurtermyn opgerig mag word, sal deur die **HURDER** op sy eie koste hetsy binne of buite in 'n goeie toestand gehou word en wel tot die bevrediging van die **VERHUURDER** en indien die **HURDER** versuim om dit te doen kan die **VERHUURDER** sodanige reparasies as wat hy nodig mag ag, laat aanbring terwyl die **HURDER** vir die uitgawe aanspreeklik bly.
- 14.2 Geen nuwe gebou, struktuur of ander permanente verbetering sal op **EIENDOM** aangebring, opgerig of uitgevoer word sonder die voorafverkreë skriftelike toestemming van die **VERHUURDER** nie, en sonder dat bouplanne ten opsigte van sodanige verbetering vooraf deur die **VERHUURDER** goedgekeur is nie en laasgenoemde kan gelas dat sodanige gebou, struktuur of verbetering wat inderdaad sonder sy skriftelike goedkeuring en toestemming opgerig, aangebring of gebou is deur die **HURDER** op sy eie koste verwyder word.
- 14.3 Goedgekeurde verbetering van 'n permanente aard sal deur die **HURDER** op sy eie risiko aangebring of opgerig word.
- 14.4 Die **VERHUURDER** sal enige geboue of ander verbetering wat by die aanvang van die huurtermyn op die **EIENDOM** is in sy uitsluitlike diskresie teen skade verseker en sodanige versekering in stand hou, met dien verstande dat die **HURDER** verantwoordelik sal wees vir die volle kostes en premies verbonde aan sodanige versekering, en die **VERHUURDER** sal derhalwe die kostes en premies direk van die **HURDER** vorder.

Handwritten signature and initials in the bottom right corner of the page.

- 14.5 Indien die **VERHUURDER** kontant van 'n versekeringsmaatskappy sou ontvang ter vergoeding van 'n eis ten opsigte van skade aan verbetering op die **EIENDOM** soos in subklousule 14.4 van hierdie ooreenkoms genoem, kan hy die verbetering herstel of die kontant hou, na gelang hy dit dienlik ag.
- 14.6 Behuising kan, met behoud van die bepalings van subklousules 14.1; 14.2; 14.3 en 14.4 van hierdie ooreenkoms aan werkers wat die **HURDER** op die **EIENDOM** in diens het, met inbegrip van hul onmiddellike afhanklikes, op die **EIENDOM** voorsien word, onderworpe aan die voorafverkreë skriftelike toestemming van die **VERHUURDER**, en die stiptelike nakoming van die bepalings en vereistes van die toepaslike wetgewing met betrekking tot behuising. Enige plakkery op die **EIENDOM** is ten strengste verbode.
- 14.7 Die **HURDER** sal geen reg of aanspraak hê of vergoeding kan eis ten opsigte van verbetering, met inbegrip van landboukundige verbeteringe wat tydens die huurtermyn op die **EIENDOM** aangebring is nie, en die **VERHUURDER** behou die reg voor om, by beëindiging van hierdie ooreenkoms ingevolge die bepalings van sy eie diskresie en goëddunke te besluit of die **VERHUURDER** bereid is om die **HURDER** enigsins te vergoed vir sommige verbeteringe. Voorts kan die **VERHUURDER** in die alternatief toestem tot die verwydering van enige verbetering binne 'n tydperk soos deur die **VERHUURDER** voorgeskryf, by gebreke waarvan die **HURDER** enige reg op verwydering van sodanige verbeteringe of enige verdere aanspraak van watter aard ookal sal verbeur, ten gevolge waarvan die betrokke verbeteringe sonder enige aard van vergoeding die **EIENDOM** van die **VERHUURDER** word.

15 BAKENS

- 15.1 Deur die huurooreenkoms te onderteken erken die **HURDER** dat hy bewus is van die werklike ligging van alle bakens wat die **EIENDOM** se grense bepaal en enige onkunde of misverstand aan sy kant in hierdie verband raak nie die geldigheid van die huurooreenkoms of maak hom nie geregtig tot 'n vermindering van die huurgeld of tot kompensasië in enige vorm nie.

Handwritten signature and initials in the bottom right corner of the page.

15.2 Indien enige baken wat die grense van die **EIENDOM** bepaal na ondertekening van hierdie ooreenkoms nie gevind kan word nie, is die **HURDER** aanspreeklik vir alle opmetings- en ander kostes verbonde aan die herplasing van sodanige baken.

16 PAAIE

Die **HURDER** onderneem om alle bestaande paaie op die **EIENDOM** in 'n goeie toestand te hou, en voorts om geen verdere paaie te bou of oop te maak sonder die voorafverkreë skriftelike toestemming van die **VERHUURDER** nie.

17 INSPEKSIES

Die gemagtigde amptenare van die **VERHUURDER** kan te enige tyd die **EIENDOM** betree om sodanige inspeksies as wat hulle mag ag, uit te voer en om vas te stel of die voorwaardes en bepalings van die huuroorenkoms stiptelik nagekom word.

18 ADVERTENSIE TEKENS

Die **HURDER** sal geen advertensietekens hoegenaamd op die **EIENDOM** oprig nie, en sal ook nie toelaat dat sulke tekens opgerig word sonder die voorafverkreë skriftelike toestemming van die **VERHUURDER** nie.

19 ERFDIENSBAARHEID EN VERJARING

19.1 Die huur is onderworpe aan enige erfdiensbaarheid wat aan die **EIENDOM** kleef, en as dit te eniger tyd sou blyk dat die **VERHUURDER** nie daartoe geregtig was om die **EIENDOM** of enige deel daarvan te verhuur nie, het die **HURDER** geen eis vir skadevergoeding behalwe dat die huurgeld *pro rata* verminder word ten opsigte van daardie deel van die **EIENDOM** wat nie vir okkupasie of gebruik deur die **HURDER** beskikbaar is nie.

19.2 Die **HURDER** erken hiermee dat hy geen aanspraak op eiendomsreg by wyse van verjaring ten opsigte van die **EIENDOM** wat verhuur word sal verkry nie.

20 OPSEGGING EN BEËINDIGING VAN HUUROOREENKOMS

20.1 Die **VERHUURDER** kan, sonder om afbreuk te doen aan enige bepaling of vereistes van hierdie ooreenkoms, met spesifieke verwysing na die bepalings van klousule 4 hiervan, en nadat 'n skriftelike kennisgewing op die **HURDER** beteken is, hierdie ooreenkoms beëindig -

20.1.1 indien die **HURDER** versuim om enige voorwaarde of bepaling ten opsigte van hierdie ooreenkoms na te kom; of

20.1.2 indien die **VERHUURDER** daarvan oortuig is dat die **HURDER** die grond op onbehoorlike of onverantwoordelike wyse benut; of

20.1.3 indien die **VERHUURDER** daarvan oortuig is dat die **HURDER** deur sy handeling op die **EIENDOM** 'n oorlas vir ander uitmaak; of

20.1.4 indien die **HURDER** teenstrydig met enige bepaling van die soneringskema van die Munisipaliteit van Stellenbosch afgekondig by PK 73 van 1997-07-20, soos vervang of gewysig, optree; of

20.1.5 indien die **EIENDOM** in sy geheel of gedeeltelik vir *bona fide* munisipale doeleindes, waarby dorpsstigting ingesluit is, benodig word

met dien verstande dat 'n grasiëperiode van hoogstens 1 (**EEN**) jaar in die gevalle soos in subklousules 20.1.1; 20.1.2; 20.1.3; 20.1.4 en 20.1.5 genoem aan die **HURDER** verleen word, ten einde die **HURDER** in staat te stel om die oeste wat op daardie stadium uitstaande mag wees te in, op voorwaarde dat die **HURDER** gedurende die grasiëperiode aan al die bepalings en vereistes van hierdie ooreenkoms, of ander voorwaardes wat die **VERHUURDER** in hierdie verband mag stel moet voldoen, by gebreke waarvan die toegestane grasiëperiode sonder verdere kennisgewing deur die **VERHUURDER**, in sy uitsluitlike diskresie, in heroorweging geneem sal word.

20.2 die **HURDER** kan, sonder om afbreuk te doen aan enige bepaling of vereiste van hierdie ooreenkoms, met spesifieke verwysing na subklousules 4.1; 4.2; 4.3 en klousule 24, hiervan, en nadat 'n skriftelike kennisgewing van 6 (**SES**) maande deur die **HURDER** aan die **VERHUURDER** gegee is, hierdie ooreenkoms beëindig.

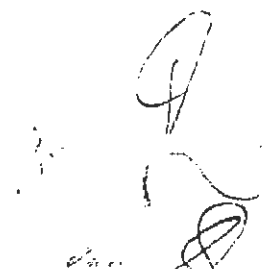
21 SKADELOOSSTELLING

Die **HURDER** onderneem hierby om die **VERHUURDER** te vrywaar en gevrywaar te hou teen alle gedinge, stappe, eise, vorderings, koste, skadevergoeding en uitgawes wat gehef, gebring of gemaak mag word teen die **VERHUURDER** of wat die **VERHUURDER** mag betaal, opgedoen of aangaan as gevolg van enige handeling of versuim aan die kant van die **HURDER**, sy werknemers of persone wat onder sy beheer handel.

22 KOSTE VAN OOREENKOMS

22.1 Alle kostes wat deur die **VERHUURDER** aangegaan is vir die voorbereiding en opstel van hierdie ooreenkoms, plus die koste van die verhuuringsadvertensie, opmetingskoste en ander toevallige uitgawes sal deur die **HURDER** gedra word, en die korrektheid van die bedrag wat deur die **VERHUURDER** in hierdie verband geëis word, betwis nie.

22.2 Die huurooreenkoms sal slegs op die uitdruklike versoek van die **HURDER** en op sy koste notarieel verly en in die Akteskantoor geregistreer word. Die **HURDER** moet in sodanige geval 'n deposito betaal soos deur die **VERHUURDER** bepaal ten opsigte van die kostes hierbo vermeld.

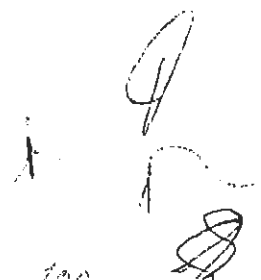
Handwritten signature and initials in the bottom right corner of the page.

23 ARBITRASIE

- 23.1 Enige geskil wat te eniger tyd tussen die partye mag ontstaan in verband met enige aangeleentheid voortspruitende uit hierdie ooreenkoms, sal onderwerp word aan en besleg word deur arbitrasie.
- 23.2 Iedere sodanige arbitrasie moet plaasvind -
 - 23.2.1 te Stellenbosch;
 - 23.2.2 op 'n informele summiere wyse sonder enige pleitstukke of blootlegging van dokumente en sonder die noodsaaklikheid om aan die strenge reëls van die bewysreg te voldoen;
 - 23.2.3 onverwyld, met die oog daarop om dit af te handel binne 3 (**DRIE**) maande vanaf die datum waarop die geskil na arbitrasie verwys is;
 - 23.2.4 onderworpe aan die bepalinge van die Wet op Arbitrasie, no 42 van 1986, of sodanige ander Arbitrasiewette as wat van tyd tot tyd mag geld, behalwe waar die bepalinge van hierdie klousule anders voorskryf.
- 23.3 Die arbiter moet 'n persoon wees op wie deur die partye onderling ooreengekom is en, by onstentenis van 'n ooreenkoms, een aangestel deur die diensdoenende President van die Wetsgenootskap van die Kaap die Goeie Hoop.
- 23.4 Die partye kom hiermee onherroeplik ooreen dat die beslissing van die arbiter in sodanige arbitrasieverrigtinge finaal en bindend op hulle sal wees.

24 INVORDERINGSKOSTE

Indien die **VERHUURDER** opdrag aan sy prokureurs sou gee om enige gelde wat kragtens hierdie ooreenkoms betaal is, op die **HUURDER** te verhaal, is die **HUURDER** aanspreeklik vir die betaling van alle koste deur die **VERHUURDER** in hierdie verband aangegaan, bereken op 'n prokureur/kliëntbasis.



25 DOMICILIUM CITANDI ET EXECUTANDI


Die domicilium citandi et executandi van die **HURDER** vir die toepassing van hierdie ooreenkoms is

Constantialaan 10, Welgelegen, STELLENBOSCH, 7600

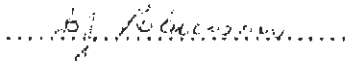
en die van die **VERHUURDER**

Stadshuiskompleks, Pleinstraat, STELLENBOSCH, 7600

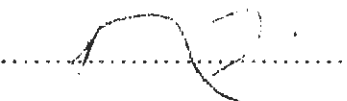
GETEKEN TE STELLENBOSCH HIERDIE 14 DAG VAN
JANUARIE 1998 AS GETUIES

1. 

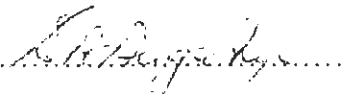

.....
UITVOERENDE HOOF/STADSKLERK

2. 

GETEKEN TE STELLENBOSCH HIERDIE DAG VAN
19 AS GETUIES

1. 


.....
HURDER

2. 

BYLAE "B"

BELEID EN TOEPASSING VAN DIE HUURGELDTARIEFFORMULE

1. Vir die doeleindes van hierdie ooreenkoms en die toepassing van die huurgelddtariefformule word :

ALLE grond as onontwikkelde grond beskou, in welke geval die volgende woordbepaling van toepassing sal wees :

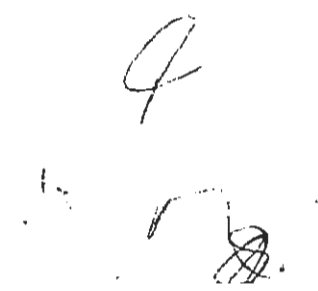
"Onontwikkelde grond" - beteken grond soos in sy natuurlike staat, met of sonder natuurlike plantegroei, waarop geen spesifieke struik of gewasse voorkom en verbou word met die doel om dit te oes nie.

2.1 Huurgeld betaalbaar in die eerste termyn

Die jaarlikse huurgeld ingevolge klousule 2.1 van die huurooreenkoms betaalbaar is die som van R2 447,10 (tweeduisend vierhonderd sewe-en-veertig rand en tien sente) p/ha/pj vir die tydperk tot 31 Maart 1998.

2.2 Aangepaste huurgeld betaalbaar in daaropvolgende termyne

Die Verhuurder sal geregtig wees om soos op die eerste dag van April 1998, en daarna weer soos op die eerste dag van April van elke derde jaar wat daarop volg (hieronder genoem die "verhogingsdatum") die huurgeld telkens te verhoog vir die dan volgende termyn van drie jaar met 'n verhoging van 50 % van die verhoging in die Verbruikersprysindeks (VPI) van die RSA oor die drie jaar termyn (soos hieronder bepaal) bo die huurgeld wat vir die onmiddellike voorafgaande jaar betaalbaar was.



Met ander woorde -

X = jaarlikse huurgeld, betaalbaar vir die tydperk eindigende op 31 Maart onmiddellik voorafgaande die verhogingsdatum

Y = verhoging in die stand van die VPI oor die drie jaar termyn wat soos volg bereken word

$$\frac{Y_2 - Y_1}{Y_1} \text{ waar}$$

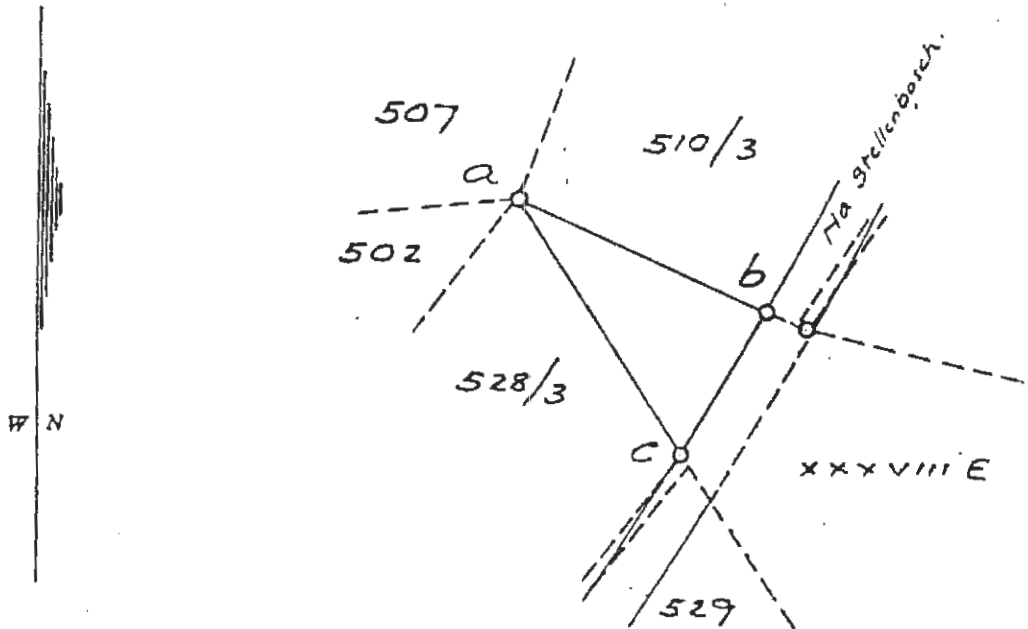
Y_2 = stand van die VPI op 30 Junie van die jaar wat die verhogingsdatum vooratgaan

Y_1 = stand van die VPI op 30 Junie drie jaar vantevore sal die formule, vir berekeningsdoeleindes, soos volg daaruit sien :

Huurgeld betaalbaar vir die volgende drie jaar termyn :

$$X \left[1 + \left(\frac{50}{100} Y \right) \right]$$

Handwritten signature and initials, possibly 'J. L. A.' or similar, located in the bottom right corner of the page.



Skaal: 1/7500.

Die figuur *abc* stel voor
 2,0 Ha (benaderend tot die naaste 0,5 Ha) grond synde
 ou N.R. *NUWENR 527A*
Munisipale Huurgrond Perseel (XXXVIII F)

geleë in die Munisipaliteit en Afdeling Stellenbosch
 Provinsie Kaap die Goeie Hoop.

Opgestel deur my *Mei 1972*

K. Friedman
 Landmeter.

Oorspronklike Kaart	<i>P. J. Lombard</i> Burgermeester	<i>A P Meyer</i> Huurder
Nr. <i>958/1888</i>	<i>[Signature]</i> Stadsklerk	
TJA <i>Stel. F. 6-3</i>	Gedateer <i>1. D. Sappel</i>	<i>[Signature]</i>

APPENDIX 2

11th August 2016

Stellenbosch Municipality
Property Management
P.O. Box 17
Stellenbosch
7599

Attention: Mr. P. Smit

FARM 527A – CESSION OF EXISTING LEASE

I refer to the existing lease agreement between Stellenbosch Municipality and myself, Dr. G.J.C. Norval over the above property which was signed on 14 January 1998.

I would like to enquire if the Stellenbosch Municipality would consider the cession, or alternatively allowing me to sub-let, my existing lease over the property to Stellensig (Pty) Ltd. who is the owner of the adjacent property (Farm 528/3) for the following reasons:

1. The owner of the adjacent property has approached me and indicated that he would like to use the 2Ha of Farm 527A as part of his current smallholding so that he can develop agriculture on a larger portion of land thereby making it more commercially viable.
2. The leased property is landlocked with the adjacent property owner, Stellensig (Pty) Ltd., the only property with access to the leased property and thus being able to productively use the property.

I trust that the above enquiry to cede the existing lease to Stellensig (Pty) Ltd. will be considered favorably, however, should the cession of the lease not be acceptable, I will continue with the full term of the lease.

Yours faithfully,

DR. G.C.J. NORVAL

5.5.3	PROPOSED EXCHANGE OF LAND: A PORTION OF REMAINDER FARM 387, STELLENBOSCH FOR A PORTION OF LEASE AREA 377A: VREDENHEIM (PTY) LTD
-------	--

Collaborator No:

IDP KPA Ref No:

Meeting Date:

18 July 2018

1. SUBJECT: PROPOSED EXCHANGE OF LAND: A PORTION OF REMAINDER FARM 387, STELLENBOSCH FOR A PORTION OF LEASE AREA 377A: VREDENHEIM (PTY) LTD

2. PURPOSE

To obtain Council's in principle approval for the proposed exchange of land.

3. DELEGATED AUTHORITY

The Municipal Council must decide on the matter, as this involves the disposal of municipal land.

4. EXECUTIVE SUMMARY

On 2017-11-29 Council mandated the Municipal Manager to conclude an agreement with the owner(s) of Remainder Farm 387 (Vredenheim), with the view of securing an access servitude(s) or to purchase/exchange of land for this purpose and/or for additional housing. Following various discussions with Elzabé Bezuidenhout of Vredenheim, agreement was reached to exchange a portion of Farm 387, Stellenbosch (Vredenheim property) for a portion of Lease Area 377A (municipal land).

The agreement however was subject to a suspensive condition that the Stellenbosch Municipal Council must approve the disposal of the said portion of Lease Farm 377A in terms of Section 14 of the MFMA.

Council must now consider the proposed exchange of land.

5. RECOMMENDATIONS

- (a) that Lease Area 377A, measuring 9.42ha in extent, be identified as land not needed to provide the minimum level of basic municipal services;
- (b) that approval be granted in terms of paragraph 9.2.3.2 of the Municipal Property Policy for the disposal of a portion of Lease Farm 377 in exchange for a portion of Farm 387, Stellenbosch, as more fully described in paragraph 6.2 (description) and 6.3 (value);
- (c) that Council's intention so to act, i.e. to conclude an Exchange of Land Agreement, be advertised for public inputs;
- (d) that, should any objections be received as a consequence of the above notice, same be considered by Council before making a final decision; and
- (e) that the Municipal Manager be authorised to enter into a Private Treaty Agreement through a process of direct negotiations, subject to the conditions set out in the signed Exchange of Land Agreement, attached as **APPENDIX 6** and further subject to a final approved diagram indicating the exact sizes of the two properties.

6. DISCUSSION / CONTENT**6.1 Background****6.1.1 Council resolution authorising exchange of land (in principle)**

On 2017-11-29 Council considered a report dealing with various property issues in the Vlotenburg area. Having considered the report, Council resolved as follows:

RESOLVED (majority vote with abstentions)

- (a) that the Municipal Manager be mandated to conclude an agreement(s) with the new owner of Longlands regarding the development of the envisaged low-income housing project, either by way of a new Deed of Donation or by way of a Ceding Agreement(s); and
- (b) that the Municipal Manager be mandated to conclude agreements with the owner(s) of Remainder Farm 387 (Vredenheim) and Portion 2 of Farm 1307 (Ash Farmers) with the view of securing an access servitude(s) or the purchase/exchange of land for this purpose and/or land for additional housing.

A copy of the agenda item is attached as **APPENDIX 1**.

6.1.2 Discussions/negotiations with owners of Vredenheim (Farm 387, Stellenbosch)

Following the above resolution a meeting was scheduled with Mrs Elsabé Bezuidenhout of Vredenheim. During this meeting she indicated that:

- a) They would be willing to dispose of a portion of Farm 387, to enable Stellenbosch Municipality to gain access to the Longlands Development, but also to use a portion of the land for affordable housing; and
- b) They would prefer to do it on an exchange of land basis, i.e. that they would like to acquire Lease Portion 377A, which was previously leased by them, and is situated directly adjacent to their property.

6.1.3 Appointment of Valuers

Following the above meeting Cassie Gerber Property Valuers cc and Pendo Property Valuers were appointed to determine the fair market value of:-

- a) A portion of Remainder of Farm 387, Stellenbosch;
- b) Lease Farm 377A, Stellenbosch

Hereto attached as **APPENDICES 2-5** are copies of the valuations received from the above valuers.

They valued the properties as follows:

Name of Valuer	Lease Farm 377A(9.42ha)	Portion of Remainder Farm 387
Cassie Gerber Property Valuer cc	R100 000.00/ha (Excluding of VAT)	R875 00/ha (excluding of VAT)
Pendo Property Valuers	R159 235.67/ha (excluding of VAT)	R850 00*/ha (excluding of VAT)
Weighed average	R129 617.83/ha (excluding of VAT)	R862 500/ha (excluding of VAT)

*Should a larger portion, including the river area (undevelopable land) be acquired then a lower value of R640 000/ha is suggested.

6.1.4 Offer to purchase/exchange of land agreement

Following the receipt of the valuations and after obtaining the necessary mandate from the Municipal Manager, a formal Offer to Purchase/exchange of land was presented to Vredenheim. They have subsequently signed the agreement, a copy of which is attached as **APPENDIX 6**. This agreement is however subject to Council approval.

6.2 Property description

6.2.1 Lease Farm 377A

Lease Farm 377A is owned by Stellenbosch Municipality by virtue of Title Deed T STF-34/1883, a copy of which is attached as **APPENDIX 7**. The property, measuring 9.42 in extent is situated to the West of Techno Park, as shown on Fig 1 and 2 below.



Fig 1: Location and context

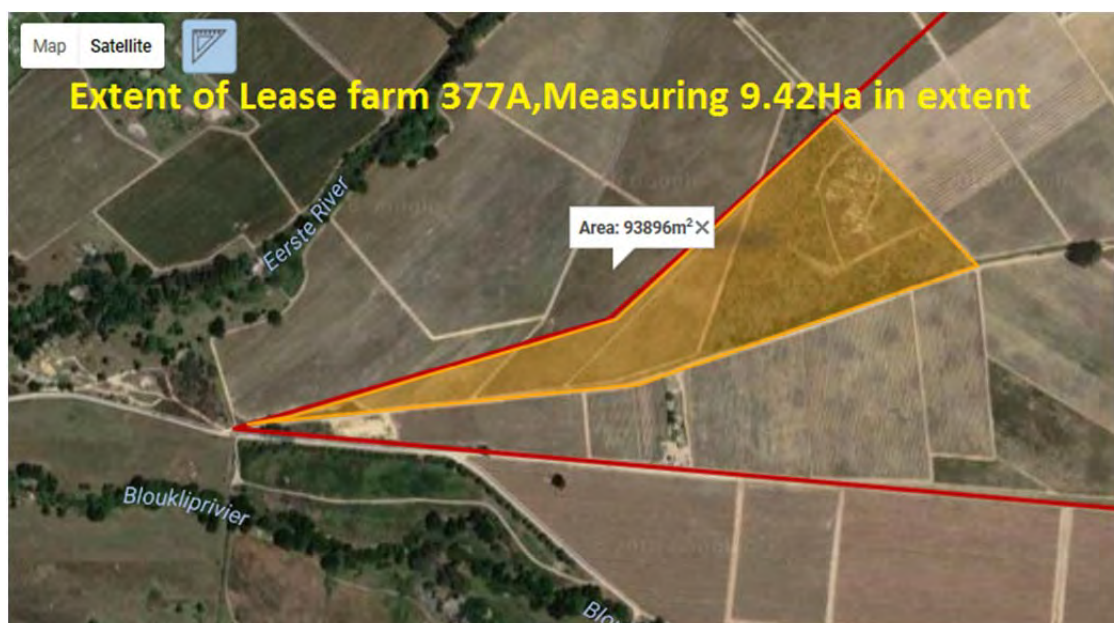


Fig 2: Extent of Lease Farm 377A

6.2.2 Farm 387

Farm 387 is owned by Vredenheim (Pty) Ltd by virtue of Title Deed T17126/2010, a copy of which is attached as **APPENDIX 8**.

The property, measuring approximately 14137m² in extent, is situated off the Vlotenburg road, as shown on Fig 3 and 4 respectively.

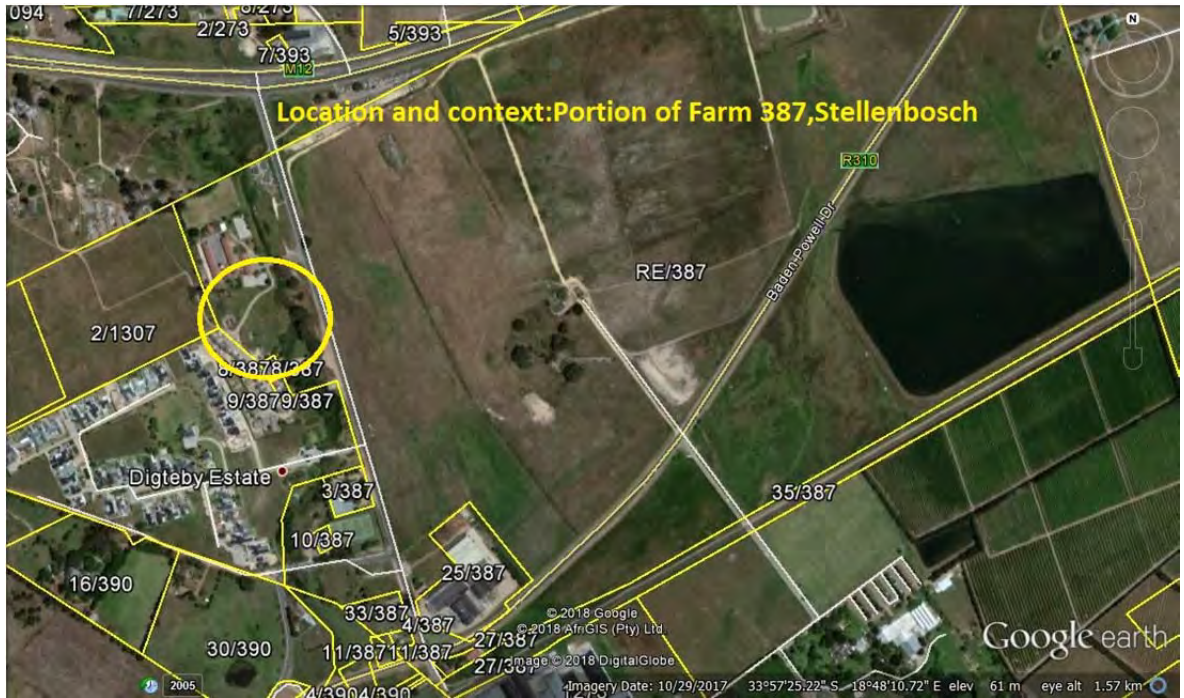


Fig 3



Fig 4: Area measuring 14137m²

6.3 Property Values

Based on the estimated sizes* and weighed average market value/ha of the respective properties, the estimated market value of the properties are as follows:

- Lease Farm 377A: R122 099.95 (Say R1 221 000.00)
- Portion of Remainder Farm 387: R1 207 500.00

* The ultimate price can only be determined once the property has been sub-divided and approved diagrams are available. The Department is in the process of appointing a land surveyor for this purpose.

6.4 Legal Requirements

6.4.1 **Local Government, Municipal Finance Management Act, No 56 /2003**

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

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

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

6.4.2 **Asset Transfer Regulations (ATR)**

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

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

6.4.3 **Policy on the Management of Council-owned Property**

In terms of paragraph 9.2.3 of the policy Stellenbosch Municipality may dispose of land by way of an exchange of land.

Disposal by exchange of land will be appropriate when it is advantageous to the Municipality and other parties to exchange land in their ownerships and will achieve best consideration for the municipality.

The Municipal Council must authorise the disposal of land by exchange with another land owner for alternative land. Reasons for justifying this manner of disposal must be recorded in writing.

The exchange will usually be equal in value. However, an inequality in land value may be compensated for by other means where appropriate. In such circumstances the Municipality must seek an independent valuation to verify that "best consideration" will be obtained.

Under the circumstances it is indeed advantages to the municipality in that no rate-payers money would have to be used to acquire the portion of Farm 387 and the values are almost equal. Although not prescribed in the policy, it is recommended that Council's intention so to act (exchange of land) be advertised for public inputs.

6.5 Financial Implications

The Financial implications would be limited, as the values of the properties are very similar.

6.6 Legal Implications

The recommendations in this report comply with Council's policies and applicable legislation.

6.7 Staff Implications

None

6.8 Previous / Relevant Council Resolutions

As indicated above, Council did approve an exchange in principle at its meeting held on 2017-11-29.

6.9 Risk Implications

There are no risks involved. The biggest risk is that the Longlands project would not be able to take off due to us not acquiring access.

6.10 Comments from Senior Management**6.10.1 Director: Infrastructure Services**

I agree with the recommendations.

6.10.2 Director: Planning and Economic Development

None

6.10.3 Chief Financial Officer

Finance supports the recommendation.

6.10.4 Director: Corporate Services

None

ANNEXURES:

Appendix 1:	Council resolution
Appendices 2-5:	Copies of valuation report
Appendix 6:	Offer to purchase
Appendix 7:	Windeed report
Appendix 8:	Windeed report

FOR FURTHER DETAILS CONTACT:

NAME	Piet Smit
POSITION	Manager: Property Management
DIRECTORATE	Human Settlement & Property Management
CONTACT NUMBERS	021-8088189
E-MAIL ADDRESS	Piet.smit@stellenbosch.gov.za
REPORT DATE	2018-05-07

APPENDIX 1

7.5.3	VARIOUS ISSUES: VLOTTENBURG HOUSING PROJECTS: WAY FORWARD
-------	---

Collaborator No: 551717

IDP KPA Ref No:

Meeting Date : 14th Council: 29 November 2017

1. SUBJECT: VARIOUS ISSUES: VLOTTENBURG HOUSING PROJECTS: WAY FORWARD

2. PURPOSE

The purpose of this item is twofold, i.e.:-

- a) To provide Council with a report on the progress (or the lack thereof) on the various housing projects in Vlottenburg; and
- b) To authorise the Municipal Manager to:-
 - i) conclude the necessary agreement (s) with the (new) owner of Longlands; and
 - ii) to negotiate the acquisition of a portion of Remainder Farm 387 and/or registration of an access servitude over a portion of Remainder Farm 387 and Portion 2 of Farm 1307.

3. DELEGATED AUTHORITY

(FOR DECISION BY MUNICIPAL COUNCIL)

Although the Municipal Manager and/or the Executive Mayor have the delegated authority to:-

- a) conclude agreement(s) on behalf of Stellenbosch Municipality; and
- b) acquire land or rights in land (see delegations 526 and 527, respectively),

agreement was reached between the Executive Mayor and the Municipal Manager to obtain a fresh mandate from the municipal council on a way forward.

4. EXECUTIVE SUMMARY

Although three (3) low-income housing projects were approved in the Vlottenburg Area, none of the developments have an approved access. For this (and other) reason (s) very little or no progress were made with the development of the Longlands project.

In an effort to take this matter forward, Council is requested to authorise the Municipal Manager to:-

- a) conclude the necessary contract(s) with the new owner of Longlands, and
- b) to negotiate a deal with the owner(s) of Remainder Farm 387 and Portion 2 of Farm 1307 regarding the acquisition of land and / or the registration of a servitude that will allow access to the various developments.

14TH COUNCIL MEETING: 2017-11-29: ITEM 7.5.3

Cllr DA Hendrickse requested that it be minuted that, in his view, these recommendations are illegal.

RESOLVED (majority vote with abstentions)

- (a) that the Municipal Manager be mandated to conclude an agreement(s) with the new owner of Longlands regarding the development of the envisaged low-income housing project, either by way of a new Deed of Donation or by way of a Ceding Agreement(s); and
- (b) that the Municipal Manager be mandated to conclude agreements with the owner(s) of Remainder Farm 387 (Vredenheim) and Portion 2 of Farm 1307 (Ash Farmers) with the view of securing an access servitude(s) or the purchase/exchange of land for this purpose and/or land for additional housing.

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

Cllrs F Adams; DA Hendrickse and LK Horsband (Ms).

FOR FURTHER DETAILS CONTACT:

NAME	Piet Smit
POSITION	Manager: Property Management
DIRECTORATE	Human Settlement & Property Management
CONTACT NUMBERS	021-8088189
E-MAIL ADDRESS	Piet.smit@stellenbosch.gov.za
REPORT DATE	2017-11-06

APPENDIX 2

**CASSIE GERBER
PROPERTY VALUERS CC**

CK 98/22188/23

C.L. Gerber, Registered Professional Valuer in Terms of Section 19 of Act 47 of 2000, Registration
No: 1717/4

P.O. Box 2217
DURBANVILLE
7551

Telephone: (021) 9757240
Fax: 086 558 6933
Cell phone: 082 416 2987
E-mail -caslg@mweb.co.za

VALUATION REPORT

**MARKET VALUE OF A PORTION OF THE REMAINDER OF
FARM 387, STELLENBOSCH RD**

OWNER: VREDENHEIM PTY LTD



Market value: As per report
Date: 27 February 2018

=====

VALUATION REPORT

**MARKET VALUE OF A PORTION OF THE REMAINDER OF
FARM 387, STELLENBOSCH RD**

OWNER: VREDENHEIM PTY LTD

1. Instructions

- 1.1 The Director of Housing of the Municipality of Stellenbosch instructed me to value the above-mentioned property.
- 1.2 The present market value of the above-mentioned property is required. The value must be determined as a price per ha.
- 1.3 Market value is defined in this report as a price, which the property might reasonably be expected to sell for in a transaction between a willing, able and informed buyer and a willing, able and informed seller.

2. Date of valuation

27 February 2018

3. Description of property

Remaining extent of the Farm Number 387, Stellenbosch RD

4. Owner

Vredenheim Pty Ltd (Title deed:T17126/2010)

5. Extent

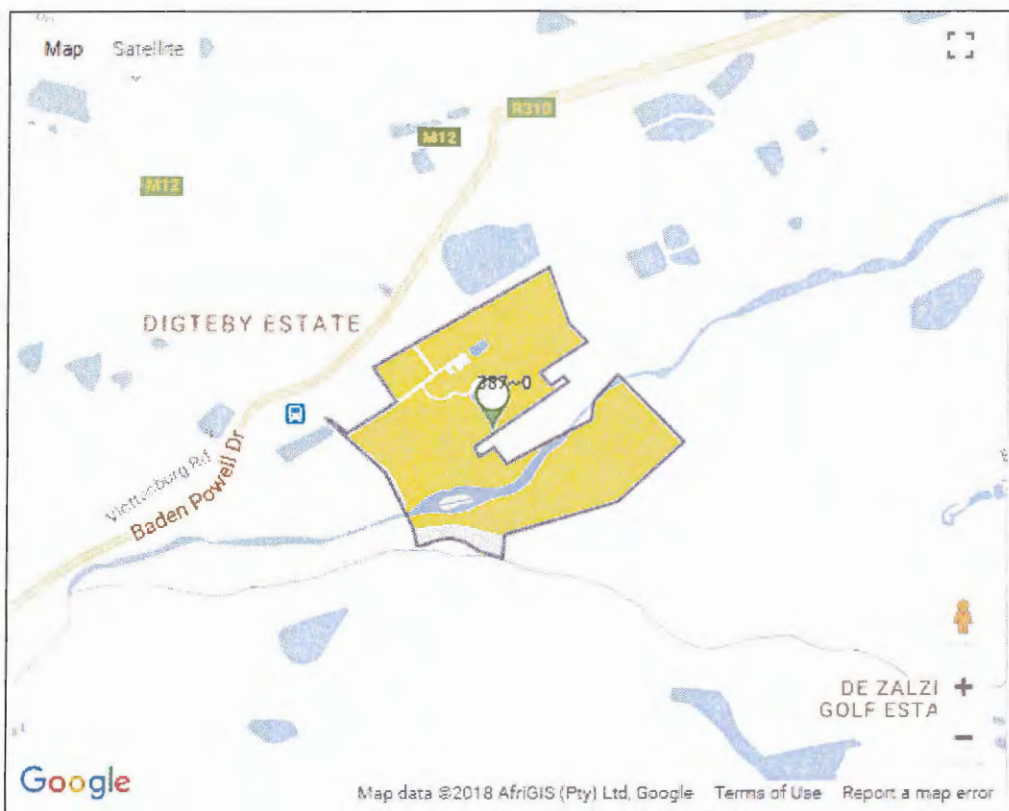
Developable portion of land 1.15ha

6. Municipal value

Not valued

7. Situation and physical aspects

The property is situated in Vlottenberg adjacent to the school, the existing houses and the river. Map page 3 below refers:



Location map



Aerial photo

8. Zoning

The property is presently zoned for agricultural purposes. The owners are busy with the rezoning of the property for residential use.

9. Servitudes or other rights

The 50 year flood-line affects the development on the site.

10. Highest and best use

The highest and best use of the property is to have it rezoned for low-cost housing.

11. Improvements

There are a few unoccupied cottages which will have to be demolished.



Subject property



12. Services

There are municipal services available in the in the existing township.

13. Method of valuation

The comparable method of valuation has been applied to determine the market value of the subject property.

14. Comparable transactions

1313.1 Transaction no.1

Property: Erf 27040, Bellville at Belhar
 Extent: 9.8021ha
 Purchase price: R7 850 000.00
 Dale of sale: January 2016 (Not registered)
 Location: The property is situated on Belhar Drive, Belhar.
 General: The Government of the Western Cape purchased the land from the City of Cape Town for clinic purposes. The purchase price amounts to ±R800 000 per ha.

13.2 Transaction no. 2

Property: Erf 29654 & 29655, Blue Downs
 Extent: 21.4377ha
 Purchase price: R16 000 000.00
 Dale of sale: 07.11.2014
 Location: The property is situated in Fountain Village, Blue Downs and zoned for agricultural use.
 General: The City of Cape Town purchased the land for State subsidized housing purposes. The purchase price amounts to ±R746 348.00 per ha.

13.3 Transaction no.3

Property: Unregistered Erf 1666, Greenville Garden City
 Extent: 1.4405ha
 Purchase price: R1 225 000.00
 Dale of sale: 30.09.2015
 Location: The property is situated on Lucullus Road, Greenville Garden City.

General: The City of Cape Town purchased the serviced site from Garden Cities for a community clinic. The purchase price amounts to ±R850 000.00 per ha. Map below refers:



Map Erf 1666, Greenville Garden City

13.4 Transaction no. 4

The City of Cape Town purchased the following properties during 2015:

No.	Description/Stellenbosch RD	Extent/ha	Date	Purchase price/Price/ha
1	Farm 794/38	261.2562	03.06.15	R167 334 923.00/±R640 000
2	Farm 791/6	0.1538	03.06.15	R98 509.00/±R640 000
3	Farm 792/0	58.8057	03.06.15	R37 665 124.00/±R640 000
4	Farm 791/5	13.2862	03.06.15	R8 509 827.00/±R640 000
5	Farm 791/4	36.6118	03.06.15	R23 449 903.00/±R640 000
6	Farm 787/11	84.4847	03.06.15	R54 112 556.00/±R640 000
7	Farm 794/40	4.3047	03.06.15	R2 757 265.00/±R640 000
8	Farm 787/10	61.9575	03.06.15	R39 684 856.00/±R640 000
9	Farm 794/44	1.3760	03.06.15	R881 329.00/±R640 000
10	Farm 794/43	99.8553	03.06.15	R63 957 444.00/±R640 000
11	Farm 794/37	37.4146	03.06.15	R23 964 098.00/±R640 000
		659.5065		

The properties are situated in the Firgrove rural area, between Macassar and Somerset West. The City of Cape Town purchased the properties from Paardevlei Property (Pty.) Ltd. for future residential and other mixed development uses. The properties are about 659ha in extent and the purchase price amounts to R640 000.00 per ha.

The properties are presently zoned for agricultural purposes, but are much better situated than the subject property. During inspection it was established that about 20% of the 659ha of land consists of wetlands and are not developable. The adjusted purchase price of the developable land amounts to about R768 000.00 per ha and the rate per ha does not differ as far as the extent of the sites are concerned.

13.5 Transaction no. 5

Property: A portion of Erf 33683, Strand
 Extent: 21.0669ha (Portion required for the Sir Lowry Pass River flood alleviation upgrade ±5.1550ha)
 Asking price: R3 866 250.00 (R750 000.00 per ha)
 Dale of sale: May 2017 (Not registered)
 Location: The property is situated off the N2 Main Road, adjacent to the Sir Lowry River half way between Broadlands Industrial area and Firlands.
 General: The property is presently zoned for rural purposes.

13.6 Transaction no. 6

Property: Remainder of Phesantekraal No. 1165 Cape RD (Extension of the Okavango Road, Graanedal, Durbanville)
 Extent: ±5.5800ha
 Purchase price: R8 370 000.00
 Dale of sale: December 2013 (Not registered)
 Location: The property consists of the extension of Okavango Road to Klipheuwel.
 General: The City of Cape Town purchased the land from Groot Phesantekraal Trust for the extension of the road. The purchase price of the land for the road amounted to ±R1 500 000 per ha at the time.

14. Increases of land prices in the low-cost housing development areas over time

14.1 Some of the transactions and their market values listed below are dated and provision for efflux in time is necessary.

14.2 A market research was carried out and school sites in low cost housing development areas, like Khayalitsha, Mfuleni,

Nyanga, Guguletu, Strand and Delft, sold for R650 000.00 per ha during 2014 and increased to R750 000.00 per ha in 2017, an increase of about 4.5% per annum over the past 3 years.

14.3 An increased rate of 4.5% to adjust the dated prices is therefore market related.

15. Summary list of transactions

No.	Property	Extent	Date	Purchase price/price/ha Adjusted prices/ha
1	Erf 27040. Belhar	9.8021ha	Jan 2016	R7 850 000.00/R800 000.00 ±R865 000.00
2	Erven 29654 and 29655, Blue Downs	21.4237 ha	Nov. 2014	R16 000 000.00/R746 348.00 ±R 847 640.00
3	Erf 1666, Grenville Garden City	1.4405ha	Sept. 2015	R1 225 000.00/±R850 000.00 ±R928 220.00
4	Farms 794/39 and others	659.5065ha	July 2015	R640 000.00/±R768 000 ±R850 000,00
5	Portion of Erf 33683, Strand	5.1550ha	May 2017	R3 866 250.00/R750 000.00 Asking price
6	Portion of the Farm, Groot Phesantekraal No. 1165, Cape RD	5.5800ha	Dec.2013	R8 370 000.00/R1 500 000.00

16. Conclusions

16.1 Transaction 1 is situated in Belhar. The houses in the area are all single and double story low-cost houses. The Provincial Government of the Western Cape purchased the land for hospital purposes. The market value of the property was determined on prices paid for low-cost housing in the area and, therefore, comparable. The site is better situated close to the University of the Western Cape and a downward adjustment on the adjusted purchase price is necessary.

16.2 Transaction no. 2 is situated in Blue Downs in between two serviced roads. The property was zoned for agricultural purposes at the time the sale took place. The houses in the area consist of low-cost GAP type of houses.

16.3 Transaction no. 3 is situated in Greenville, Fisantekraal. The City of Cape Town purchased the property from Garden Cities for clinic purposes. The site is about the same size as the subject property but fully serviced and a downward

adjustment in the adjusted purchase rate per ha is necessary.

- 16.4 Transaction 4 is large and small portions of land located between Macassar, the Strand and the sea. The adjusted rate per ha of the developable land after allowing for the wetlands, amounts to R850 000.00 per ha. My information is that the land will be utilized for mixed development purposes, which will include low-cost, GAP and economic housing.
- 16.5 Transaction 5 is situated in the Strand and belongs to Asla Devco Pty Ltd. My information is that the property is not registered in the Deeds Office but the asking price amounts to R750 000.00 per ha. The asking price is based on a well-motivated valuation report, prepared by a professional valuer. Asla plans to use the remainder of the land for residential purposes. The property still has to be rezoned and an upward adjustment in the rate per ha of the subject property is, therefore, necessary.
- 16.6 Transaction 6 is the market value of the land paid for the extension of the Okavango Road over the farm Groot Phesantekraal No. 1165. The market value made provision for the time before development will start to take place. This is an upper income group area where the vacant sites are selling for about R1 500 000.00. Below is a list of serviced sites sold in the Groot Phesantekraal development area:

No.	Description of property	Extent	Date	Price
1	Erf 18641, Durbanville	700m ²	19.04.17	R1 400 000.00
2	Erf 18639, Durbanville	701m ²	04.05.17	R1 500 000.00
3	Erf 18596, Durbanville	843m ²	19.04.17	R1 550 000.00

- 16.7 Based on the above-mentioned comparable transactions with the necessary adjustments for time and location a price of R875 000.00/ha for the subject property is market related.

17 Market value calculations

1.15ha @ R875 000.00/ha: R1 006 250.00

Market value, rounded: R1 000 000.00 (Excluding VAT)

18. Valuation Certificate

I inspected the subject property described herein. I have no present or prospective interest in the property.

The valuation is independent and impartial and complies with all the ethical standards of the South African Institute of Valuers of which I am a member.

All suppositions and data in this report are to the best of my knowledge, true and correct and I have not attempted to conceal any information.

The valuation has been made to the best of my skill and ability.

I, Casper Louis Gerber, consider the rates per ha as in paragraph 17, above to be fair and market related.



C.L. GERBER

Signed at Durbanville on 27 February 2018

QUALIFICATION TO VALUE

I, Casper Louis Gerber, certify with this my qualifications and experience as follows:

- Professional Valuer registered with the South African Council of Valuers in terms of Act 47 of 2000.
- Member of the South African Institute of Valuers since 1974.
- Served as a member on various valuation boards.
- I have been involved in valuing fixed properties since 1965. At present, I am making an average of 15 valuations per month spread over the whole spectrum of the property market.

APPENDIX 3

**CASSIE GERBER
PROPERTY VALUERS CC**

CK 98/22188/23

C.L. Gerber, Registered Professional Valuer in Terms of Section 19 of Act 47 of 2000, Registration
No: 1717/4

P.O. Box 2217
DURBANVILLE
7551

Telephone: (021) 9757240
Fax: 086 558 6933
Cell phone: 082 416 2987
E-mail -caslg@mweb.co.za

VALUATION REPORT

**MARKET VALUE OF A PORTION OF FARM 377A,
STELLENBOSCH RD**

OWNER: MUNICIPALITY STELLENBOSCH



Market value: As per report
Date: 27 February 2018

=====

VALUATION REPORT

**MARKET VALUE OF A PORTION OF FARM 377A,
STELLENBOSCH RD**

OWNER: MUNICIPALITY STELLENBOSCH

1. Instructions

- 1.1 The Director of Housing of the Municipality of Stellenbosch instructed me to value the above-mentioned property.
- 1.2 The present market value of the above-mentioned property is required. The value must be determine as a price per ha.
- 1.3 Market value is defined in this report as a price, which the property might reasonably be expected to sell for in a transaction between a willing, able and informed buyer and a willing, able and informed seller.

2. Date of valuation

27 February 2018

3. Description of properties

Farm Number 377 A, Stellenbosch RD

4. Owner

Municipality Stellenbosch

5. Extent

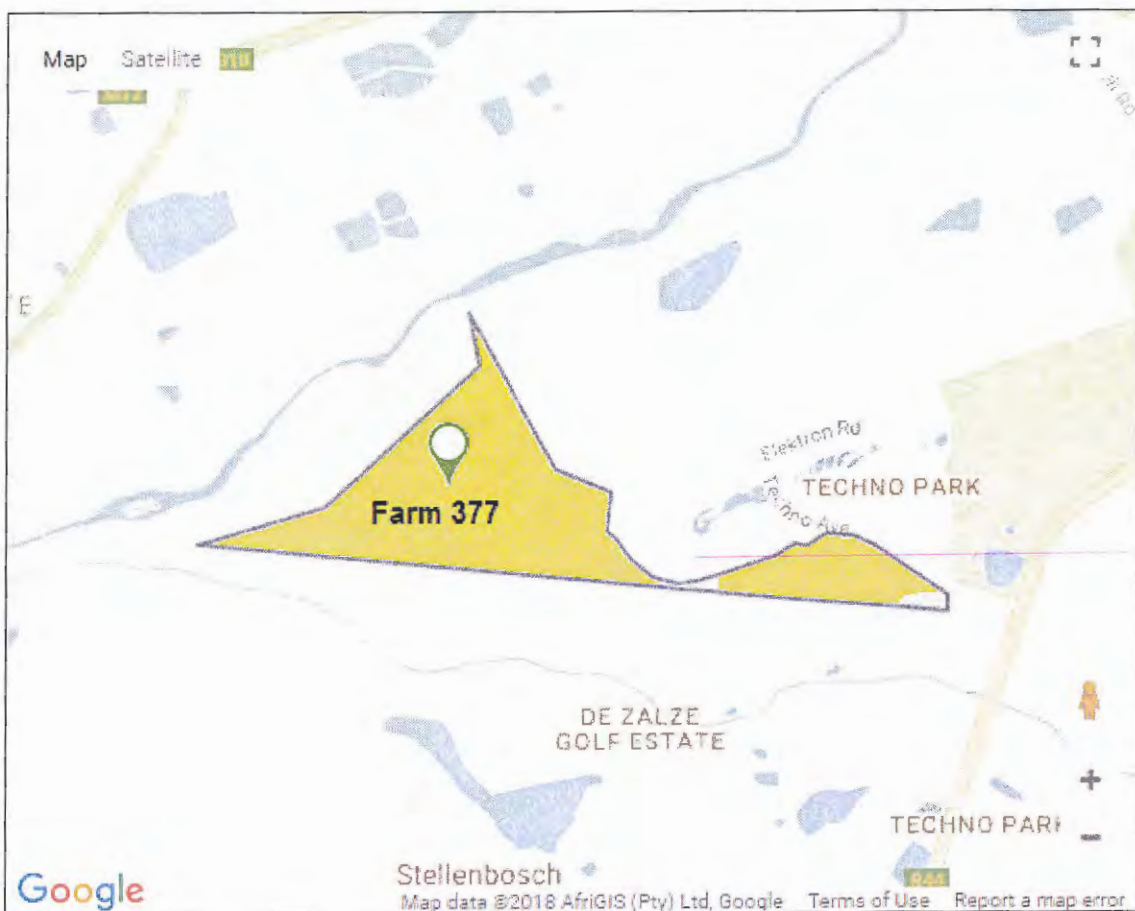
78.6700ha (Portion required ±10.0000ha)

6. Municipal value

Not valued

7. Situation and physical aspects

The property is situated behind Techno Park, about 6km from Stellenbosch. Map page 3 below refers:



Location map



Aerial photo

8. Zoning

The property is zoned for agricultural purposes.

9. Improvements

The portion of land required to be valued consists of the following;

- ±4.5 Vineyards and
- ±5.5ha Renoster bush.

10. Services

Road: Access to the property is via a gravel road, off the Stellenbosch/ Muizenberg Road;
No other Municipal services are available.

11. Method of valuation

The comparable method of valuation is carried out to determine the market value of the subject property.

12. Comparable transactions

No.	Property	Extent/ha	Date	Price/price/ha
1	Farm 653/12, Stellenbosch RD	161.8600	15.03.15	R16 280 000.00/ R100 580/ha
2	Farm 1378/3, Stellenbosch RD	29.9279	05.09.16	R4 500 000.00/ R150 361/ha
3	Farm1312, Stellenbosch RD	59.4577	28.11.16	R20 520 000.00/ R345 119/ha
4	Farm 468/24, Stellenbosch RD	35.4925	24.08.16	R13 500 000.00 R380 362/ha
5	Farm 643 Stellenbosch RD	30.6414	28.07.15	R10 500 000/ha R342 673/ha
6	Farm 491/2 Stellenbosch RD	105.9642	04.09.17	30 000 000.00/ R283 114/ha

13. Conclusions

13.1 Comparable transaction 1 is situated between the old Bellville/Somerset West and the N2. The improvements on the land consist of a mixture of vineyards, arable land and veld. The subject property is better situated. The selling price amounts to ±R100 000/ha including the improvements.

- 13.2 Transaction 3 is situated about 10km from subject property on the Stellenbosch/Kuils River Road. The land consists of irrigable land. There are also 3 laborers' cottages on the land. The purchase price amounts to ±R150 000.00/ha.
- 13.3 Transaction 3 is situated close to Banhoek. The property is well developed with all the necessary Municipal services on site. The property also has a good infra-structure.
- 13.4 Transaction 4 is situated close to Lynedoc. The property is well improved and has a very good infra-structure. The purchase price including the improvements amounts to ±R380 000.00/ha. The subject property has little services and a downward adjustment is necessary.
- 13.5 Transaction 5 is situated opposite Wijnlanden and my information is the property was purchased by a property developer. The price paid for the developable land is ±R342 000.00/ha.
- 13.6 Transaction 6 is situated opposite Spier Estate and consists mainly of irrigable land. The purchase price amounts to ±R283 000.00/ha
- 13.7 Based on the above-mentioned comparable transactions, with the necessary adjustments for time, location, availability of services and extent of the subject properties, the following norm rates per ha is market related:
- Vineyards: R275 000.00/ha (Excluding VAT)
 - Veld (Renoster bush): R100 000.00/ha (Excluding VAT)

14. Valuation calculations

The subject property consists of a vacant portion of lease farm. All the agricultural improvements on the farm were carried by the tenant. The market value of the property must be based on vacant agricultural land value.

Market value: ±10ha @ R100 000/ha = R1 000 000.00

The market value of the property does not include VAT.

15. Valuation Certificate

I inspected the subject property described herein. I have no present or prospective interest in the property.

The valuation is independent and impartial and complies with all the ethical standards of the South African Institute of Valuers of which I am a member.

All suppositions and data in this report are to the best of my knowledge, true and correct and I have not attempted to conceal any information.

The valuation has been made to the best of my skill and ability.

I, Casper Louis Gerber, consider the rates per ha as in paragraph 14, above to be fair and market related.



C.L. GERBER

Signed at Durbanville on 27 February 2018

QUALIFICATION TO VALUE

I, Casper Louis Gerber, certify with this my qualifications and experience as follows:

- Professional Valuer registered with the South African Council of Valuers in terms of Act 47 of 2000.
- Member of the South African Institute of Valuers since 1974.
- Served as a member on various valuation boards.
- I have been involved in valuing fixed properties since 1965. At present, I am making an average of 15 valuations per month spread over the whole spectrum of the property market.

APPENDIX 4



VALUATION REPORT

DETERMINATION OF THE MARKET VALUE OF:

FARM 377A,

STELLENBOSCH REGISTRATION DIVISION,

WESTERN CAPE

Client:

STELLENBOSCH MUNICIPALITY

6 March 2018

Compiled by:

Johan Klopper

Professional Valuer

Member of the SA Institute of Valuers

BCom Law (University of Stellenbosch), NDip: Property Valuation (UNISA)



6 March 2018

Mr. Piet Smit
 Stellenbosch Municipality
 Property Management
 Plein Street
 Stellenbosch
 7600

VALUATION CERTIFICATE

I, the undersigned, Johan Klopper, Professional Valuer registered in terms of the Property Valuer's Profession Act, 2000 (Act No 47 of 2000) do hereby certify that I have inspected and valued the following immovable property namely:

<p>FARM 377A, STELLENBOSCH REGISTRASION DIVISION, in the WESTERN CAPE Measuring approximately 9.42 hectares</p>

I consider the market rate of the abovementioned property to be as follows:

<p>R 1 500 000</p>	<p>One Million Five Hundred Thousand Rand (Excluding VAT)</p>
---------------------------	--

As at: **1 March 2018**

Signed at Stellenbosch this 6th day of March 2018.

A handwritten signature in black ink, appearing to read "J. Klopper", written over a horizontal line.

J. Klopper
 Professional Valuer
 Registration Number: 6372/0

PENDO PROPERTY SERVICES CC T/A PENDO PROPERTY VALUERS
 Reg. No. 2009/230603/23 • VAT Reg. No. 4530269028
 Member: J. Klopper

Verified Level 4 B-BBEE Contributor

Tel: 083 305 3252 • Fax: 086 611 1511 • Email: info@propertyvaluer.co.za • Postal address: PO Box 81, Stellenbosch, 7599

VALUATION REPORT

1. GENERAL

1.1 INSTRUCTIONS

Instructions were received from Stellenbosch Municipality to determine the fair and reasonable market value of Farm No. 377A Stellenbosch Registration Division, measuring approximately 9.42 hectares. This valuation is undertaken to inform the Stellenbosch Municipality of the market value, in light of possible disposal to the adjoining owner.

1.2 EFFECTIVE DATE OF VALUATION

1 March 2018

1.3 INSPECTION DATE

21 February 2018

1.4 DEFINITION OF MARKET VALUE

As per the International Valuation Standards Council, market value can be defined as follows:

The highest price that a willing and informed purchaser will pay a willing and informed seller in a normal open market transaction, when neither party is under the anxiety or compulsion to sell or purchase, other than their normal desire to transact.

1.5 CAVEATS

The valuer has assumed that the subject property and their values were unaffected by any statutory notice or condition of title where the title deeds have not been inspected.

Information regarding the subject property and comparable properties was received from local authorities and third parties. This information was received in good faith and it is assumed that the supplied information is correct, but no warranty as to the accuracy of this information can be made.

All plans included in this document are supplied for identification purposes only and are not necessarily to scale.

We have not carried out a structural survey, nor have we tested the service installations, woodwork or other parts of the structure which are covered, unexposed or inaccessible and are therefore unable to report that such parts of the property are free of rot, beetle or other defects. This valuation is therefore based on the assumption that the building is in a reasonable state of repair, unless expressly stated otherwise in this report.

In this report, the market value and any other values referred to exclude VAT.

Any possible contamination of the subject property as a result of an environmental incident has also not been taken into account, nor have we examined the cost of any remedial measures involved.

Neither all nor any part of this report shall be conveyed to the public or anybody other than the addressee or their principles through advertising, public relations, news sales or any other media without the written consent of the author. This valuation was performed for the purpose as stated in this report and should not be used for any other purpose.

2. PROPERTY AND OWNERSHIP DESCRIPTION

2.1 TITLE DEED INFORMATION

Description	FARM VLOTTENBURG NO. 377, STELLENBOSCH REGISTRATION DIVISION, in the PROVINCE of the WESTERN CAPE
Registered extent	78.6779 Hectares
Extent to be valued	± 9.42 Hectares
Registered owner	STELLENBOSCH MUNICIPALITY
Title Deed No	STF5-34/1883 & T36696/2010
Date of Registration	1883/09/20
Purchase Price	N/A
Endorsements / Conditions of title	None noted that materially affect the area to be valued.
Mortgage bond(s)	None
S.G. Diagram(s)	S.G. No. 9131/1957 S.G. No. 12119/1957 S.G. No. 686/1996 S.G. No. 778/1999 S.G. No. 3983/2010 S.G. No. 2706/2012
LPI Code	LPI code: C06700000000037700000

2.2 MUNICIPAL INFORMATION

Local Authority	Stellenbosch Municipality
Zoning	Agriculture
Description	Farm 377A
Municipal Valuation	GV2017: R 942 000

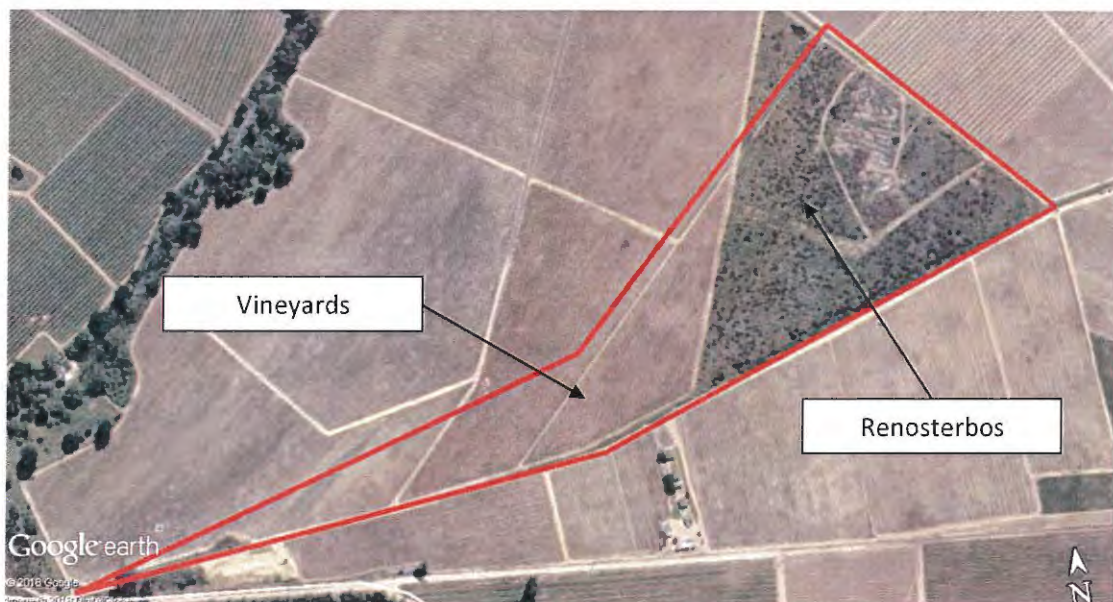
3. PROPERTY LOCATION

Farm 377A is located in a rural node of Stellenbosch approximately 1 kilometre west of Technopark. The subject property is surrounded by agricultural land, while the De Zalze Golf Estate is located on relative close proximity, approximately 1 kilometre to the southeast. Refer to the location map below.



4. DESCRIPTION OF THE SUBJECT PROPERTY

The area to be valued represents an oblong shaped tract of land measuring roughly 9.42 hectares. The tract of land slopes down in a westerly direction. It is leased from the Stellenbosch Municipality by Vredenheim Pty Ltd for agricultural purposes. Approximately 4.1 hectares represent arable land with vineyards under irrigation. No water rights are attached to the land and current water for irrigation purposes is provided by the lessee. The remaining 5.32 comprises protected renosterveld.



Also refer to **Annexure C** for photographs of the area to be valued.

5. HIGHEST AND BEST USE

Highest and Best Use is defined under the International Valuation Standards (IVSC) as “The most probable use of an asset which is physically possible, appropriately justified, legally permissible, financially feasible and which results in the highest value of the asset being valued”.

The area to be valued is located in a rural node west of Stellenbosch. It represents municipal owned land leased to private farmers for agricultural purposes. Based on the location, current ownership status and surrounding uses, the valuer is of the opinion that agricultural uses represents the highest and best use of the subject property.

Note was taken of the existing renosterveld portion and the protected status which inhibits development or utilisation of this portion of farm 377A. Furthermore, the valuer took cognisance of the fact that the existing vineyards were planted and established by the prospective purchaser of the land. In this regard, the valuer is of the opinion that this portion should be valued as vacant arable land.

6. VALUATION APPROACH

The **Comparable Sales Method** is deemed the most appropriate valuation method to determine the market value of agricultural land. This approach is based on the principle of comparability and substitution. The assumption is that if similar assets in a similar market place have been sold at a particular value, then the comparable asset will also sell at a similar price.

The area to be valued forms part of a 78 hectare tract of land, and can only be sold to an adjoining owner. It is therefore valued as part of the whole. The valuation was therefore based on sales of properties with similar utility, potentialities and locality features.


7. MARKET INFORMATION


We liaised with the Cape Town Deeds Office to determine the sales and transfers in the vicinity of the subject properties. Comparisons were then made in terms of size, improvements, utilisation and potential of the land and date of sale, after which the necessary adjustments were made.

The following transactions were registered in the Deeds Office and serve as good comparisons in determining the market rate of the area to be acquired:


No	Description	Sale Date	Extent	Price (Ex VAT)	Rate/ha
1	Portions 21 & 22 of Farm 402 Stellenbosch RD	2017/04/21	12.7557	R 6 000 000	R 470 378
2	Portion 4 of Farm 1505 Stellenbosch RD	2017/01/26	41.5710	R 6 570 000	R 158 043
3	Portion 4 of Farm 1471 Stellenbosch RD	2016/11/12	14.8056	R 7 200 000	R 486 302
4	Portion 18 of Farm 730 Paarl RD	2016/06/17	13.2554	R 3 000 000	R 226 323
5	Farm 1519 Paarl RD	2016/02/01	101.8932	R 3 700 000	R 36 316
6	Farm 1369 Paarl RD	2013/08/02	27.7170	R 5 000 000	R 180 395
7	Farm 1226 Malmesbury RD	2013/07/18	46.4121	R 2 000 000	R 43 092

Comments and analysis of sales:

SALE 1: Portions 21 & 22 of Farm 402 Stellenbosch RD		
Land size: 12.7557 Ha	Purchase Date: 2017/04/21	Purchase Price: R 6 000 000
	This tract of land is located in the Polkadraai node between Stellenbosch and Kuils River. It comprises vacant land with approximately 10.7 hectares vineyards, while the remainder represented fallow land. The tract of land compares well with the subject property in terms of size and location. Analysis of the sale indicates to a vacant land rate of approximately R 300 000 per hectare (excluding vineyards). This sale serves as a very good indication of the rate to be applied to the arable component of the subject property.	

SALE 2: Portion 4 of Farm 1505 Stellenbosch RD		
Land size: 41.5710 Ha	Purchase Date: 2017/01/26	Purchase Price: R 6 570 000
	This tract of land is located approximately 8 kilometres north of Stellenbosch. It represents mountainous vacant land comprising natural veld. The land is uncultivated which suggests an upward adjustment would be justified for arable component of the subject property. On the other hand a downward adjustment would be justified for the renosterveld component.	

SALE 3: Portion 4 of Farm 1471 Stellenbosch RD		
Land size: 14.8056 Ha	Purchase Date: 2016/11/12	Purchase Price: R 7 200 000
	This tract of land is located in relative close proximity to the subject property, along Stellenbosch Kloof Road. It offers approximately 5.7 hectares vineyards, while the remainder represents fallow land and a dam. This property offers a sought-after location with lifestyle appeal. The valuer is of the opinion that a significant downward adjustment would be justified for the subject property.	

SALE 4: Portion 18 of Farm 730 Paarl RD		
Land size: 13.2554 Ha	Purchase Date: 2016/06/17	Purchase Price: R 3 000 000
	This tract of land is located in close proximity to the subject property, adjacent to the N1, approximately 7 kilometres west of Klapmuts. It represents vacant, predominantly fallow land, with approximately 3 hectares of vineyards. Analysis of the sale indicates a vacant land rate of roughly R 200 000 per hectares. An upward adjustment would be justified for the subject property due to a perceived superior location and utilisation.	

SALE 5: Farm 1519 Paarl RD		
Land size: 101.8832 Ha	Purchase Date: 2016/02/01	Purchase Price: R 3 700 000
		<p>This relatively large tract of land is located in close proximity to the subject property, approximately 2 kilometres east of Klapmuts along the N1. It represents fallow natural veld with no water allocation. This sale serves as an indication of the base rate for the fallow land component of the subject property, but an upward adjustment would be justified for the significant difference in size and locational factors.</p>

SALE 6: Farm 1369 Paarl RD		
Land size: 27.7170 Ha	Purchase Date: 2013/08/02	Purchase Price: R 5 000 000
		<p>This property is located in very close proximity to the subject property, adjacent to the R304. It comprises vacant arable land of 27.7170 hectares, including dam area of approximately 4 hectares and road reserve of approximately 3.2 hectares. Assuming that no value was attached to the road reserve, and effective area of approximately 24.5170 hectares indicates to a rate of approximately R 203 940 per hectare, which is indicative of arable land values of similar units. An upward adjustment would be justified for the efflux of time and perceived superior location of the subject property.</p>

Sale 7: Farm 1226 Malmesbury RD		
Land size: 46.4121 Ha	Purchase Date: 2013/07/18	Purchase Price: R 2 000 000
		<p>This vacant tract of land of 46.4121 hectares is located approximately 21 kilometres northwest of Stellenbosch along the R304. It comprises uncultivated natural veld. The selling price of R 2 000 000 represents a rate of R 43 092 per hectare. This sale is indicative of the rate to be applied to fallow land component of the subject property, with an upward adjustment justified for the efflux of time.</p>

1.1 Conclusion on Comparable Sales

The comparable properties listed above generally comprise small farms with similar utility to the subject properties, or components thereof. The location of these properties compare relatively well with the subject property. Based on analysis of the sales, and after making adjustments for the improvements and other value forming characteristics, a rate of R 300 000 per hectare was deemed appropriate to the arable land components, while a rate of R 50 000 per hectare can be applied to the renosterveld component. These rates are considered in keeping with the market and can be applied in the various land components, while the depreciated value of improvements can be added as per calculations hereunder.

8. VALUATION CALCULATION

Based on the market information listed in paragraph 7, the valuer is of the opinion that a rate of R 300 000 can be applied to the arable land component, while a rate of R 50 000 per hectare would be justified for the protected renosterveld. The value of the subject property can therefore be calculated as follows:


Description	Size (Ha)	R / Ha	Value
Arable land	4.10	R 300 000	1 230 000
Renosterveld	5.32	R 50 000	266 000
TOTAL	9.42		1 496 000
TOTAL (ROUNDED)	9.42		R 1 500 000

9. DECLARATION

I, Johan Klopper a registered Professional Valuer, declare that I have inspected the area to be valued and that I have conducted this valuation assignment to the best of my knowledge and skills. I have no present or contemplated interest in this property, and accordingly certify that this valuation was undertaken on a completely independent basis.

Based on the available information I am of the opinion that the fair and reasonable market value of the of Farm 377A Stellenbosch RD measuring approximately 9.42 hectares, as at 1 March 2018, amounts to **R 1 500 000**.

Signed at STELLENBOSCH on this the 6th day of March 2018.



J. Klopper
Professional Valuer (Reg. No. 6372/0)
Member of the SA Institute of Valuers

ANNEXURE A: TITLE DEED INFORMATION:

Printed: 2018/02/21 13:48

Deeds Office Property

windeed
A LexisNexis® Product

FARM 377, 377, 0 (REMAINING EXTENT) (CAPE TOWN)

GENERAL INFORMATION

Deeds Office	CAPE TOWN
Date Requested	2018/02/21 13:48
Information Source	DEEDS OFFICE
Reference	-



PROPERTY INFORMATION

Property Type	FARM
Farm Name	FARM 377
Farm Number	377
Portion Number	0 (REMAINING EXTENT)
Local Authority	STELLENBOSCH MUN
Registration Division	STELLENBOSCH RD
Province	WESTERN CAPE
Diagram Deed	STFH5-34/9/1863
Extent	78.6779H
Previous Description	-
LPI Code	CD6700000000037700000

OWNER INFORMATION

Owner 1 of 2

Company Type	LOCAL AUTHORITY
Name	MUN STELLENBOSCH
Registration Number	-
Title Deed	STF5-34/1863
Registration Date	1883/09/20
Purchase Price (R)	SECT 16
Purchase Date	-
Share	-
Microfilm Reference	2008 1551 1422
Multiple Properties	NO
Multiple Owners	NO

Owner 2 of 2

Company Type	LOCAL AUTHORITY
Name	MUN STELLENBOSCH
Registration Number	-
Title Deed	T36606/2006
Registration Date	-
Purchase Price (R)	TRANSFER BY ENDO
Purchase Date	-
Share	-
Microfilm Reference	2008 1569 1425
Multiple Properties	NO
Multiple Owners	NO

ENDORSEMENTS (4)

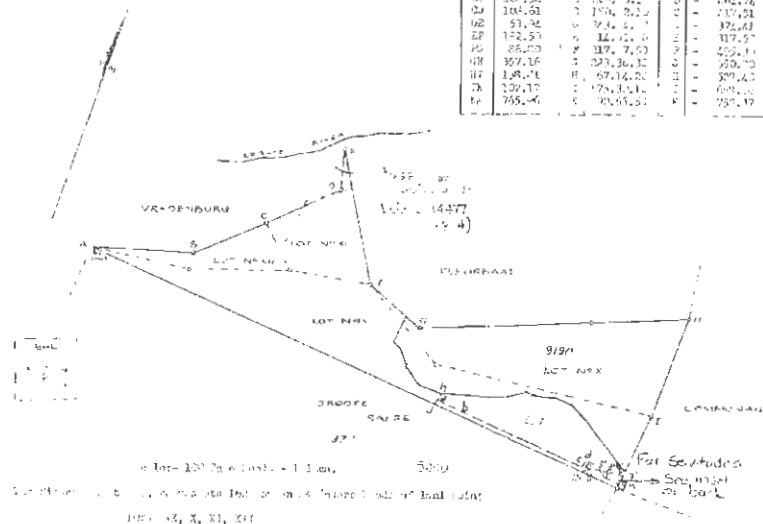
#	Document	Institution	Amount (R)	Microfilm
1	I-823/1957LG	-	UNKNOWN	
2	K782/1999S	-	UNKNOWN	1999 0471 2241
3	VA5685/2006	MUN STELLENBOSCH	UNKNOWN	2008 1569 1399
4	FARM ST 377	-	UNKNOWN	1985 0071 1745

ANNEXURE B: S.G. DIAGRAM(S):

9131/67

Handwritten signature and date: 16/10/19/17

Point	Y	X	Y	X
1	121.35	111.17	0	0
2	109.30	7.20	121.35	111.17
3	104.51	1204.21	109.30	7.20
4	91.94	724.11	104.51	1204.21
5	132.57	14.11	91.94	724.11
6	86.23	117.71	132.57	14.11
7	307.16	223.30	86.23	117.71
8	128.71	67.14	307.16	223.30
9	122.17	724.11	128.71	67.14
10	755.46	301.55	122.17	724.11



Scale 1:1000
 1 cm = 10 m
 1 m = 100 mm
 1 km = 1000 m
 1 ha = 10000 m²
 1 km² = 100 ha

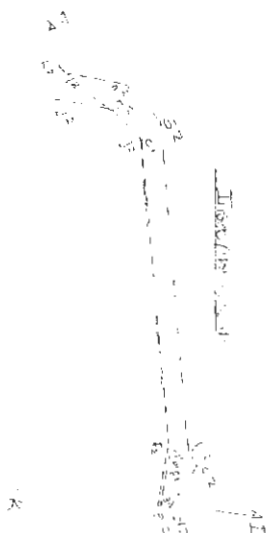
VR-DEBURN
 LOT 104
 LOT 105
 LOT 106
 LOT 107
 LOT 108
 LOT 109
 LOT 110
 LOT 111
 LOT 112
 LOT 113
 LOT 114
 LOT 115
 LOT 116
 LOT 117
 LOT 118
 LOT 119
 LOT 120
 LOT 121
 LOT 122
 LOT 123
 LOT 124
 LOT 125
 LOT 126
 LOT 127
 LOT 128
 LOT 129
 LOT 130
 LOT 131
 LOT 132
 LOT 133
 LOT 134
 LOT 135
 LOT 136
 LOT 137
 LOT 138
 LOT 139
 LOT 140
 LOT 141
 LOT 142
 LOT 143
 LOT 144
 LOT 145
 LOT 146
 LOT 147
 LOT 148
 LOT 149
 LOT 150
 LOT 151
 LOT 152
 LOT 153
 LOT 154
 LOT 155
 LOT 156
 LOT 157
 LOT 158
 LOT 159
 LOT 160
 LOT 161
 LOT 162
 LOT 163
 LOT 164
 LOT 165
 LOT 166
 LOT 167
 LOT 168
 LOT 169
 LOT 170
 LOT 171
 LOT 172
 LOT 173
 LOT 174
 LOT 175
 LOT 176
 LOT 177
 LOT 178
 LOT 179
 LOT 180
 LOT 181
 LOT 182
 LOT 183
 LOT 184
 LOT 185
 LOT 186
 LOT 187
 LOT 188
 LOT 189
 LOT 190
 LOT 191
 LOT 192
 LOT 193
 LOT 194
 LOT 195
 LOT 196
 LOT 197
 LOT 198
 LOT 199
 LOT 200

File 11/17
 16/10/19/17

Signature of Surveyor

The line 5 represents the 450/850 4470
 200kv line of an electric line
 One source
 Example 680/90 The line abiding & R 702/ 915
 451 represents the center
 limit of 2 Sources
 1/2 line 300m wide
 & 200/900 220/900
 Example 20 3883 10 The line abiding 21
 represents the source
 of the line of cable
 50/1000 100m wide

PROJECT	BUREAU	REVISIONS	DATE	BY
E1254112706/12	12	12	12	12
IDENTIFICATION MAPS				
1:50000 Scale				



S.No.	Area	Angle of Distance	SOUTH EAST 20		No.
			Y	X	
1	07.0	214.10	8.00	1150.00	Approved <i>[Signature]</i> Surveyor-General 1958
2	07.0	214.10	8.00	1150.00	
3	71.0	207.00	0.00	794.00	
4	171.1	217.00	10.00	7.00	
5	45.1	6.11	0.00	315.00	
6	135.0	20.00	0.00	8.10	

I.M.P. Scale 1/1000.
 0 50 100



DESCRIPTION

- 1. 1/4 Section 10 in survey 10
- 2. 1/4 Section 10 in survey 10
- 3. 1/4 Section 10 in survey 10
- 4. 1/4 Section 10 in survey 10

Scale 1: 1000

The figure A B C D represents 1000 Square Feet of land being

a separate area for a 1000 sq ft plot
 over the farm 1000/1000

situate in the Division of Stellenbosch Province of Cape of Good Hope.

Surveyed in 1957 by me

[Signature]
 Local Surveyor.

This diagram is annexed to The original diagram is File No. 2/126/1/1
 No. 710/1/1 annexed to S.R. No. E. 1235/56
 2/126/1/1 2/126/1/1 2/126/1/1
 Registrar of Deeds. LPI 00670004

CHUCK 400
 Security 35/1/1
 Farm

SERWITUUTKAART				KANTOORAFSKRIF			
SYE Meter		RIGTINGS -HOEKE		KOORDINATE Stelsel L _o 19°		L.G. No.	
		<u>Konstantes</u>		0,00		+3 700 000,00	
AB	95,17	278 11 50	A	+ 15 713,65	+ 59 856,03	L.G. No. 686/1996 Goedgekeur <i>Alfredus</i> Landmeter-generaal 1996 - 2 - 19	
BC	801,16	274 59 10	B	+ 15 619,46	+ 59 869,60		
CD	43,43	194 14 10	C	+ 14 821,33	+ 59 939,23		
DE	78,77	280 41 30	D	+ 14 810,65	+ 59 897,13		
EF	45,56	319 06 00	E	+ 14 733,24	+ 59 911,74		
FG	83,55	276 28 40	F	+ 14 703,41	+ 59 946,17		
			G	+ 14 620,40	+ 59 955,60		
AH	23,28	187 46 10	H	+ 15 710,51	+ 59 832,97		
AJ	6,34	358 58 00	J	+ 15 713,54	+ 59 862,37		
JK	4,78	95 06 10	K	+ 15 718,29	+ 59 861,94		
		(538) B.S.I.	Δ	+ 14 773,37	+ 59 243,79		
		(397) R	Δ	+ 10 477,40	+ 58 228,52		

BAKENBESKRYWINGS:
 B Middel van 'n 300mm asbespyp met metaaldeksel
 D 100mm Asbespyp gevul met beton, in beton
 Alle ander 16mm Ysterpen

Skaal: 1 / 7 500

Die figuur stel voor die middellyn van 'n Serwituutpyplyn, 3,00m wyd behalwe waar die Eiendomsgrens nader is as genoemde afstand vanaf die lyn, die wydte strek tot by die eiendomsgrens soos aangetoon oor die RESTANT VAN PLAAS No. 377 geleë in die Plaaslike Oorgangsraad en die Plaaslike Administratiewe Distrik STELLENBOSCH, Provinsie Wes-Kaap.

Opgemee in Des. 1995 deur my, *N. Loubser* Landmeter N Loubser 0892

Hierdie kaart is geheg aan No. <i>K 762/99</i> gedateer t.g.v. Registrateur van Aktes	Die oorspronklike kaart is. No. 9121/1957 geheg aan Transport/Grondbrief No. Stel. F. 5-34	Lêer No. Stel. 377 M.S. No. <i>E 255/96</i> Komp. BHSZ-31 IM31697 B
---	--	---

S

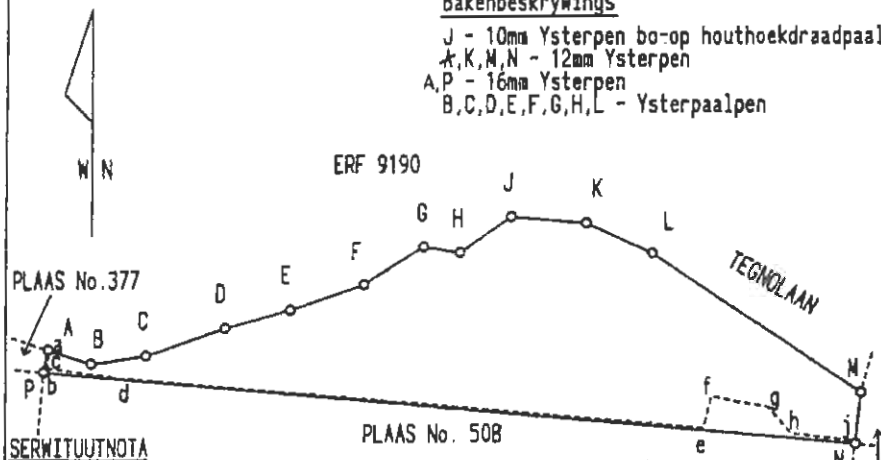
HUURKONTRAKKAART

KANTOORAFSKRIF

SYE Meter	RIGTINGS -HOEKE	KONSTANTE		KООORDINATE Y Stelsel Lo19 X		L.G. No. 77B/1999 Goedgekeur <i>T. J. van</i> nms Landmeter-generaal 1999-03-02
				+0,00	+3 700 000,00	
AB	61,04	287 42 00	A	+15 712,15	+59 832,44	
BC	75,66	262 24 20	B	+15 654,00	+59 851,00	
CD	113,84	251 33 50	C	+15 579,00	+59 841,00	
DE	92,18	254 54 30	D	+15 471,00	+59 805,00	
EF	105,30	251 44 10	E	+15 382,00	+59 781,00	
FG	94,34	237 59 40	F	+15 282,00	+59 748,00	
GH	50,64	279 05 20	G	+15 202,00	+59 698,00	
HJ	84,38	235 25 30	H	+15 152,00	+59 706,00	
JK	102,07	274 52 20	J	+15 082,52	+59 658,12	
KL	97,91	294 38 10	K	+14 980,82	+59 666,79	
LM	337,90	303 08 00	L	+14 891,83	+59 707,60	
MN	68,45	6 01 40	M	+14 608,87	+59 892,29	
NP	1 106,62	95 06 09	N	+14 616,06	+59 960,36	
PA	30,13	191 45 00	P	+15 718,29	+59 861,94	
		B. S. I.	Δ	+14 773,37	+59 243,79	
		BOTTELARY	Δ	+20 487,90	+53 160,17	

Bakenbeskrywings

- J - 10mm Ysterpen bo-op houthoekdraadpaal
- *K,M,N - 12mm Ysterpen
- A,P - 16mm Ysterpen
- B,C,D,E,F,G,H,L - Ysterpaalpen



SERWITUUTNOTA

Die stippellyn acb en cdefghj stel voor die middellyn van 'n SERWITUUTPYLYN, 3,00m wyd behalwe waar die eiendomsgrans nader is as genoemde afstand van die lyn, die wydte strek tot by die eiendomsgrans. Sien Diagram L.G. No. 686/1996

SKAAL 1: 7500

Die figuur A B C D E F G H J K L M N P

stel voor 16.2241 Hektaar grond, synde

HUURKONTRAKGEBIED No. 1 oor die Restant van PLAAS No. 377

Geleë in die Plaaslike Oorgangsraad en Administratiewe Distrik Stellenbosch
Opgemeet in Aug.1998 en Febr.1999
deur my

N. Loubser
N Loubser 0892 Pr. Landmeter

Provinsie Wes-Kaap

GOEDGEKEUR INPASTIGS ART. 25
VAN ORD. 15/1985
VERWYSING...ERF...9190
DATUM...1999-02-05

Hierdie kaart is geheg aan No. gedateer t.g.v.

Die oorspronklike kaart is No. 9131/1957 geheg aan Grondbrief No.Stel.F.5-34

Lêer No. Stel.377
M.S. No. 329/1999
Komp. BHSZ-31 (M3169)

Registrateur van Aktes

HUURKONTRAKKAART

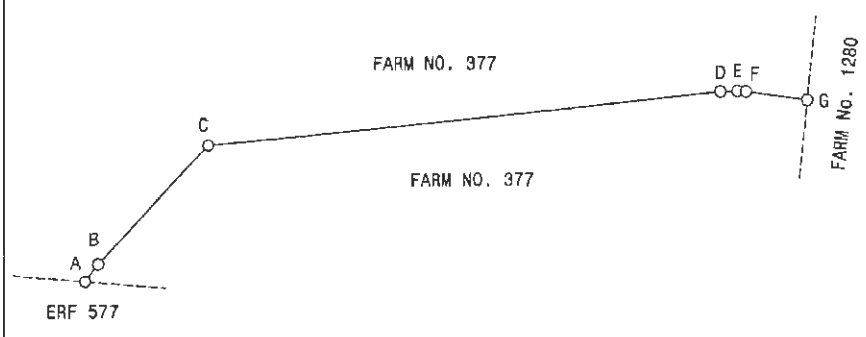
SERVITUDE DQM.

Friedlaender, Burger & Volkmann - Land Surveyors

SIDES Metres	ANGLES OF DIRECTION	CO-ORDINATES System WG 19°			S.G. No. 3983/2010
		Y	X		
Constants :		0,00		0,00	Approved. <i>[Signature]</i> for Surveyor - General Date : <i>29-11-2010</i>
AB	5,89	216 59 10	A + 14867,99	+ 3760242,80	
BC	43,93	222 49 20	B + 14864,44	+ 3760238,10	
CD	139,54	264 30 40	C + 14834,58	+ 3760205,88	
DE	4,67	268 56 40	D + 14695,68	+ 3760192,53	
EF	2,29	273 15 10	E + 14691,01	+ 3760192,44	
FG	16,79	278 02 10	F + 14688,73	+ 3760192,57	
			G + 14672,11	+ 3760194,92	
	404 PARADYS	△ +	10183,10	+ 3759563,40	
	538 B S I	△ +	14836,26	+ 3759543,11	

Beacon Descriptions

A G 12mm Iron peg
 All other beacons Planted concrete block



SCALE 1 : 1500

The line ABCDEFG represents the centre line
 of an electrical cable servitude 1,00 metres wide
over FARM NO. 377, STELLENBOSCH

Situate in the Stellenbosch Municipality
 Administrative District of Stellenbosch
 Surveyed in September 2010
 by me

Province of Western Cape
[Signature]
 D P Burger Pr Land Surveyor

PLS 0080

This diagram is annexed to No. Dated i.f.o. Registrar of Deeds	The original diagram is No. 9131/1957 Annexed to Stel.F. 5-34	File No. Stel.377 (V2) S.R. No. 1749/2010 Comp. BHSZ-31 (M3169) -BH-88GD (M3785) LPI C0670000
--	--	---

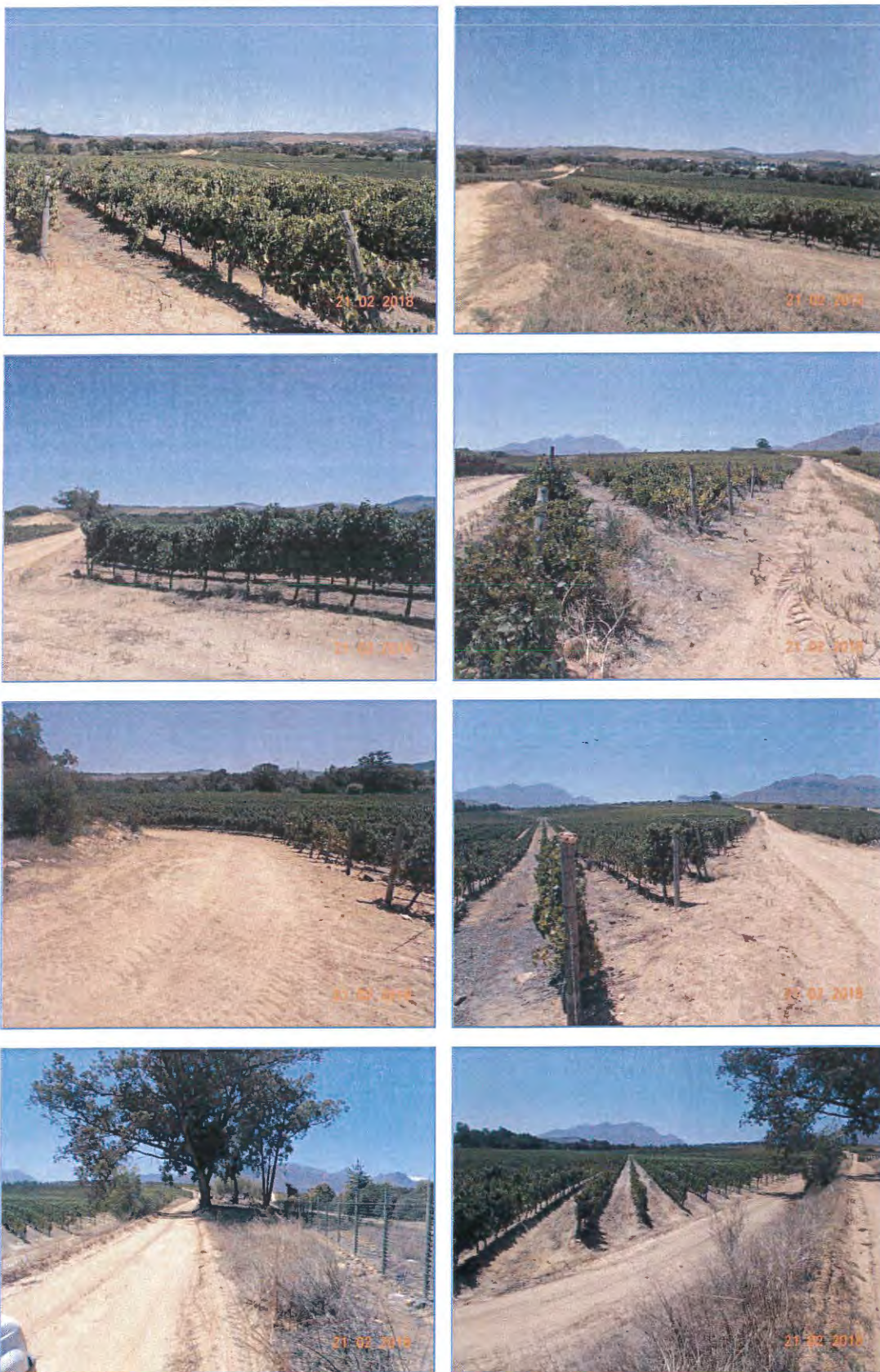
SERVITUDE DQM.

SERVITUDE DIAGRAM

SIDES Metres		ANGLES OF DIRECTION	CO-ORDINATES System WG 19°		S.G. No.	
		Constants :	Y	X	2706/2012	
AB	147,88	264 43 20	A + 14843,09	+ 3760197,47	Approved. <i>[Signature]</i> for Surveyor - General Date : 2012.12.10	
BC	7,25	235 42 20	B + 14695,84	+ 3760183,87		
CD	21,64	303 08 00	C + 14689,85	+ 3760179,78		
DE	5,14	6 01 40	D + 14671,73	+ 3760191,61		
EF	24,65	97 55 00	E + 14672,27	+ 3760196,73		
FG	136,92	84 37 20	F + 14696,69	+ 3760193,33		
GH	18,58	45 32 10	G + 14835,00	+ 3760206,35		
HJ	25,26	11 27 30	H + 14848,26	+ 3760219,36		
JK	14,59	95 06 10	J + 14853,28	+ 3760244,11		
KL	5,49	218 35 40	K + 14867,81	+ 3760242,82		
LM	25,67	191 27 30	L + 14864,39	+ 3760238,53		
MA	22,70	225 32 10	M + 14859,29	+ 3760213,37		
INDICATORY DATA						
ND	18,94	6 01 40	N + 14669,74	+ 3760172,78		
	9	HELD8G	Δ + 11049,63	+ 3767146,93		
	148	HELDW	Δ + 12058,73	+ 3767943,05		
Beacon Descriptions						
B Hole in paving						
D Not beacons						
All other beacons 12mm Iron peg						
servitude pipeline 1,00m wide, vide Dgm. 686/1996						
FARM No. 377						
electrical cable servitude 1,00m wide vide Dgm. 3983/2010						
FARM No. 377						
ERF 527 DE ZALZE						
SCALE 1 : 1500						
The figure ABCDEFGHJKLM represents an access servitude area of 2197 square metres, as shown <u>over Remainder Farm No. 377</u>						
Situat in the Stellenbosch Municipality Administrative District of Stellenbosch Surveyed in March 2012 by me						
Province of Western Cape						
PLS 0080 D P Burger Pr Land Surveyor						
This diagram is annexed to No. Dated i.f.o. Registrar of Deeds	The original diagram is No. 9131/1957 Annexed to Stel.F. 5-34		File No. S.R. No. Comp. BHSZ-31 (M3169) LPI C0670000			

SERVITUDE DIAGRAM

ANNEXURE C: PHOTOGRAPHS OF AFFECTED AREAS





End of report

APPENDIX 5



VALUATION REPORT

DETERMINATION OF THE MARKET VALUE OF:
PORTION OF FARM 387,
STELLENBOSCH REGISTRATION DIVISION,
WESTERN CAPE

Client:

STELLENBOSCH MUNICIPALITY

28 February 2018

Compiled by:

Johan Klopper

Professional Valuer

Member of the SA Institute of Valuers

BCom Law (University of Stellenbosch), NDip: Property Valuation (UNISA)



28 February 2018

Mr. Piet Smit
 Stellenbosch Municipality
 Property Management
 Plein Street
 Stellenbosch
 7600

VALUATION CERTIFICATE

I, the undersigned, Johan Klopper, Professional Valuer registered in terms of the Property Valuer's Profession Act, 2000 (Act No 47 of 2000) do hereby certify that I have inspected and valued the following immovable property namely:

<p>Portion of FARM 387, STELLENBOSCHL REGISTRATION DIVISION, in the WESTERN CAPE Measuring approximately 2 hectares</p>

I consider the market rate of the abovementioned property to be as follows:

<p>R 640 000 / Ha</p>	<p>Six Hundred and Forty Thousand Rand per hectare (Excluding VAT)</p>
-----------------------	---

As at: **1 March 2018**

Signed at Stellenbosch this 28th day of February 2018.

A handwritten signature in black ink, appearing to read "J. Klopper", is written over a horizontal line.

J. Klopper
 Professional Valuer
 Registration Number: 6372/0

PENDO PROPERTY SERVICES CC T/A PENDO PROPERTY VALUERS
 Reg. No. 2009/230603/23 • VAT Reg. No. 4530269028
 Member: J. Klopper

Verified Level 4 B-BBEE Contributor

VALUATION REPORT

1. GENERAL

1.1 INSTRUCTIONS

Instructions were received from Stellenbosch Municipality to determine the fair and reasonable market value of a portion of Remainder Farm Vlottenburg No. 387 Stellenbosch Registration Division, measuring approximately 2 hectares, which is to be acquired from the land owner by the Stellenbosch Municipality.

1.2 EFFECTIVE DATE OF VALUATION

1 March 2018

1.3 INSPECTION DATE

21 February 2018

1.4 DEFINITION OF MARKET VALUE

As per the International Valuation Standards Council, market value can be defined as follows:

The highest price that a willing and informed purchaser will pay a willing and informed seller in a normal open market transaction, when neither party is under the anxiety or compulsion to sell or purchase, other than their normal desire to transact.

1.5 CAVEATS

The valuer has assumed that the subject property and their values were unaffected by any statutory notice or condition of title where the title deeds have not been inspected.

Information regarding the subject property and comparable properties was received from local authorities and third parties. This information was received in good faith and it is assumed that the supplied information is correct, but no warranty as to the accuracy of this information can be made.

All plans included in this document are supplied for identification purposes only and are not necessarily to scale.

We have not carried out a structural survey, nor have we tested the service installations, woodwork or other parts of the structure which are covered, unexposed or inaccessible and are therefore unable to report that such parts of the property are free of rot, beetle or other defects. This valuation is therefore based on the assumption that the building is in a reasonable state of repair, unless expressly stated otherwise in this report.

In this report, the market value and any other values referred to exclude VAT.

Any possible contamination of the subject property as a result of an environmental incident has also not been taken into account, nor have we examined the cost of any remedial measures involved.

Neither all nor any part of this report shall be conveyed to the public or anybody other than the addressee or their principles through advertising, public relations, news sales or any other media without the written consent of the author. This valuation was performed for the purpose as stated in this report and should not be used for any other purpose.

2. PROPERTY AND OWNERSHIP DESCRIPTION

2.1 TITLE DEED INFORMATION

Description	REMAINDER OF THE FARM VLOTTENBURG NO. 387, STELLENBOSCH REGISTRATION DIVISION, in the PROVINCE of the WESTERN CAPE
Registered extent	77.6355 Hectares
Extent to be valued	± 2 Hectares
Registered owner	VREDENHEIM PTY LTD
Title Deed No	T17126/2010
Date of Registration	2010/04/16
Purchase Price	2008/09/04
Endorsements / Conditions of title	None noted that materially affect the area to be valued, but approved servitude diagram S.G. No. 2218/2012 was noted, which indicates a 8 meter wide access servitude over the area to be valued. The access servitude area appears to be in use but is not registered.
Mortgage bond(s)	None
S.G. Diagram(s)	S.G. No. 279/1814 S.G. No. 6380/1957 S.G. No. 14/1981 S.G. No. 4653/1998 S.G. No. 1608/2010 S.G. No. 2218/2012 S.G. No. 2819/2012
LPI Code	LPI code: C06700000000038700000

2.2 MUNICIPAL INFORMATION

Local Authority	Stellenbosch Municipality
Zoning	Agriculture
Municipal Valuation	GV2017: R 23 963 500 R 2 813 400 <u>R 2 474 100</u> R 29 251 000

3. PROPERTY LOCATION

The portion of Farm 387 to be valued is located approximately 6 kilometres west of the Stellenbosch CBD in the Vlottenburg node. The tract of land abuts the Vlottenburg Road, while existing lower income residential uses is located directly to the west, and an existing school is located directly to the north. Refer to the location map below.



4. DESCRIPTION OF THE SUBJECT PROPERTY

The area to be valued represents an oblong shaped tract of land measuring roughly 2 hectares (size to be confirmed following negotiation with landowner). The eastern portion, which is traversed by the Sanddrif Riiver, is relatively flat, while the western portion slopes down in an easterly direction. Three dilapidated dwellings are located on the western periphery, but were excluded for valuation purposes due to their rundown state. Refer to the aerial photograph below.



The Sanddrif River traverses the eastern portion of the area to be valued. Based on specialist freshwater assessments undertaken for the proposed development of Farm 387, a setback line of 15m to 20m from the top of the river banks was proposed for the Sanddrif River. Based on the aforementioned development constraints, the valuer estimates that not more than approximately 75% of the site is developable.

Also refer to **Annexure C** for photographs of the area to be valued.

5. HIGHEST AND BEST USE

Highest and Best Use is defined under the International Valuation Standards (IVSC) as "The most probable use of an asset which is physically possible, appropriately justified, legally permissible, financially feasible and which results in the highest value of the asset being valued".

The area to be valued forms part of a proposed mixed use development of the subject property. Given the limitations resultant from Sanddrif River crossing the area to be valued, as well as the adjoining low income housing, the valuer is of the opinion that low to medium income housing development represents the highest and best use of the area to be valued.

6. VALUATION APPROACH

The **Comparable Sales Method** is deemed the most appropriate valuation method to determine the market value of agricultural land. This approach is based on the principle of comparability and substitution. The assumption is that if similar assets in a similar market place have been sold at a particular value, then the comparable asset will also sell at a similar price.

7. MARKET INFORMATION

We liaised with the Cape Town Deeds Office to determine the sales and transfers in the vicinity of the subject properties. Comparisons were then made in terms of size, improvements, utilisation and potential of the land and date of sale, after which the necessary adjustments were made.

The following transactions were registered in the Deeds Office and serve as good comparisons in determining the market rate of the area to be acquired:

No	Description	Sale Date	Extent	Price (Ex VAT)	Rate/ha
1	Erf 268 Blue Downs	2017/06/26	1,7261	R 1 343 000	R 778 055
2	Erf 1319 Hagley	2017/02/03	1,3499	R 2 300 000	R 1 703 830
3	Erf 2555 & 3378 Eerste River	2016/06/14	5,7777	R 7 400 000	R 1 280 786
4	Erf 9419 Eerste River	2016/05/12	0,7670	R 500 000	R 651 890
5	Erf 9417 Eerste River	2016/05/12	3,4828	R 2 000 000	R 574 251
6	Erf 29654 & 29655 Blue Downs	2014/11/07	21,4377	R 16 000 000	R 746 349
7	Erf 1958 Hagley	2014/08/04	1,7142	R 2 180 000	R 1 271 730
8	Portion 3 of Farm 520 Cape RD	2014/06/18	0,8920	R 710 000	R 795 964
9	Portion 15 of Farm 597 Cape RD	2013/11/08	3,1836	R 2 200 000	R 691 042
10	Erf 358 Blue Downs	2013/08/30	2,9458	R 2 625 000	R 891 099

Note was also taken of the following unregistered sales.

No	Farmname	Sale_Date	Extent	Price (Ex VAT)	Rate/ha
1	Portion of Erf 1 Greenville Garden City	2017/09	8,8412	R 7 575 000	R 850 000
2	Portion of Erf 33683 Strand	2017/05	5,1550	R 3 866 250	R 750 000
3	Erf 27040 Bellville	2016/01	9,8021	R 7 850 000	R 800 849
4	Erf 1666 Greenville Garden City	2015/09	1,4405	R 1 225 000	R 850 399

Remarks and conclusion on market sales:

The listed registered sales generally ranged between R 650 000 and R 900 000 per hectare for development properties with similar potential. Outliers were also observed for superior properties, with sales up to approximately R 1 700 000 per hectare. These sales were however considered superior to the area to be valued. The unregistered sales indicated a sales range of R 750 000 to R 850 000 per hectare, with the most recent transactions concluded at R 850 000 per hectare.

Based on the aforementioned, and taking not of the various value forming characteristics, the valuer is of the opinion that a market rate of R 850 000 per hectare would be fair and reasonable for the area to be valued.

8. VALUATION CALCULATION

Because the exact acquisition area has not been finalised, the valuer was instructed to express the value as a per hectare rate. Analysis of the market information listed in paragraph 7 suggests that a rate of R 850 000 per hectare would be justified for lower income development land. Given the development constraints due to the Sanddrif River, it is estimated that not more than approximately 75% of the site is developable. This suggests that a proportional downward adjustment to R 637 500 (rounded to R 640 000) per hectare would be justified for the area to be valued.


Note: The market rate of R 850 000 per hectare would apply if the river component was excluded from the acquisition area.

9. DECLARATION

I, Johan Klopper a registered Professional Valuer, declare that I have inspected the area to be valued and that I have conducted this valuation assignment to the best of my knowledge and skills. I have no present or contemplated interest in this property, and accordingly certify that this valuation was undertaken on a completely independent basis.

Based on the available information I am of the opinion that the fair and reasonable market rate of the portion of Farm 387 Stellenbosch RD to be valued, as at 1 March 2018, amounts to R 640 000 per hectare.

Signed at STELLENBOSCH on this the 28th day of February 2018.


 J. Klopper
 Professional Valuer (Reg. No. 6372/0)
 Member of the SA Institute of Valuers

ANNEXURE A: TITLE DEED INFORMATION:

Printed: 2018/02/21 13:47

Deeds Office Property

windeed
A LexisNexis® Product

VLOTTENBURG, 387, 0 (REMAINING EXTENT) (CAPE TOWN)

GENERAL INFORMATION	
Deeds Office	CAPE TOWN
Date Requested	2018/02/21 13:40
Information Source	DEEDS OFFICE
Reference	-

PROPERTY INFORMATION	
Property Type	FARM
Farm Name	VLOTTENBURG
Farm Number	387
Portion Number	0 (REMAINING EXTENT)
Local Authority	WINELANDS DC
Registration Division	STELLENBOSCH RD
Province	WESTERN CAPE
Diagram Deed	STQ4-3/1818
Extent	77.6365H
Previous Description	-
LPI Code	CD6700000000038700000

OWNER INFORMATION	
Owner 1 of 1	
Company Type	COMPANY
Name	VREDENHEIM PTY LTD
Registration Number	199800737107
Title Deed	T17126/2010
Registration Date	2010/04/16
Purchase Price (R)	110,063,034
Purchase Date	2008/09/04
Share	
Microfilm Reference	2010 0074 0114
Multiple Properties	NO
Multiple Owners	NO

ENDORSEMENTS (8)				
#	Document	Institution	Amount (R)	Microfilm
1	EX117/1987-4/3/87-48	723/1986T (WOP)	UNKNOWN	
2	EX58/2015	VREDENHEIM PTY LTD	UNKNOWN	
3	I-2620/2015C	-	UNKNOWN	
4	K687/2011S	-	UNKNOWN	
5	K71/1999L	KIRSTEN EIENDOMSTRUST	UNKNOWN	1999 0068 5342
6	FARM ST 387	-	UNKNOWN	1985 0071 1773
7	GEN PROCD NAT MCNUME	NT 10/3/1975	UNKNOWN	
8	PTN'S OF ST RD 387(3	-12,14-29)	UNKNOWN	

HISTORIC DOCUMENTS (4)				
#	Document	Owner	Amount (R)	Microfilm
1	EX87/2013	-	UNKNOWN	
2	EX115/2013	-	UNKNOWN	
3	T36614/1973	VREDENBURG BOERDERY SELANGE	UNKNOWN	1986 1232 0779
4	T48723/1988	VREDENBURGH LANDGOED PTY LTD	1,400,000	2010 0074 0115

279/1814

THE FOLLOWING PRODUCTIONS HAVE BEEN MADE FROM THIS DRAWING

SURVEY NUMBER	DIAGRAM NO.	DATE	BY	SCALE	TEACHER NO.	INITIALS	REMARKS
256/2003	117/2012	17/08/12	P.N. SA	1:500			
256/2013	118/2012	17/08/12	P.N. SA	1:500			

		Area	Perimeter	Volume
Section 1 (Plot A)	77	125.7	1010-1120	
Section 1 (Zerston Link)	53	44	1820-1970	
Section 2 (Plot C)	1	37	9000 00-140-1135	
Plot 2				
Section 3 (Plot M.S.G.)				
Section 5				
Section 10				
Section 21				
Section 25				
Section 30				
Section 35				
Section 40				
Section 45				
Section 50				
Section 55				
Section 60				
Section 65				
Section 70				
Section 75				
Section 80				
Section 85				
Section 90				
Section 95				
Section 100				
Section 105				
Section 110				
Section 115				
Section 120				
Section 125				
Section 130				
Section 135				
Section 140				
Section 145				
Section 150				
Section 155				
Section 160				
Section 165				
Section 170				
Section 175				
Section 180				
Section 185				
Section 190				
Section 195				
Section 200				

SURVEY NUMBER	DIAGRAM NO.	DESCRIPTION	DEED	INITIALS
122/2012	277/2012	The line 27.37' x 22.16' rep- resents the centre line of a 300m wide pipeline servitude of the line 24.2m x 30m x 2.38 37' x 20' rep- resents the centre line of a 300 wide pipeline servitude		

1997 6180/57 The line 2.00' x 1.00' rep-
resents the centre line of
an electricity power line
servitude
The line 2.00' x 1.00' rep-
resents the centre line of an
electricity power line
servitude

SURVEY NUMBER	DIAGRAM NO.	DESCRIPTION	DEED	INITIALS
256/2003	117/2012	Withdrawn		
256/2013	118/2012	Withdrawn		
2702/10	1603/10	The line 2's represents the centre line of an electric power transmission servitude 300 m on each side of the line	2687/2013	PH
I Continue on other side				

Bladsy No * 2

LG No 279/1814

OPGAWE VAN HUURKONTRAKTE OOR:

~~ERF~~ / PLAAS VLOTTENBURG NR. 387

Toekenningsgebied / Administratiewe Distrik STELLENBOSCH

OPMETINGSTUK	KAARTNOMMER	HUURKONTRAK-NOMMER	MOEDER-HUURKONTRAK
E.349/1967	1336/1967	L1	
E.1973/1998	4653/1998	L2	K71/99 ⁽²⁾

~~ERF~~ / PLAAS 387
Stellenbosch.

SERVITUDE DGM.

SIDES Metres	ANGLES OF DIRECTION	CO-ORDINATES System WG 19°		S.G. No. 2218/2012
		Y	X	
	Constants :	0,00	0,00	Approved. <i>N. Coffen</i>
AB	7,07	266 17 20	A + 18755,89	+ 3758886,93
BC	8,00	311 17 20	B + 18748,83	+ 3758886,48
CD	7,07	356 17 20	C + 18742,82	+ 3758891,75
DA	18,00	131 17 20	D + 18742,36	+ 3758898,81
CE	25,58	221 17 20	E + 18725,94	+ 3758872,53
EF	32,65	204 40 20	F + 18712,31	+ 3758842,86
FG	13,53	221 17 20	G + 18703,38	+ 3758832,69
GH	26,09	236 25 40	H + 18681,64	+ 3758818,27
HJ	8,81	197 06 00	J + 18679,05	+ 3758809,84
JK	26,70	157 46 00	K + 18689,16	+ 3758785,13
KL	50,04	252 32 40	L + 18641,42	+ 3758770,12
	148	HELDW	△ + 12058,73	+ 3767943,05
	334	STEL 11	△ + 6520,29	+ 3763434,19
<p>1. The figure ABCD represents an access servitude area 65 square metres, as shown</p> <p>2. The lines CE, EF, FG and GH represent the South-eastern boundary of a 8,00 metres wide access servitude, as shown</p> <p>3. The line HJ represents the Eastern boundary of a 8,00 metres wide access servitude, as shown</p> <p>4. The line JK represents the North-eastern boundary of a 8,00 metres wide access servitude, as shown</p> <p>5. The line KL represents the Southern boundary of a 8,00 metres wide access servitude, as shown</p> <p style="text-align: center;">over REMAINDER FARM VLOTTENBURG NO. 387</p> <p>Situate in the Stellenbosch Municipality Administrative District of Stellenbosch Surveyed in February 2011 by me</p> <p style="text-align: right;">Province of Western Cape <i>D. P. Burger</i> Pr Land Surveyor</p>				
This diagram is annexed to No. Dated i.f.o. Registrar of Deeds		The original diagram is No. 279/1814 Annexed to Stel. Q. 4-3		File No. Stel 387 S.R. No. 1010/2012 Comp. BHSY-42 (M3188) LP! C0670000

Servitude Dgm. No.2218/2012

SERVITUDE DGM.

Friedlaender, Burger & Volkmann - Land Surveyors

Beacon Description

All beacons are 12mm iron pegs

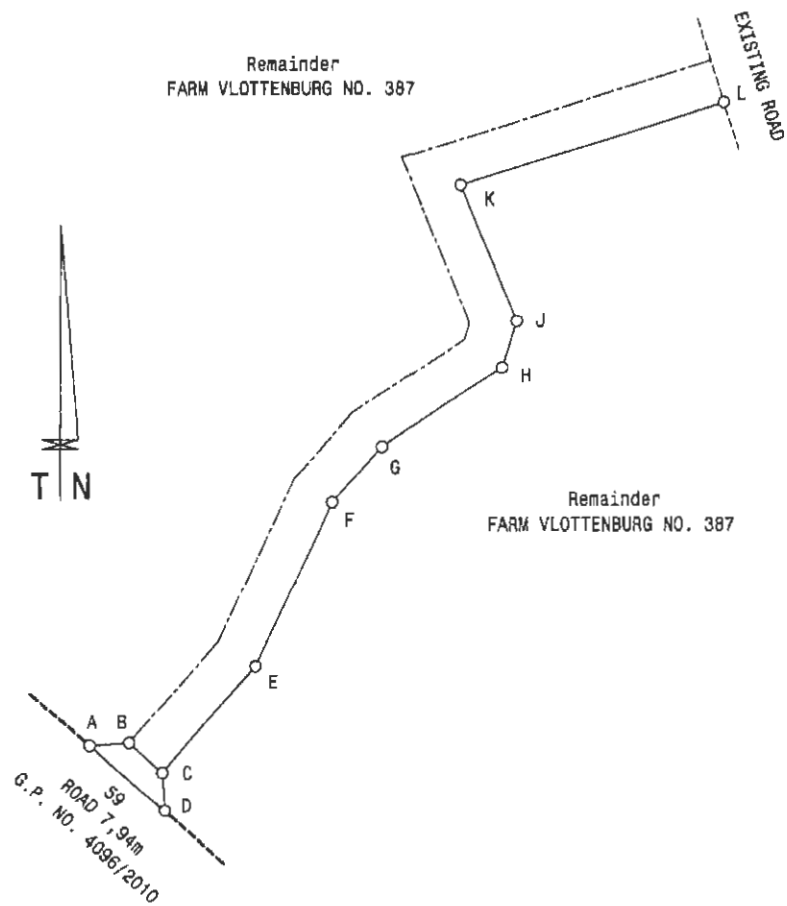
S.G. No.
2218/2012

Approved.

Nollen

for
Surveyor - General
Date : 18-10-2012

SHEET 2 OF 2 SHEETS



access servitude over REMAINDER FARM VLOTTENBURG NO. 387

Administrative District of Stellenbosch

Surveyed in February 2011
by me

D Burger

SCALE 1 : 1000

PLS 0080

D P Burger Pr Land Surveyor

Servitude Dgm No.2218/2012

ANNEXURE C: PHOTOGRAPHS OF AFFECTED AREAS





End of report

APPENDIX 6



2018-04-05

The Owner
 Vredenheim (Pty) Ltd
 PO Box 369
 Vlottenburg
 7600

Attention: Elzabé Bezuidenhout

Dear Ms Bezuidenhout

OFFER TO PURCHASE/EXCHANGE OF LAND: A PORTION OF REMAINDER FARM 387, STELLENBOSCH AND LEASE AREA 377A, STELLENBOSCH

Following our recent discussions regarding the possible acquisition of a portion of Remainder Farm 387, Stellenbosch, refers. You would recall that you have indicated at the meeting that you would consider such transaction, but preferably on the basis of an exchange of land, i.e. that you would like to acquire Lease Farm 377A (or at least a portion thereof).

Following the above discussion, we have appointed two (2) independent valuers to determine the fair market value of the properties under consideration, i.e.:

- a) A portion of Remainder Farm 387, Stellenbosch, measuring approximately 1.4ha in extent; and
- b) Lease Farm 377A, Stellenbosch, measuring 9.42 ha in extent.

They valued the properties as follows:

Name of valuer	Lease Farm (9.42 ha)	Portion of Remainder Farm 387 (1.4 ha)
Cassie Gerber Property Valuer cc	R100 000.00/ha (Excluding of VAT)	R875 00/ha (Excluding of VAT)
Pendo Property Valuers	R159 235.67/ha (excluding of VAT)	R850 00*/ha (Excluding of VAT)
Value of property	R1 221 000.00	R1 207 500.00

Should the above be taken as the fair market value of the properties, it means that the properties are almost equal in value, and an exchange of land could therefor be considered.

Please find hereto attached copies of the valuation reports as well as an Offer to Purchase.



Should you agree to this, please sign the Offer to Purchase, whereafter we will attend to the subdivision and transfer of the land parcels.

I await your feedback on this regard.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Piet Smit', is written over a horizontal dotted line. The signature is stylized and includes a vertical line extending downwards from the end of the signature.

PIET SMIT
MANAGER: PROPERTY MANAGEMENT



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Municipality - Munisipaliteit
Stellenbosch
25 APR 2018
Office of the Municipal Manager
Kantoor van die Munisipale Bestuurder

OFFER TO PURCHASE/EXCHANGE OF LAND AGREEMENT

Made and entered into by and between

STELLENBOSCH MUNICIPALITY

(Herein represented by **PETRUS DU PLESSIS SMIT**, in his capacity as Manager: Property Management, being duly authorised), hereinafter referred to as the **MUNICIPALITY**

And

VREDENHEIM (PTY) LTD

(Herein represented by Ekaab' Bezuidenhout, in his/her capacity as director, being duly authorised), hereinafter referred to as the **VREDENHEIM**

In relation to:

- a) A portion of Remainder Farm 387, Stellenbosch, measuring approximately 1.4ha in extent; and
- b) A portion of Lease Farm 377A, Stellenbosch, measuring approximately 9.42ha in extent.

Table of content		Pg
1.	Parties	3
2.	Definitions and interpretations	3
3.	Properties	4
4.	Offer	4
5.	Possession and occupation	4
6.	Transfer costs	5
7.	Transfer of property	5
8.	Definitive Sales Agreement	5
9.	Special Conditions	
10.	Suspensive Conditions	5
11.	Breach	6
12.	Magistrate's Court jurisdiction	6
13.	Domcillum and Notices	6
14.	Voetstoots	7
15.	Description of fees and no warranty to improvements	7
16.	Whole agreement	8

Adams

J. E. S.

ad
F. S.

PREAMBLE

WHEREAS VREDENHEIM is the owner of Remainder Farm 387, Stellenbosch;

WHEREAS the MUNICIPALITY is the owner of Lease Farm 377A, Stellenbosch;

WHEREAS the MUNICIPALITY has approach **VREDENHEIM** with the view of acquiring a portion of Remainder Farm 387, measuring approximately 1.4 ha in extent, to enable them to:-

- a) gain access to developments on Longlands and Digteby; and
- b) to develop the remainder portion with low-cost housing;

WHEREAS VREDENHEIM has indicated that they would consider such disposal to the **MUNICIPALITY**, but only on the basis on a exchange of land, that is for a portion of Lease Farm 377A, with more or less equal value, to be acquired by them;

WHEREAS the MUNICIPALITY has appointed two (2) independent valuers to advise them on the fair market value of the properties under consideration; and

WHEREAS the MUNICIPALITY would like to make a formal offer to **VREDENHEIM** to acquire a portion of Remainder Farm 387, Stellenbosch in exchange for a portion of Lease Farm 377A, Stellenbosch;

NOW THEREFOR the following offer is made:

1. Parties

- 1.1 The parties to this agreement are:
 - 1.1.1 Stellenbosch Municipality and
 - 1.1.2 Vredenheim (Pty) Ltd.

2. Definition and interpretations

In this contract, unless the context otherwise requires, the following terms have the following meanings assigned to them:

- 2.1 "*Seller*", in the relation to a portion of Remainder Farm 387, Stellenbosch means Vredenheim Estate (Pty) Ltd; and in relation to Lease Farm 377A, Stellenbosch means the Stellenbosch Municipality;
- 2.2 "*Purchaser*", in relation to apportion of Remainder Farm 387, Stellenbosch, means Stellenbosch Municipality; and in relation to Farm 377A, Stellenbosch, it means Vredenheim Estate (Pty) Ltd;
- 2.3 "*Properties*" means a portion of Remainder Farm 387, measuring approximately 1.4ha in extent, as shown on **APPENDIX 1** and Lease Farm 377A, Stellenbosch measuring approximately 9.42ha in extent, as shown on **APPENDIX 2**.
- 2.4 "*Date of occupation*" means the date of registration of transfer, or such other date that may be agreed upon between the parties
- 2.5 "*Acceptance date*" means a period which expires at 16:00 on the 21st day following the date of signature of this offer by **VREDENHEIM**, excluding the date of signature by the

Adams
 Digteby
 Wes

MUNICIPALITY, but including Saturdays, Sunday and Public Holidays, being the date and time by which **VREDEMHEIM** must accept the offer or it will lapse.

- 2.6 "The Contract" means the content of contract to be concluded between the parties following the acceptance by **VREDENHEIM** of this offer;
- 2.7 "MFMA" means the Local Government: Municipal Finance Management Act, No, 56 of 2003;
- 2.8 "Low Cost housing" means subsidised housing constructed with provincial funding to a standard not lower than the Digteby development;
- 2.9 The masculine gender included the feminine and neuter genders and *vice versa*
- 2.10 Words in the singular include the plural and *vice versa*; and
- 2.11 Headings are provided for reference purposes only and are not to be taken into account in the interpretation of any provision hereof.

3. PROPERTIES

- 3.1 The property to be acquired by the **MUNICIPALITY** is a portion of Remainder Farm 387, Stellenbosch, measuring approximately 1.4ha in extent; and
- 3.2 The property to be disposed of to **VREDENHEIM** is a portion of Lease Farm 377A, measuring approximately 9.42ha in extent; both properties still to be surveyed

4. OFFER

- 4.1 The **MUNICIPALITY** hereby offers to purchase the property, being a portion of Remainder Farm 387, Stellenbosch from **VREDENHEIM** for an amount of R852 500.00/ha; and
- 4.2 The **MUNICIPALITY** hereby offer to dispose of the property, being a portion of Lease Farm 377A, Stellenbosch, to **VREDENHEIM** at an amount of R129 617.83/ha.
- 4.3 It is specifically recorded that the final purchase prices will be determined once the properties has been surveyed and subdivided.
- 4.4 The sales prices of the properties will be set-off against each other; the owner of the property with the lowest rand value, based on the actual size of each property, will pay to the other party the difference in rand value on date of registration of such transfer to their name.
- 4.5 This offer is open for acceptance until 16:00 on the acceptance date, shall not be capable of withdrawal prior thereto and, if not accepted by such date, shall lapse.

5. POSSESSION AND OCCUPATION

5.1 Subject to the Purchaser:-

- 5.1.1 having paid all costs which the Purchaser is liable to pay in terms of this contract in order to take transfer, and
- 5.1.2 having signed all documents of transfer that may be required to be signed by the Seller's conveyance; and
- 5.1.3 not being in breach of any term of this contract,

the Purchaser shall be entitled to and shall be given occupation of the property on the date of occupation.

Handwritten signatures and initials, including what appears to be 'Adams', 'J. Eby', and 'F. J. H.'.

- 5.2 The benefit, risk, profit and loss of the property shall pass to the Purchaser on occupation of transfer provided however that the liability for payment of rates and taxes and like charges levied upon and/or in respect of the property by the local authority having jurisdiction shall pass to the Purchaser on the date of registration of transfer.
- 5.3 The Purchaser shall reimburse the Seller for rates and taxes and other Imposts paid in advance upon the property beyond the date provided in 5.2
- 5.4 If the date of occupation precedes the date of transfer the Purchaser shall not be entitled to effect any changes, or improvements, to the Property before the date of transfer without the prior written consent of the Seller.
- 5.5 It is specifically recorded that no occupational interest will be payable by one party to the other.
- 6. TRANSFER COSTS**
- 6.1 The Purchaser shall be liable for all costs of transfer including Attorney's and Conveyance's charges, stamp and other duties, Deeds Office levies and all other charges and disbursements relating thereto and insofar as payable, VAT on all or any portion of the transfer costs and charges, and shall deposit such costs with the Seller's conveyance's upon demand but in any event by no later than the guarantee date.
- 7. TRANSFER OF THE PROPERTY**
- 7.1 The Seller shall transfer the property to the Purchaser within a reasonable time after the Purchaser has complied with all their obligations in terms of this contract. The **MUNICIPALITY'S** Conveyancers shall affect transfer of properties.
- 8. DEFINITIVE SALES AGREEMENTS TO BE CONCLUDED**
- 8.1 As soon as the respective properties have been surveyed and the parties have agreed on the exact sizes of the properties, the final purchase prices will be determined, based on the per square hectare prices set out in clause 4 of this agreement.
- 8.2 Following the determination referred to in paragraph 8.1, two (2) definitive Sales Agreements will be concluded by the parties for the respective properties.
- 8.3 The parties undertook to sign all such agreements and documents necessary to effect such transfers.
- 9. SPECIAL CONDITIONS**
- 9.1 The parties specifically agree on the following:
- 9.1.1 The **MUNICIPALITY** will not allow any squatting on the property acquired in terms of this agreement; it will only be used for the purpose of a low-cost housing development;
- 9.1.2 Following the successful development of the property **VREDENHEIM** will have the right of nominating three (3) beneficiaries for the project, insofar as they qualify for housing subsidy;

Adams
 J. E. B.
 R. S.
 F. W.

any financial shortfall will be for their account. Alternatively only serviced sites will be made available to them; and

9.1.3 With the development of the property the MUNICIPALITY will, at it's cost, erect a boundary fence on the Eastern boundary of the property, i.e. between the development and the river.

and maintain a cleavure or similar

10. **SUSPENSIVE CONDITIONS**

9.1.4 The provisions of clauses 9.1.3 and 2.8 are material conditions which goes to the root of the contract.

10.1 The parties agree that this agreement shall only take effect upon the fulfilment of the following suspensive conditions.

10.1.1 The Municipal Council of Stellenbosch must approve of the disposal of a portion of Lease Farm 377A to VREDENHEIM in terms of Section 14 of the MFMA; and

10.1.2 The sub-division of the properties referred to in par. 3 must be approved in terms of the relevant legislation.

11. **BREACH**

11.1 If a Party breaches a material provision of this agreement, and fails to remedy such breach within 10 days of the date of receipt of a written notice from the aggrieved Party requiring him to do so, the aggrieved Party will be entitled to any remedy available in law, without further notice, including the right of the Seller to:

11.1.1 Claim payment of the outstanding balance of the purchase price; or

11.1.2 cancel this agreement and keep all amounts paid by the Buyer as *roukoop* (damages), and the Buyer will not be entitled to compensation from the Seller for improvements he caused on the property, whether with or without the Seller's consent.

12. **MAGISTRATE'S COURT JURISDICTION**

Any action which a party may desire to institute for the enforcement of any right conferred by this agreement, may, at the option of the party instituting proceedings, be instituted in the Court of any Magistrate having jurisdiction in respect of the other party in terms of Section 28(1) of the Magistrate's Court Act, to the jurisdiction of which court all the parties hereto consent in terms of Section 45 of the said Act or of the provisions of any substituted or amended legislation.

13. **DOMICILIUM AND NOTICES**

13.1 For the purposes of any notices to be given to, or of any legal proceedings to be instituted the parties hereto hereby choose *domicilium citandi et executandi* as follows:

13.1.1 The **MUNICIPALITY**

Street Address:

The Civic Centre

Pleinstreet

Adams
ely

ely
Adams

Adams
ely
Adams

Stellenbosch
7600
Postal address:
PO Box 17
Stellenbosch
7600

13.1.2 VREDENHEIM

PO Box 369..... and Vredenheim Farm
R310, Vlootenburg,
Stellenbosch
Stellenbosch
7600

13.2 Any notice in terms hereof may be delivered to the party to whom it is sent personally or by pre-paid registered post. In the event of the latter, the notice shall be deemed to have been received on the fourth day after posting of said notice to such party's chosen *domicilium citandi et executandi* unless earlier delivery is proved.

14. VOETSTOOTS

14.1 The Purchaser purchases the property to the extent such as it now lies "voetstoots" subject to such conditions and servitudes as are mentioned or referred to in the current Title Deeds or which have been imposed by law and which are otherwise of application thereto. The Seller shall not profit by any excess nor be answerable for any deficiency in the nature of extent of the property. The Seller, however, warrants and declares that it is not aware of any latent defects, material to this offer, in the property which have not been disclosed to the Purchaser.

15. DESCRIPTION OF BEACONS AND NO WARRANTY RE IMPROVEMENTS

15.1 If there is an error in the description of the property which is common to the parties such error shall not be binding on the parties who shall in such event be entitled to rectification hereof to describe the property as set out in the Seller's Title Deed.

15.2 The Seller shall not be required to indicate to the Purchaser the position of the beacons and/or pegs upon the land, and/or the boundaries thereof, nor shall the Seller be liable for the costs of location or relocating the same.

15.3 The Seller does not warrant that improvements erected on the property have been erected in accordance with approved building plans or those such improvements, generally comply with laws and regulations relating to such improvements.

16. WHOLE AGREEMENT

16.1 This contract constitutes the entire agreement between the parties and the parties who acknowledge that there have been no verbal warranties or representations other than such as are herein contained or referred to. Nothing at variance with the terms hereof shall be binding unless reduced to writing and signed by the parties or their representatives who shall in turn be properly authorized in writing. No waiver shall be of any force or effect unless in writing and signed by the party so waiving.

THUS DONE AND SIGNED at Stellenbosch on this the 18th day of April 2018
at 16:00 am/pm

AS WITNESSES

1. [Signature]
2. [Signature]

[Signature]
For and on behalf of the MUNICIPALITY

THUS DONE AND SIGNED at Stellenbosch on this the 03rd day of May 2018
at 12:00 am/pm

AS WITNESSES

1. [Signature]
2. [Signature]

[Signature]
For and on behalf of VREDENHEIM

N



Adam

[Handwritten signature]

[Handwritten signature]

Satellite



Area: 14137m² X

Adang

Edy

[Handwritten signature]

APPENDIX 7

WinDeed Database Deeds Office Property

windeed

A LexisNexis® Product

FARM 377, 377, 0 (REMAINING EXTENT) (CAPE TOWN)

GENERAL INFORMATION

Date Requested 2018/05/04 12:33
 Deeds Office CAPE TOWN
 Information Source WINDEED DATABASE
 Reference -

**PROPERTY INFORMATION**

Property Type FARM
 Farm Name FARM 377
 Farm Number 377
 Portion Number 0 (REMAINING EXTENT)
 Local Authority STELLENBOSCH MUN
 Registration Division STELLENBOSCH RD
 Province WESTERN CAPE
 Diagram Deed STF5-34/9/1883
 Extent 78.6779H
 Previous Description -
 LPI Code C06700000000037700000

OWNER INFORMATION**Owner 1 of 2**

Type LOCAL AUTHORITY
 Name MUN STELLENBOSCH
 ID / Reg. Number -
 Title Deed STF5-34/1883
 Registration Date -
 Purchase Price (R) 0
 Purchase Date -
 Share 0.00
 Microfilm 2006 1881 1465
 Multiple Properties NO
 Multiple Owners NO

Owner 2 of 2

Type LOCAL AUTHORITY
 Name MUN STELLENBOSCH
 ID / Reg. Number -
 Title Deed T36696/2006
 Registration Date -
 Purchase Price (R) TRANSFER BY ENDO
 Purchase Date -
 Share 0.00
 Microfilm 2006 1869 1425
 Multiple Properties NO
 Multiple Owners NO

ENDORSEMENTS (4)

#	Document	Institution	Amount (R)	Microfilm
1	I-623/1957LG	-	UNKNOWN	-
2	K762/1999S	-	UNKNOWN	1999 0471 2241
3	VA5665/2006	MUN STELLENBOSCH	UNKNOWN	2006 1869 1399
4	FARM ST 377	-	UNKNOWN	1985 0071 1745

HISTORIC DOCUMENTS

No documents to display

DISCLAIMER

This report contains information gathered from the WinDeed database and we do not make any representations about the accuracy of the data displayed nor do we accept responsibility for inaccurate data. LexisNexis will not be liable for any damage caused by reliance on this report and for legal purposes encourage validation on ownership details with the Deeds Office. This report is subject to the terms and conditions of the [WinDeed End User Licence Agreement \(EULA\)](#).

APPENDIX 8

Printed: 2018/05/04 13:00

Deeds Office Property



A LexisNexis™ Product

VLOTTENBURG, 387, 0 (REMAINING EXTENT) (CAPE TOWN)

GENERAL INFORMATION

Deeds Office CAPE TOWN
Date Requested 2018/05/04 13:00
Information Source DEEDS OFFICE
Reference -



PROPERTY INFORMATION

Property Type FARM
Farm Name VLOTTENBURG
Farm Number 387
Portion Number 0 (REMAINING EXTENT)
Local Authority WINELANDS DC
Registration Division STELLENBOSCH RD
Province WESTERN CAPE
Diagram Deed STQ4-3/1818
Extent 77.6355H
Previous Description -
LPI Code C0670000000038700000

OWNER INFORMATION

Owner 1 of 1

Company Type COMPANY
Name VREDENHEIM PTY LTD
Registration Number 199500737107
Title Deed T17126/2010
Registration Date 2010/04/16
Purchase Price (R) 110,083,034
Purchase Date 2008/09/04
Share
Microfilm Reference 2010 0074 0114
Multiple Properties NO
Multiple Owners NO

ENDORSEMENTS (8)

#	Document	Institution	Amount (R)	Microfilm
1	EX117/1987-4/3/87-48	723/1986T (WOP)	UNKNOWN	
2	EX56/2015	VREDENHEIM PTY LTD	UNKNOWN	
3	I-2620/2015C	-	UNKNOWN	
4	K687/2011S	-	UNKNOWN	
5	K71/1999L	KIRSTEN EIENDOMSTRUST	UNKNOWN	1999 0086 5342
6	FARM ST 387	-	UNKNOWN	1985 0071 1773
7	GEN PROCD NAT MONUME	NT 10/3/1976	UNKNOWN	
8	PTN'S OF ST RD 387(3	-12,14-29)	UNKNOWN	

HISTORIC DOCUMENTS (4)

#	Document	Owner	Amount (R)	Microfilm
1	EX87/2013	-	UNKNOWN	
2	EX115/2013	-	UNKNOWN	
3	T36614/1973	VREDENBURG BOERDERY BELANGE	UNKNOWN	1986 1232 0779
4	T48723/1986	VREDENBURGH LANDGOED PTY LTD	1,400,000	2010 0074 0115

DISCLAIMER

This report contains information gathered from our suppliers and we do not make any representations about the accuracy of the data displayed nor do we accept responsibility for inaccurate data. WinDeed will not be liable for any damage caused by reliance on this report. This report is subject to the terms and conditions of the [WinDeed End User Licence Agreement \(EULA\)](#).

5.5.4	PROPOSED CEDING OF LONG TERM LEASE AGREEMENTS: LEASE FARMS 502AX, AY AND BC: HELDERVALLEY FARMING ASSOCIATION
-------	--

Collaborator No:

IDP KPA Ref No:

Meeting Date:

18 July 2018

1. SUBJECT: PROPOSED CEDING OF LONG TERM LEASE AGREEMENTS: LEASE FARMS 502AX, AY AND BC: HELDERVALLEY FARMING ASSOCIATION

2. PURPOSE

To obtain Council's approval for the ceding of 3 long term Lease Agreements to the Heldervalley Farming Association. Alternatively, that Council approve, in principle, that a new long-term lease be concluded with Heldervalley Farming Association.

3. DELEGATED AUTHORITY

In terms of the approved System of Delegation the Executive Mayor, in consultation with Mayco, has the delegated authority to consider the ceding of Lease Agreements (See delegation 537).

Should this application, however, be treated as a new agreement on a private treaty basis (i.e. not a ceding of rights), only Council can make the decision.

4. EXECUTIVE SUMMARY

Stellenbosch Municipality concluded three (3) long-term Lease Agreements with HC Myburgh Boerdery on 1 April 1991.

During 2013 Mr Myburgh approached the Municipality with a written request to cede the lease agreements to the Heldervalley Farming Association.

Before a formal agreement in this regard could be reached, Mr Myburgh passed away. Although the ceding was never formalised, the Heldervalley Farming Association used the land for farming purposes as from 2008.

The Heldervalley Farming Association, through the Heldervalley Community Forum, has now requested that the matter be finalised.

5. RECOMMENDATIONS

- (a) that the properties listed in paragraph 6.1.1 be identified as land **not needed for own use** during the period for which such rights are to be granted, as provided for in Regulation 36 of the Asset Transfer Regulation 5;
- (b) that Council approves, **in principle**, that a long term Lease Agreement (until 2041) be concluded with the (to be established) Heldervalley Farming Association on a private treaty basis as provided for in Regulation 34 (1) (b), but subject thereto that Council's intention so to act be advertised for public inputs/comments, as provided for in paragraph 9.2.2 of the Property Management Policy; and
- (c) that Council approves, in principle, the rental at 20% of market value, (R2194.23), i.e. R438.85ha/annum, as provided for in paragraph 22.1.4 of the Property Management Policy (below market value rental).

6. DISCUSSION / CONTENTS

6.1 Background

6.1.1 Conclusion of Lease Agreements

On 1 April 1991 Stellenbosch Municipality concluded three (3) long term Lease Agreements with HC Myburgh Boerdery in relation to the following properties:

Property description	Size	Water rights	Contract period
Lease Farm 502 AX	6.96 ha	2.3ha	1991-04-01 to 2041-03-31
Lease Farm 502AY	4.28 ha	1.3ha	1991-04-01 to 2041-03-31
Lease Farm 502 BC	8.5 ha	2.5ha	1991-04-01 to 2041-03-31

6.1.2 Location and context

The Lease Areas form part of the bigger Farm 502, situated to the South of the Annandale Road, as shown on Fig 1 and 2, below.

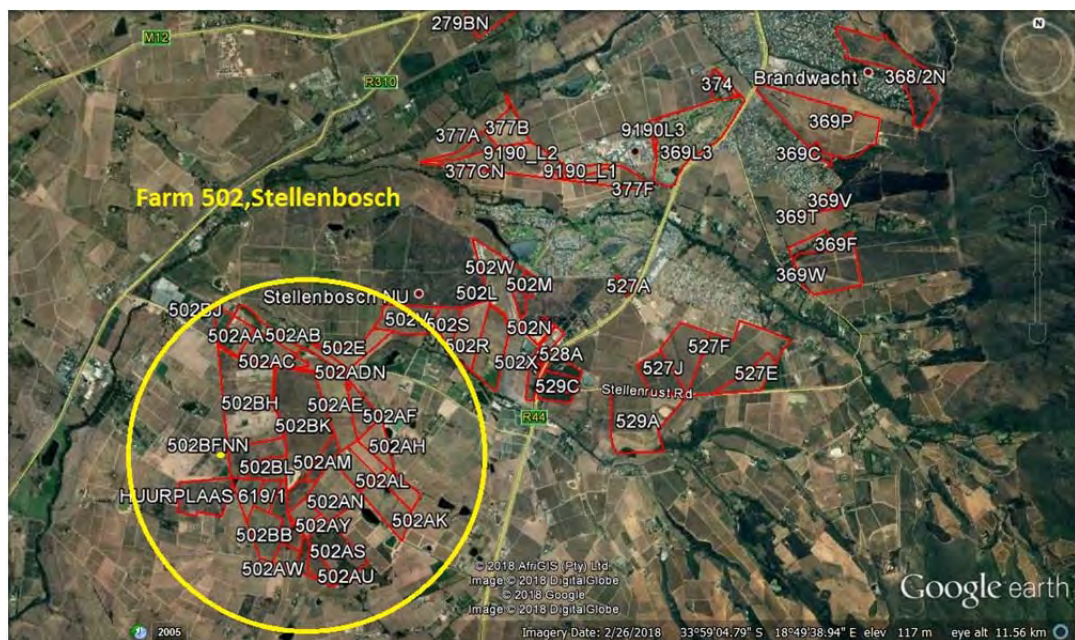


Fig 1: Location and context



Fig 2: Extent of properties

6.1.3 Request to cede lease agreements

During 2013 a written request to cede the lease agreements to the Heldervalley Farming Association was received from Mr Johan Myburgh, on behalf of HC Myburgh Boerdery.

At the time members of the Heldervalley Farming Association were already using the land as per an agreement concluded between Mr Myburgh, the Farming Association and the Provincial Department of Agricultural (although never formally approved as a sub-lease by Stellenbosch Municipality).

Due to the dispute between the parties with regard to outstanding monies, negotiations did not go well at the time. This department was not in favour of ceding these responsibilities to the Heldervalley Farming Association, and Mr Myburgh indicated that he cannot be hold responsible, as the Farming Association was benefitting from the land.

Before an agreement could be reached (to be referred to Council for a decision), Mr Myburgh suddenly passed away.

This department later met with the Attorney handling the estate of the late Mr Myburgh, explaining that the proposed cedings were never concluded, and that they should indicate in writing whether they would like to proceed with the process. Notwithstanding a number of follow-up requests, they never came back to us.

During 2015 further attempts were made, by involving the late Mr Myburgh's brother, to finalise the matter, but without success.

In the meantime the contracts were "*kept alive*" because of this outstanding matter.

6.1.4 New request for the ceding of lease agreements: Heldervalley Farming Association

Hereto attached as **APPENDIX 1** a self-explanatory letter received from the Heldervalley Farming Association, requesting that the lease agreements be ceded to them, as they are utilising the land from 2008. This would enable them to approach Government for financial assistance and would provide them with legal certainty.

6.1.5 Ceding of agreements *vis-à-vis* conclusion of new agreement on a private treaty basis

The legal concept of a cession or assignment of a lease agreement is where, by agreement, and after obtaining the written consent of the landlord (Lessor), the Lessee (cedent) surrender or transfer its rights and/or obligations to a third party (cessionary). Once the cession is effected, the cedent falls out of the picture and the cessionary effectively becomes the (new) Lessee.

The legal requirements for a valid cession are:

- a) Written consent by the landlord, if the Lease Agreement provided therefor;
- b) Agreement * between the cedent and the cessionary to give and accept transfer of the rights (and obligations); and
- c) Compliance with any formalities in law;

*Although an agreement for a cession or assignment need not to be in writing, it is always preferable. The only requirement is that the parties must have consensus (*wilsooreenstemming*) on the terms and conditions of such an agreement.

In the circumstances under discussion:

- a) The Lessee (Myburgh) indeed requested the written consent of the Lessor (Stellenbosch Municipality);
- b) Consensus on the proposed ceding was indeed reached, but agreement was never reached on the issue of taking over the obligations (outstanding debt) of the Lessee. For this reason no agreement was ever concluded.

From the above it is clear that, legally speaking, **a cession or assignment of the Lease Agreements is not possible anymore** as the Lessee (Myburgh) has passed away and his estate never took responsibility for the obligations (outstanding debt). In the mean-time his estate has been finalised.

An **alternative approach** would be to conclude a new Lease Agreement with the Heldervalley Farming Association, on the basis of a private treaty agreement* i.e. without following a public competitive process, taking into account the history of the process to date, and taking into account that they are already using the land from as far back as 2008.

*At the time of their application (November 2017) the then SCM Policy, however, did not allow for such a process. Rights in municipal land could only be awarded after following a public competitive process. The new Property Management Policy, however, now allows Council to dispense with a competitive process under certain circumstances, subject to certain conditions (see paragraph 6.2.2.3 for more detail).

6.2 Discussion

6.2.1 Outstanding debt (current Lease Agreements)

The current outstanding debt on the three Lease Agreements is as follows:

- Lease Farm 502 AY: R122 116.45
- Lease Farm 502 AX: R141 566.34
- Lease Farm 502 BC: R219 784.20

Total R483 466.99

Should Council agree to a new Lease Agreement with the Heldervalley Farming Association, it is recommended that the outstanding rental of Mr Myburgh be written off, as there can be no legal claim against the Heldervalley Farming Association for this outstanding debt, as no agreement in this regard was ever concluded (although they were the *de facto* beneficiaries since 2008).

6.2.2 Legal regime

6.2.2.1 Contractual arrangement

Although the Lease Agreements allow for a cession or assignment of the Lease Agreements, for the reasons set out in paragraph 6.1.5 (*supra*), this option is no longer available.

6.2.2.2 Asset Transfer Regulations

In terms of Section 34 (1) of the ATR a Municipality may grant a right to use, control or manage a capital asset only after-

- a) The Accounting officer has concluded a public participation process*; and

b) The municipal council has approved in principle that the right may be granted.

*Sub regulation (1) (a) (public participation process), however, must be complied with only if-

a) The capital asset in respect of which the right is to be granted has a value in excess of R10M*; and

b) A long-term right is proposed to be granted (i.e. longer than 10 years).

*None of the land parcels has a value in excess of R10M.

In terms of Regulation 36, the municipal council must, when considering such approval, take into account:

a) whether such asset may be required for the municipality's **own use** during the period for which such right is to be granted;

b) the extent to which any compensation to be received will result in a significant economic or **financial benefit** to the municipality;

c) the **risks and rewards** associated with such right to use; and

d) the **interest of the local community**.

In terms of Regulation 41, if an approval in principle has been given in terms of regulation 34 (1)(b), the municipality (read Mayco) may grant the right only in accordance with the **disposal management system*** of the municipality, irrespective of:-

a) the value of the asset; or

b) the period for which the right is granted.

*The Policy on the Management of Council-owned property is deemed to be Stellenbosch Municipality's Disposal Management System.

6.2.2.3 Policy on the Management of Council owned property

In terms of paragraph 9.2.2 of the Policy, the Municipal Council may **dispense** with the prescribed, **competitive process**, and may enter into a **private treaty agreement** through any convenient process, which may include **direct negotiations**, but only in **specific circumstances**, and only after having **advertised** Council's intention so to act.

One of the circumstances listed in (l) is **lease contracts with existing tenants**. In the current circumstances, however, the Heldervalley Farming Association is not the legal tenants, although they are occupying the land since 2008. For this reason this stipulation cannot be used as a basis for dispensing with the prescribed, competitive process.

Another condition is listed in paragraph 9.2.2.1 (e), and reads as follows:

"(e) *in **exceptional cases** where the Municipal Council is of the opinion **the public competition would not serve a useful purpose** or that it is in the interest of the community and the Municipality, and where none of the conditions as set out in the policy provides for such exception, is permitted, and where they are not in conflict with any provision of the policy. In such cases reasons for preferring such out-of hand sale or lease to those by public competition, must be recorded*".

Under the circumstances described above, this Department is of the view that a direct Lease Agreement with the Heldervalley Farming Association would fall into this criteria. For this reason it is recommended that Council approve, in principle, the conclusion of a Long Term Lease Agreement (up to 2041) with the Heldervalley Farming Association on a private treaty basis, subject thereto that Council's intention so to act be advertised for public inputs/objections.

Further, in terms of paragraph 9.2.2.2, the reasons for any such deviation from the competitive process must be recorded.

In terms of paragraph 22.1.4 the fair market rental will be determined by the average of the valuations sourced from two service providers, **unless determined otherwise** by the Municipal Manager, taking into account the estimated rental(s) *vis-à-vis* the cost of obtaining such valuations.

In the current circumstances it is important to note that Council has already approved a tariff of 20% of the fair market rental (as approved by Council from time to time) for other emerging farmers. It is therefore recommended that the rental be determined at 20% of market rental, i.e. R 438.85/ha per annum.

6.3 Financial Implications

Although there will be a financial loss to Council (80% of market rental) it can be justified, as other emerging farmers already receive this benefit, and it is in line with our Property Management Policy, authorising a below market value/rental "*where the plight of the poor*" demands as such.

6.4 Legal Implications

The recommendations contained in this report comply with Council's policies and all applicable legislation.

6.5 Staff Implications

This report has no staff implications for the municipality.

6.6 Previous / Relevant Council Resolutions:

N/a

6.7 Risk Implications

This report has no risk implications for the municipality.

6.8 Comments from Senior Management:

6.8.1 Director: Infrastructure Services

I notice that some of these farm portions are close to Annandale Road. They seem to be mostly south of this road but it must be noted that the intended Western Bypass is to originate from Annandale Road. We need to ensure that should the Western Bypass become live and when WCG decides to promulgate this road, that those properties upon which the Road Reserve is to be placed must understand that we reserve the right to allow a promulgation on the applicable properties regardless of this lease and should the construction of such road commence upon any of these properties that such construction will be allowed with, say, a 12-month warning. Apart from the above and therefore the impact on recommendation (a), I support the other two recommendations.

Please note that the properties under consideration are located to the south of Annandale Road, and will therefore not be affected by the proposed western bypass.

6.8.2 Director: Planning and Economic Development

No comments received

6.8.3 Director: Strategic and Corporate Services:

No comments received

6.8.4 Chief Financial Officer:

No comments received

ANNEXURES

Annexure 1: Letter received from Heldervalley Farming Association

FOR FURTHER DETAILS CONTACT:

NAME	PIET SMIT
POSITION	MANAGER: PROPERTY MANAGEMENT
DIRECTORATE	HUMAN SETTLEMENTS & PROPERTY MANAGEMENT
CONTACT NUMBERS	021-8088189
E-MAIL ADDRESS	Piet.smit@stellenbosch.gov.za
REPORT DATE	2018-05-31

APPENDIX 1



Klein-Helderberg Farm
R44 Strand Road
Stellenbosch
7600

Tel: 072 943 4682

Est. 1995

E-mail: heldervalleycommunityforum@gmail.com

“Together we can make a difference”

10 November 2017

Die Burgermeester
Stellenbosch Munisipaliteit
Pleinstraat
7599

Geagte Rdl Adv. Gesie van Deventer

SEDERING VAN GROND: PLAAS 502 (AW,AX,AY+BC)

Die vorige samesprekings met Stellenbosch Munisipaliteit rakende bogenoemde aangeleentheid het betrekking,

Hiermee rig ons graag hierdie versoek as 'n aansoek om die sedering van bogenoemde eiedom na Heldervalley Farming Association.

1. Agtergrond van Heldervalley Community Forum

Die Heldervalley Community Forum (HCF) was gestig in die jaar 1995 met die doel om sosiale en ekonomiese probleme te adreseer van agtergeblewene gemeenskappe en plaaswerkers in die Helderberg kom en Stellenbosch. Dit word gedoen deur verskillende programme wat fokus op Jeug ontwikkeling, Sports en kultuur, Boerdery en Vaardigheidsontwikkeling. Die organisasie het suksesvol n "Computer Learning Centre" by Avontuur Wine Estate wat ingerig is met 25 kompers and n Boerdery besigheid bekend as Helderbergvalley Farming te Klein-Welmoed Plaas Moddergat Pad naby Raithby.

2. Agtergrond Helderberg Farming te Klein-Welmoed Plaas Moddergat

Gedurende die jaar 2000 het die Heldervalley Community Forum (HCF) begin met n boerdery projek (Heldervalley Farming) op verskeie plase naamlik Zandberg en Blaauwklippen. Die 30ste September 2008 gaan ons in n meer formele ooreenkoms met wyle Mnr Johan Myburg te Klein-Welmoed Plaas Moddergat vir Sederling van Plaas 502 (AW,AX,AY+BC) en n aansoek was ingedien (09 Februarie 2009) deur wyle Mnr Johan Myburg na Stellenbosch Munisipaliteit vir sedering van grond. Befonsing was ook verkry vanaf Departement Lanbou waarmee ons die plaas toe kon inrug met; besproeiing stelsels, 3x containers vir pakstoor, yskas asook kantoor, Trekker, wa, Hyundai Bakkie en nog kleiner toebehore.

Die sedering van Plaas 502 (AW,AX,AY+BC) het tot stilstand gekom met die ontydige dood van Mnr Myburg en so kon onderhandelinge nie voort gaan met Stellenbosch Munisipaliteit nie. Dit dien ook gemeld te word dat daar was verskeie gespreke met Mnr Piet Smit maar voor dinge afgehandel kon word is Mnr Myburg oorlede. Ons is tans besig sederd 2008 op die grond met organise groente boerdery met verskeie markte en in die proses om ooreenkoms aantegaan met n Tee maatskappy maar weens die feit dat die grond nog nie op ons naam is nie maak dit vir ons baie moeilik om groter te groeie asook om ondersteuning te kry van ander besighede asook Staat instansies.

Members

Chairperson: Jeremy Johannes Tel.: 072 943 4682 Vice-chairperson: Christian Roman Tel: 079 248 0335
Secretary: Patricia Stoffels Tel: 073 119 5597 Vice Secretary: Genewade Manuel Tel: 062 390 4026
Treasurer: Valentine Solomons Tel: 079 677 4970 Additional Member Vice: Sarah Fortuin Tel: 078 347 7410

3. Wie is die Heldervalley Farming Association

Die Heldervalley Farming Association is 'n ter stigte nie-regeringsorganisaie wat deur Heldervalley Community Forum geïnisieer is met die doel om boerdery ontwikkelingsgeleenthede te vestig vir voorheenbenadeelde en werklose persone wat binne die bediensgebied van Stellenbosh munisipaliteit resorteer.

Die Heldervalley Farming bestaan uit 4 lede, naamlik, Jeremy Johannes, Jakob Olivier, Irwin Julius en Enrico Muller wat tans nog funksioneer onder die vaandel van Heldervalley Community Forum tot en met die boerdery entiteit gevestig is.

Daar is reeds boerdery bedrywighede op die perseel aan die gang wat namens die entiteit bestuur word deur Jakob Olivier. Laasgenoemde het in afwesigheid van die ter stigte entiteit en met goedkeuring van die lede reeds verantwoordelikheid geneem vir die oornome van die munisipale verpligtinge. Hierdie verpligtinge sal dan deur die ter stigte entiteit oorgeneem en nagekom word sodra die registrasie dokumentasie ontvang.

Die rede waarom die entiteit se registrasie verdrag was, was as gevolg van afsterwe van Mnr Johan Myburgh en die finalisering van sy boedel, die onsekerheid van die status van die eiendom en van die die herhaalde samesprekings met Stellenbosch munisipaliteit, veral met Mnr Piet Smit, wat die organisasie baie behulpsaam was met leiding en advies oor die beste moontlike oplossings vir die benutting van die grond. Alvorens die voorafgaande nie gefinaliseer kon word nie, sou dit op daardie stadium nutteloos wees om 'n entiteit te registreer wat nie sekerheid gehad het of die eiendom aan hom toegeken sou word, al dan nie.


4. Aansoek

Die aansoek van Heldervalley Farming Association is dus dat die bogenoemde eiendom tot sy beskikking gestel word in oorleg met die terme en voorwaardes van Stellenbosch Munisipaliteit.

Ons vertrou dat hierdie versoek en aansoek gunstig oorweeg en spoedig geproseseer sal word.

U samewerking word waardeer.

Die uwe



JEREMY JOHANNES
VOORSITTER

5.5.5	WRITING OFF OF OUTSTANDING DEBT (RENTAL): TRANSFER OF 80 HOUSES: LA MOTTE VILLAGE
-------	--

Collaborator No:

IDP KPA Ref No:

Meeting Date:

18 July 2018

1. SUBJECT: WRITING OFF OF OUTSTANDING DEBT (RENTAL): TRANSFER OF 80 HOUSES: LA MOTTE VILLAGE

2. PURPOSE

To obtain Council's approval for the writing off of outstanding debt in relation to the 80 houses at La Motte, insofar as it relates to rental, to enable the transfer of said properties to identified beneficiaries.

**3. DELEGATED AUTHORITY
FOR DECISION BY MUNICIPAL COUNCIL.**

In terms of paragraph 3.1 of Stellenbosch Municipality's Irrecoverable Debt Policy the CFO has the delegated authority to consider applications up to an amount of R20 000.00 In the circumstances under discussion the Municipal Council must therefore make a decision.

4. EXECUTIVE SUMMARY

The transfer of the 80 houses in the La Motte Village to identified beneficiaries has a very long history. For various reasons a new Transferring Attorney had to be appointed to attend to this long outstanding matter. Due to the long delay in attending to the transfers, and due to the fact that no municipal accounts were rendered as no properly completed and signed agreements were concluded, none of the Lessees made any payments with regard to occupational rental. For this reason the outstanding debt in respect of rental has grown to R15 315 589.30.

As it would be almost impossible to recoup these outstanding amounts before transfer, it is recommended this this outstanding debt (as at 30 June 2017) be written off, to enable the transfer of the said properties.

5. RECOMMENDATIONS

- (a) that the outstanding rental amounts in relation to the 80 houses in La Motte Village, as at 30 June 2018, amounting to approximately R15 420 885.00 (projected), be written off on condition that Lessees be responsible for rental as from 1 July 2018 until date of transfer, as per the tariffs approved by council at a Special Council meeting dated 7 June 2010;
- (b) that new Sales Agreements be concluded, allowing for the payment of occupational rental as from 1 July 2018, irrespective of the date of signature of the Sales Agreement;
- (c) that it further be a condition of the Sales Agreement that Purchasers will be responsible for all other outstanding debt from date of initial occupation of the property in February 2009, i.e. for municipal services, rates and taxes, etc.; and
- (d) that Sales Agreements also be concluded with those residents who moved into houses without the necessary authorisation, on condition that they be responsible for payment of all services, rates and taxes from date of occupation, i.e. retrospectively.

6. DISCUSSION / CONTENTS

6.1 Background

6.1.1 Memorandum of Understanding (M.O.U)

During January 2006, Stellenbosch Municipality and the Trans Caledon Tunnel Authority (TCTA) concluded a M.O.U in terms whereof, TCTA would transfer land and 80 houses to Stellenbosch Municipality, after construction of the Bergwater dam, on condition that it be managed for the benefit of the identified communities in the project area.

6.1.2 Transfer Agreement

During August 2008 a Transfer Agreement was concluded between TCTA and the Municipality, setting out the terms and conditions of the said transfer. One of the conditions was that the individual properties were to be transferred (sold) to qualifying residents of the area, the purchase price based on a sliding scale.

6.1.3 Rental Agreements

During the period 2009-2010 the individual plots were allocated to individuals and Rental Agreements were concluded, as the property had not been transferred to the Municipality at that stage. The lease amounts (occupational rent) was based on a sliding scale approved by the then Municipal Manager.

6.1.4 Management of Rental Agreements

Due to a "lack of capacity" in-house, it was agreed to appoint an attorney to (a) conclude the Rental Agreements on behalf of the Municipality and (b) to attend to the management thereof, i.e. rental collection on behalf of the Municipality.

Mr Clyde Meyer was appointed to attend to the above.

6.1.5 Deed of Donation

On 20 April 2010 a Deed of Donation was signed, paving the way for the actual transfer of the property to Stellenbosch Municipality. The property was eventually transferred to the Municipality during December 2012.

Subsequently, a General Plan was registered, paving the way for individual transfers to take place.

6.1.6 Transfer of property

The property was transferred to Stellenbosch Municipality in December 2012, paving the way for individual contracts to be concluded.

6.1.7 Determination of sales prices (sliding scale) and other related matters

On 2010-06-07 Council considered a report, dealing with a number of issues relating to the project.

Having considered the report, Council resolved as follows:

- "a) *That Annexure A of the Transfer Agreement be amended to allow for the discounted rate (R120 000- R200 000) to qualifying residence of Wards 1 and 2. Should there not be sufficient qualifying residents the remaining property be offered to residents of the Dwarsrivier area, where after all remaining units be sold in the open market;*

- b) *The discounted Purchase Price (sliding scale), as set out in par. 3.1 (supra), be approved;*
- c) *That the reversionary (sliding scale), as set out in par. 3.1 (supra), be approved;*
- d) *That a monthly occupational rent, equal to 80% of a deemed monthly installment of the selling price (at 10% interest per annum) be approved;*
- e) *That the Acting Municipal Manager, be authorized to finalise the Sales Agreements and to sign same, on behalf of Stellenbosch Municipality;*
- f) *That a Transferring Attorney be appointed to attend to the transfer of the properties;"*

6.1.8 Public Information Session

On 20 August 2014 an information session was held with the Lessees of the 80 houses, informing them of the Council resolution pertaining the sales price and other related issues.

6.1.9 Appointment of transferring attorneys

Following a Supply Chain Management process Clyde Meyer and McRobert Attorneys were subsequently appointed to conclude Sales Agreements and to attend to the transfers, respectively*

*See paragraph 6.1.11. below.

6.1.10 Amendment to Lease Agreements: Cash Buyers

On 2014-11-26 a report was tabled at the Council meeting, recommending certain amendments to the Lease Agreements of those people (10) who have paid their purchase price up-front, i.e. that they be exempted from paying rentals.

Having considered the report, Council resolved as follows:

Resolved (majority vote)

- "a) that the outstanding debt, as set out in par. 2.7 (supra), totaling R809 704.55 as at 30 August 2014, be written off; on condition that the interest earned on the amounts paid up-front be regarded as the occupational rentals until such time as the properties have been transferred to the individuals; and*
- b) that the Sales Agreements be amended to allow for the above".*

6.1.11 Appointment of new Transferring Attorneys

*As no progress was made by the transferring attorneys, their services were terminated during 2016.

Following a further Supply Chain Management process, Snippelisky and Killian Attorneys, was recently (July 2017) appointed to attend to the transfers.

During a meeting with them on 2017-08-25 it was agreed that:

- a) they would, as a first step, focus on the transfer of the 10 properties which were paid for in advance; where after

b) sales agreements would be concluded with other beneficiaries, paving the way for them to apply for funding at financial institutions.

6.1.12 Transfer of Trust Account money by CSM Attorneys

On 12 September CSM Attorneys confirmed in writing that an amount of R2 417 403.81 was paid over to Stellenbosch Municipality. This amount is made up as follows:

Advanced payments (cash buyers):	R1 072 634.00
Rental amounts collected	R1 257 647.63
Unallocated amount held in trust:	R 30 918.53
Interest	R 56 203.65
	R2 417 403.81

Following the above transfer, Stellenbosch Municipality opened a Trust account, as provided for in the Transfer Agreement.

6.1.13 List of outstanding debt

Hereto attached as **APPENDIX 1** is a list of outstanding debt as at 30 June 2017, received from the Finance Department.

6.1.14 Request to write off outstanding debt

Hereto attached as **APPENDIX 2** is a self-explanatory letter received from Snippelisky & Killian Attorneys, who was appointed to attend to the transfers, requesting that the outstanding debt be written off, for reasons set out in the letter.

6.2 Discussion

It is important that the process of transferring the properties to identified beneficiaries be concluded as soon as possible. This would, however, not be possible if arrear amounts are to be added to sales prices. To proceed with the process on this basis would be a futile exercise. The only practical solution would be to write off the outstanding debt in respect of occupational rental till 30 June 2018. This would enable the transfer process to proceed.

6.3 Financial Implications

Should Council approve the writing off of the outstanding debt, it will have a financial implication of approximately R15 420 885.00.

The debt of approximately R15 million was raised in the council books at the end of 2016/17. Similar accounting entries will have to be made for the 2017/18 financial year. Sufficient provision for writing off the bad debt in respect of occupational rental has been made.

6.4 Legal Implications

The recommendations in this report comply with Council's policies and all applicable legislation.

6.5 Staff Implications

This report has no staff implications for the Municipality.

6.6 Previous / Relevant Council Resolutions:

As indicated in par. 6.1.10 (*supra*) Council has already resolved to write off the outstanding debt of cash buyers.

Also, as indicated in paragraph 6.1.7, Council has already determined the new occupational rental, which will now be payable as from 1 July 2018.

6.7 Risk Implications

This report has no risk implications for the Municipality. As a matter of fact, it would reduce the risk of the project not being implemented successfully, as envisaged in the M.O.U.

6.8 Comments from Senior Management:**6.8.1 Chief Financial Officer:**

In principle, the item is supported given the historical context of the matter and the greater purpose it seeks to achieve.

It must be ensured that the new Agreements of Sale reflect the detail of the council resolution in every respect.

6.8.2 Legal Services:

The item, as far as it relates to the writing off of the outstanding rental debt, is supported.

ANNEXURES

Annexure 1: List of Outstanding debt

Annexure 2: Letter from Snippelisky & Killian Attorneys

FOR FURTHER DETAILS CONTACT:

NAME	Piet Smit
POSITION	<i>Manager: Property Management</i>
DIRECTORATE	<i>Human Settlement & Property Management</i>
CONTACT NUMBERS	021-8088189
E-MAIL ADDRESS	Piet.smit@stellenbosch.gov.za
REPORT DATE	2017-10-10

APPENDIX 1

APPENDIX 2



Snipelisky & Kilian

Attorneys / Conveyancers / Notaries

Suite # 7, First Floor
La Rue des Roses
2 Main Road
Franschhoek

PO BOX 127
FRANSCHHOEK
7690

Telephone Numbers: (021) 876-2084/5
Fax Number: (021) 876-2572
E-Mail Mr Kilian : antonkill@law.co.za
Conveyancing & Estates: sniplaw@mweb.co.za
Litigation & General: adminsk@law.co.za
Accounts: esterley@law.co.za
Fax to Mail: 086 616 9137

Date/ Datum: 18 September 2017
Our Ref/Ons Verw: A KILLAN/ss/LA MOTTE
Your Ref/ U Verw:

**PROPERTY MANAGER
STELLENBOSCH MUNICIPALITY**

Attention: Piet Smit
E-mail: piet.smit@stellenbosch.gov.za

Dear Sir

TRANSFERS: 80 LA MOTTE VILLAGE PROPERTIES

We refer to the above and the tender awarded to us to proceed with the contracts and the transfer of the above properties.

1. We have already drafted the contracts for the people who have paid in cash, which will not pose any problems, as we have been instructed regarding the decisions taken by the Council regarding these purchasers.
2. We do have a problem to finalise the contracts regarding all the other people, as a result of the huge arrear amounts accumulated on these properties for unpaid rentals.
3. Writer hereof has been involved with these occupants for many years now, they all experienced the same problem regarding their financial positions and with the current economic situation and the stringent FICA and National Credit Act requirements, these people will struggle to obtain finance in the form of bonds for the purchase of these properties.
4. Should the arrear amounts be either added as a requirement to be repaid as part of the contracts, or by way of a separate acknowledgement of debt, this will jeopardise these purchasers' chances of obtaining any financial support from the banks.

ATTORNEY/ PROKUREUR: Anton Pieter Kilian, B. Proc. (S.A.) LL.B.(UP)
e-mail Mr Kilian: antonkill@law.co.za; Conveyancing/Estate: sniplaw@mweb.co.za
Litigation & General: adminsk@law.co.za Accounts: esterley@law.co.za
Mr. Kilian: 083 259 0943

5. To proceed with the contracts on this basis, it will be a futile exercise, as the Municipality purports to enter into agreements, which will be impossible to give effect to, and thus defeat the purpose of this housing scheme and project.
6. With reference to the above, we are of the opinion that the only workable and practical solution will be to request the Council to write these monies off, as many other legal and technical difficulties will be applicable should the Council try to collect these monies from the tenants.
7. Please also keep in mind that the Council never maintained these properties since the inception of this project and the tenants/occupants have maintained the properties on their own costs. These properties will be sold voetstoots, thus no guarantee regarding the condition will be given in the agreements to be signed.
8. Obviously, the purchasers will have to make sure their services accounts must be paid up in order to obtain a Clearance Certificate from Council for transfer purposes and this also will delay some of these transfers, as we have been advised that some people are also in arrears in large amounts to the Municipality regarding their services accounts.
9. As we are in the process of finalising these contracts, your co-operation and feedback herein will be highly appreciated.

Yours faithfully



SNIBELISKY & KILIAN ATTORNEYS
Pty. Ltd.

5.5.6	UNDEVELOPED ERVEN IN KAYAMANDI: PROGRESS REPORT: WAY FORWARD
--------------	---

Collaborator No: 597250
IDP KPA Ref No:
Meeting Date: 18 July 2018

1. SUBJECT: UNDEVELOPED ERVEN IN KAYAMANDI: PROGRESS REPORT: WAY FORWARD

2. PURPOSE

The purpose of this report is two-fold:

- a) To provide Council with a progress report; and
- b) To advise Council on a way forward regarding those erven allocated, but not yet transferred.

3. DELEGATED AUTHORITY

Seeing that this matter was dealt with by Council to date, and seeing that there are no specific delegations in place dealing with these kinds of transactions, the Municipal Council must consider the matter.

4. EXECUTIVE SUMMARY

Following a motion from Councillor Jindela to deal with the undeveloped erven in Kayamandi, a comprehensive list of undeveloped erven in Kayamandi was compiled, making specific recommendations on the various categories of properties.

Following a public participation process whereby past beneficiaries were requested to provide written proof of their claim against the properties, various inputs/claims were received.

Council must now decide on a way forward regarding those properties that were identified as land being allocated to beneficiaries, but where no proof exist of the conclusion of a Sales Agreement or the payment of sales prices.

5. RECOMMENDATIONS

- (a) that Council takes note of the lack of progress to date;
- (b) that the properties listed in paragraph 6.1.4 be identified as land not needed to provide the minimum level of basic municipal services;
- (c) that Council accepts/confirms the allocation of the erven listed in paragraph 6.1.4 to the potential beneficiaries listed against these properties, except for erf 1523;
- (d) that Council approves of the disposal of these properties at the purchase prices (sliding scale) set out in paragraph 6.2.2, as provided for in regulation 11 of the Asset Transfer Regulation (discounted price) and after taking into account the stipulations of paragraph 21.2 of the Property Management Policy, on condition that:-
 - i) The purchase price be paid within a period of twenty four (24) months from date of this decision, failing which the allocations would be deemed to be withdrawn and the properties to be sold by way of a public tender process to qualifying residents (first homeowners) of Kayamandi; and
- (e) that erf 1523 (church site) be put out on tender, with a reserve price of R36 480.00, being 20% of the market value of R184 400.

6. DISCUSSION / CONTENTS

6.1 Background

6.1.1 Motion: Councillor Jindela

During 2014, following a motion by Councillor Jindela, Council resolved, *inter alia*, to do an audit of all **undeveloped erven** in Kayamandi.

6.1.2 Identification of plots

On 2015-09-23 a report was tabled at the Council meeting, identifying all undeveloped plots in Kayamandi.

Having considered the report, Council resolved as follows:

34TH COUNCIL MEETING: 2015-09-23: ITEM 7.2

RESOLVED (majority vote with 1 abstention)

- (a) *that the properties are not required to provide the minimum level of basic municipal services;*
- (b) *that the Municipal Manager be authorised to act with the various categories of properties, as set out in paragraph 3.3 (supra);*
- (c) ***that, following the notice periods referred to in paragraph 3.3 (supra), a progress report be submitted to Council, whereafter the tender process can be attended to;***
- (d) *that in the meantime, valuations be obtained from two independent valuers, with the view of determining a market value for the various properties (weighted average);*
- (e) *that public participation processes be followed which should include local newspapers, ward committees, libraries, notice boards and public platforms; and*
- (f) ***that a feedback report be submitted to Council in February 2016***⁷.

6.1.3 Public notice calling for submissions/claims

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

6.1.4 Updated list of properties

Following the above notice and inputs received from the Finance Department, the list of properties claims/submissions received, was updated.

Hereunder the updated list of properties:

Erf number	Allocated to	Agreement concluded	Sales Price paid	Transferred to beneficiary	Category*
298	Methodist Church	No	Yes	No	C
329	Nogilana N	No	No	No	C
636	Dumisane TW & NG	No	No	No	C
663	Bamgiso ST & N	No	No	No	C
718	Seventh Day Adventist Church	Yes	Yes	No	B
747	Vani VH	No	No	No	C
756	K.I Monaheng	Yes	Yes	No	B
781	S Joni	No	No	No	C
783	EP Masimi	Yes	No	No	C
802	J&PS Bolitshi	No	No	No	C
830	E&MJ Mdekvesha	Yes	Yes	Yes	A
850	Mtekeli N&SLN	No	No	No	C
931	Mr & Mrs Gxilishe	Yes	Yes	Yes	A
932	Mr&Mrs Gxilishe	Yes	Yes	Yes	A
933	F&S Jansen	Yes	Yes	Yes	A
934	J&S Hendriks	Yes	Yes	Yes	A
937	JJ&E Muller	No	No	No	C
942	Tengile V	No	No	No	C
1162	Salaze PZ & C	Yes	Yes	Yes	A
1173	B Ruiters	Yes	Yes	Yes	A
1175	M Mqwazi	No	No	No	C
1176	Mavumba SM	Yes	Yes	Yes	A
1191	Myataza TL	Yes	Yes	Yes	A
1192	Vumazonke A&N	No	No	No	C
1236	Katshi N	No	No	No	C
1257	Makhiwa N	Yes	Yes	Yes	A
1258	Mhlakaza LV	Yes	Yes	Yes	A
1261	Lebata NS	No	No	No	C
1523	Stellenbosch Baptist Church	No	No	No	C
1612	Buti AV	No	No	No	C
1909	Gungxe RM & N	No	No	No	C

*Categories:

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

Please note: The properties where no claim/submissions were received have subsequently been put out on tender.

6.1.5 Council resolution

On 2016-05-25, having considered the report, Council resolved, as follows.

41ST COUNCIL MEETING: 2016-05-25: ITEM 8.1

RESOLVED (majority vote)

- (a) *that the claims/submissions received as a consequence of the notice be noted;*

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

6.1.6 Further correspondence with people to whom erven were allocated

*On 2016-08-16 letters were addressed to the individuals who fall into Category C, informing them that, according to our records, the property in question has been allocated to him /her, but that we have no records showing that:-

- a) a Sales Agreement was ever concluded; and
- b) the Sales Price has ever been paid.

They were subsequently requested to provide written proof of the above within a period of three (3) months, failing which the property would be sold by way of a public tender process.

On the closing date the following information were received:

Erf no.	Name of beneficiary	Comments/Inputs received
298	Methodist church	None
329	Nogilna N	None
636	Dumisane TW & NG	None
663	Bangisa ST & N	None
747	Vani H	None
781	Joni S	According to Me Jonie she has paid the sales price of R5985.95 (Affidavit), but lost proof of payment
783	Masimi EP	Deed of Sale was signed, but no proof of payment of sales price of R14 000.00
802	Bolitshi J & PS	Housing subsidy to the amount of R10925 was approved, but no proof of payment to Stellenbosch Municipality
850	Mtekeli N & SLN	None
937	Muller JJ & E	None
942	Tengile	None
1175	Mqwasi M	None
1192	Vumazonke A & N	None

1236	Katshi N	None
1261	Lebata NS	Sales Agreement concluded, indicating sales price as R5000.00 (housing subsidy), but no proof of payment
1523	Stellenbosch Baptist Church	Letter from Baptists Church, indicating that erf 1524, and not 1523, was allocated to church, and was in fact transferred to the church. Erf 1523 is still open, and should therefore be changed to Category D, i.e. to be sold per public tender (as a church site)
1612	Buti AV	None
1909	Gungxe RM & N	None

6.2 Discussion

6.2.1 Legal Requirements: MFMA

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

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

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

6.2.1.2 Asset Transfer Regulations (ATR)

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

- (i) **has made the determination required by Section 14(2)(a) and (b)**; and
- (ii) has, as a consequence of such determination, **approved in principle that the asset may be disposed of**.

In terms of Regulation (7), when considering any disposal as contemplated above, a council must take into account:-

- (a) whether the capital asset may be required for the municipality's own use at a later date;
- (b) the expected loss or gain that is expected to result from the proposed transfer or disposal;
- (c) the extent to which any compensation to be received in respect of the proposed transfer or disposal will result in a significant economic or financial cost or benefit to the municipality;
- (d) the risks and rewards associated with the operation or control of the capital asset that is to be transferred or disposed of in relation to the municipality's interests;
- (e) the effect that the proposed transfer or disposal will have on the credit rating of the municipality, its ability to raise long-term or short-term borrowings in the future and its financial position and cash flow;

-
- (f) any limitation or conditions attached to the capital asset or the transferor disposal of the asset, and the consequences of any potential non-compliance with those conditions;
 - (g) the estimated cost of the proposed transfer or disposal;
 - (h) the transfer of any liabilities and reserve funds associated with the capital asset;
 - (i) any comments or representations on the proposed transfer or disposal received from the local community and other interested persons;
 - (j) the interests of any affected organ of state, the municipality's own strategic, legal and economic interests and the interests of the local community; and
 - (k) compliance with the legislative regime applicable to the proposed transfer or disposal.
 - (l) compliance with the legislative regime applicable to the proposed transfer or disposal.

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

- (a) the **way in which an asset is to be disposal of** (e.g. tender, call for proposal, etc.);
- (b) a **floor price** or minimum compensation;
- (c) whether the capital asset may be transferred/disposed of for **less than its fair market value** (in which case the council must first consider the criteria set out in Regulation 13 (2))

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

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

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

6.2.1.3 Property Management Policy

In terms of paragraph 21.2 of the Property Management Policy immovable property may be disposed of only at market-related prices, except when the **plight of the poor** or the **public interest** which impact on the economic and community value to be received by the Municipality demands otherwise.

In terms of paragraph 1 (definitions) "*Plight of the Poor*", in relation to immovable property, means the needs of the people that are vulnerable and unable to meet their social-economic needs independently or to support themselves and their dependents and are in need of social assistance.

"*Public interest*" means disposal to (*inter alia*) ensure and promote first time home ownership and enterprise development of black people that qualify in terms of the Municipality's GAP housing policy have access to adequate housing on a progressive basis.

Further, in terms of paragraph 23, the Municipality shall dispose of social care properties at a price of between 10% and 60% of fair market value, subject to a suitable reversionary clause being registered against the title deed of the property.

6.2.2 Market values

In terms of the Property Management Policy the fair market value of immovable property will be calculated as the average of the valuations sourced from two independent valuers, unless determined otherwise by the Municipal Manager, taking into account the value of the property *vis-à-vis* the cost of obtaining such valuations.

When the plots referred to in paragraph 6.1.4 (where no claims were received, and which was sold per public tender), were put out on tender, minimum prices were determined, based on the average of two independent valuers.

On average the value of the plots were valued at R213/m² for smaller plots (200m²) and R160/m² for bigger plots (600m²). The plots under discussion are of similar size and nature. For this reason it is recommended that the following prices be determined as the market value of the plots, based on the weighed average of previous valuations being obtained:

Erf	Size	Market value
298	1248m ²	R199 680.00
329	160m ²	R 34 080.00
636	180m ²	R 38 340.00
663	168m ²	R 35 780.00
747	213m ²	R 45 369.00
781	249m ²	R 53 837.00

783	212m ²	R 45 156.00
802	204m ²	R 43 452.00
850	204m ²	R 43 452.00
937	204m ²	R 43 452.00
942	217m ²	R 46 221.00
1175	245m ²	R 52 185.00
1192	192m ²	R 40 896.00
1236	220m ²	R 46 860.00
1261	204m ²	R 43 452.00
1523	1140m ²	R182 400.00
1612	173m ²	R 36 849.00
1909	233m ²	R 45 369.00

6.2.3 Proposed sliding scale

The following sliding scale is recommended for residential properties, taking into account the plight of the poor and the specific circumstances of the properties (lack of information relating to sales prices and or proof of payment):

Monthly income of Applicant*	Purchase price	Reversionary clause period
Up to R3000 p.m	20% of market value	8 years
Between R3001 - R7000p.m	30 % of market value	6 years
Between R7001 - R15000p.m	50% of market value	4 years
Between R15001- R20000p.m	75% of market value	2 years
More than R20 000	100% of market value	none

*Including income of spouse, where applicable.

Regarding the church site, it is recommended that the purchase price be determined at 20% of the market value.

6.3 Financial Implications

Should the recommendations be approved, there should be no financial implication to the Municipality, except the income that will be guaranteed (purchase price) through the sales of the properties.

6.4 Legal Implications

See paragraph 6.2.1, *supra*

6.5 Staff Implications

None

6.6 Previous / Relevant Council Resolutions:

See paragraph 6.1.5, *supra*.

6.7 Risk Implications

None

6.8 Comments from Senior Management:**6.8.1 Director: Infrastructure Services**

No comments received

6.8.2 Director: Planning and Economic Development

No comments received

6.8.3 Director: Strategic and Corporate Services:

No comments received

6.8.4 Senior Legal Advisor:

The item and recommendations are supported.

ANNEXURES

None

FOR FURTHER DETAILS CONTACT:

NAME	PIET SMIT
POSITION	MANAGER: PROPERTY MANAGEMENT
DIRECTORATE	HUMAN SETTLEMENTS & PROPERTY MANAGEMENT
CONTACT NUMBERS	021-8088189
E-MAIL ADDRESS	Piet.smit@stellenbosch.gov.za
REPORT DATE	2018-05-31

5.5.7	PROPOSED RENEWAL OF VARIOUS LEASE AGREEMENTS
-------	---

Collaborator No:

IDP KPA Ref No:

Meeting Date:

18 July 2018

1. SUBJECT: PROPOSED RENEWAL OF VARIOUS LEASE AGREEMENTS**2. PURPOSE**

To obtain Council's approval for the renewal of various Lease Agreements.

3. DELEGATED AUTHORITY

In terms of delegation 530 the Executive Mayor may "*grant a right to use, control or manager a fixed capital asset, up to an annual contract value not exceeding R5M, subject to compliance with Regulation 34(1) of the Asset Transfer Regulations*".

In terms of paragraph 9.22 of the Property Management Policy however, only the Municipal Council may consider an application to dispense with the prescribed, competitive process. For this reason the Municipal Council must consider the matter under discussion.

4. EXECUTIVE SUMMARY

Various Lease Agreements terminated over the past few years, where the contracts did not allow for an automatic renewal. The Supply Chain Management Policy (at the time) also did not provide for the renewal of these agreements without following a tender process. For this reason the agreements were "*kept alive*" on a month-to-month basis.

The new Property Management Policy however, now allows for a process whereby Council can dispose with the prescribed, competitive process.

5. RECOMMENDATIONS

- (a) that the properties listed in paragraph 6.1.1 be identified as land not needed for own use during the period for which such rights are to be granted, as provided for in Regulation 36 of the Asset Transfer Regulations;
- (b) that Council approves, in principle, that lease agreements for 9 years and 11 months be concluded on a private treaty basis with the current Lessees, as listed in paragraph 6.1.1, provided for in Regulation 34 (1) (b), but subject thereto that Council's intention so to act be advertised for public inputs/comments, as provided for in paragraph 9.2.2 of the Property Management Policy;
- (c) that, in the meantime, an independent valuer be appointed to determine the fair market rentals for the properties referred to in (a), above; and
- (d) that Council approves, in principle, the percentages (of market value) as set out in paragraph 6.2.2.2, as provided for in paragraph 22.1.4 of the Property Management Policy (below market value rentals).

6. DISCUSSION / CONTENTS

6.1 Background

6.1.1 Initial Lease Agreement

The following Lease Agreements were concluded with various organisations:

Name of organization	Property description	Lease term
Bergzicht Training Centre	Portion of Rem. Erf 235, Stellenbosch	1992 (2 x 10 years)
Burger Historic Homes	Burgerhuis (Erf 3389)	2011-12-31 (5x 10years)
Toy Museum	Rhenish Complex	1-11-1994 to 30-09-2004 (9y 11 months) 1-10-2004 – 30-09-2005 (12 months)
Franschhoek Tennis Club	Erf 1693	1989.02.01 to 2014.01.31 (25 years)
Franschhoek Bowling Club	Erf 2885	1/10/2003 to 30-09-2013 (9 years 11 months)

6.1.2 Attempt to renew lease agreements

Over the past 5 years various attempts were made to either renew these Lease Agreements, or at least have them “kept alive” on a month-to-month basis. None of these attempts, however, were successful, as the SCM Policy (at the time) did not allow for a process of renewal without following a public competitive process.

6.2 Discussion

6.2.1 Location and context

6.2.1.1 The Bergzicht Training Centre is situated on a portion of Remainder Erf 235, Stellenbosch as indicated on Fig 1 and 2, below.

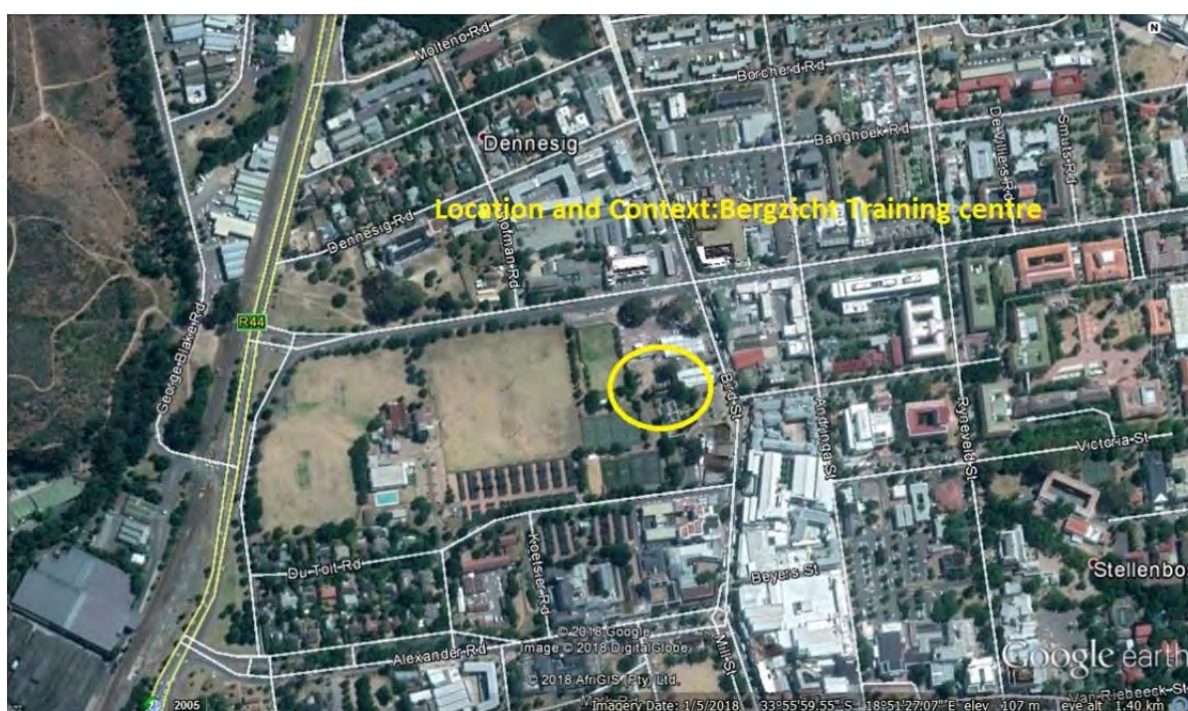


Fig 1: Location and context



Fig 2: Extent of property

6.2.1.2 Burgerhuis

Burgerhuis is situated on erf 3389, Stellenbosch, as indicated in Fig 3 and 4 below.

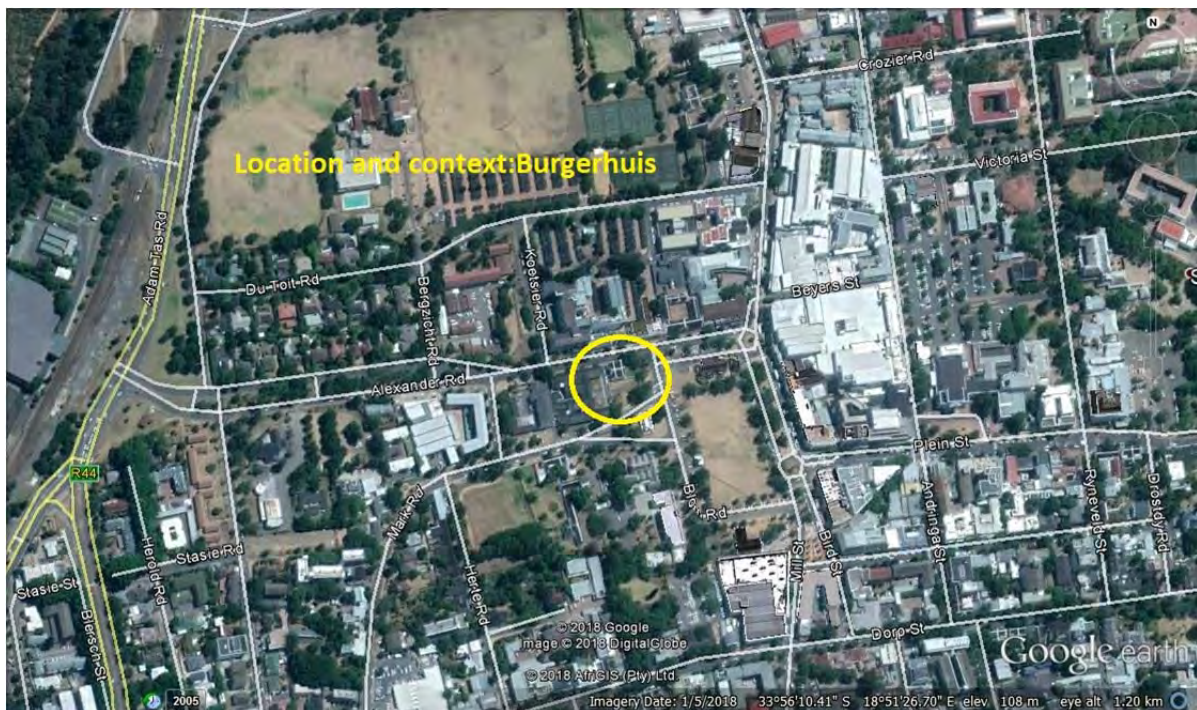


Fig 3: Location and context



Fig 4: Extent of property

6.2.1.3 Rhenish Complex

The Toy museum is situated in the Old Parsonage, being part of the Rhenish Complex as indicated in Fig 5 and 6.

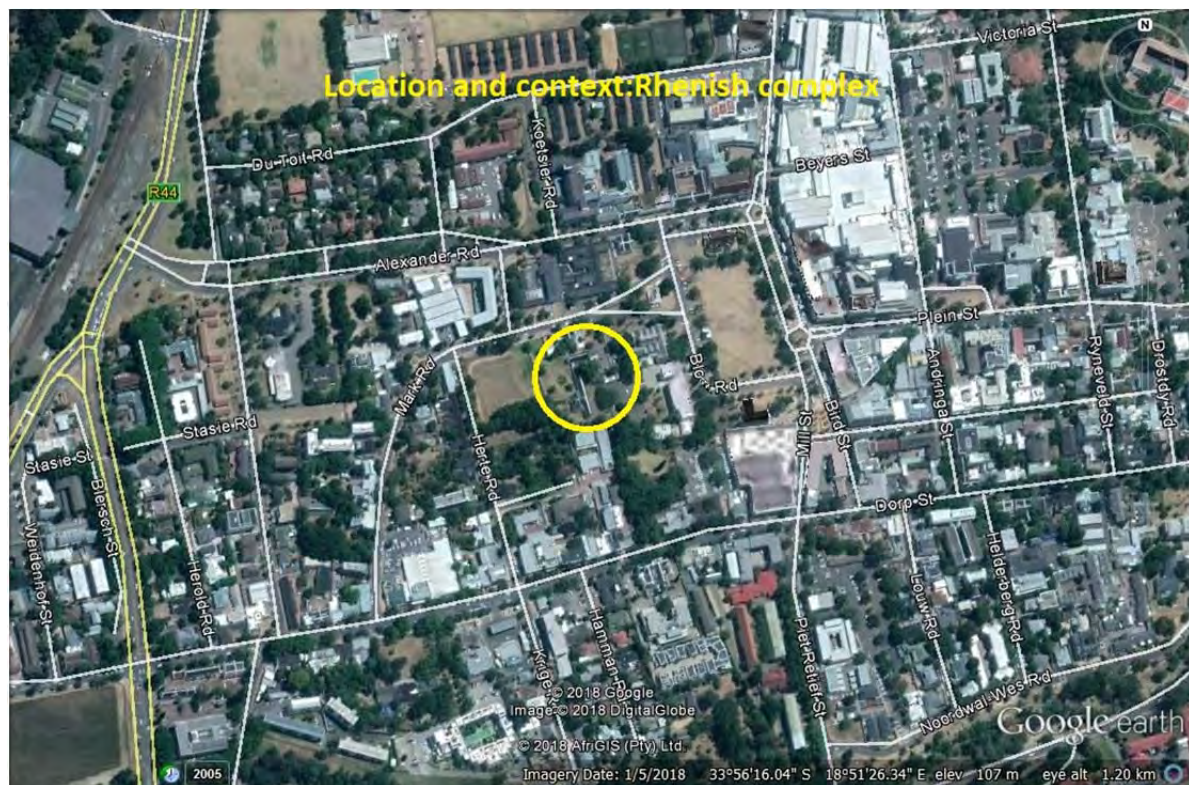


Fig 5: Location and context



Fig 6: Extent of property

6.2.1.4 Franschhoek Tennis Club

The Franschhoek Tennis Club is situated on erf 1693, Franschhoek, as indicated in Fig 7 and 8 below.

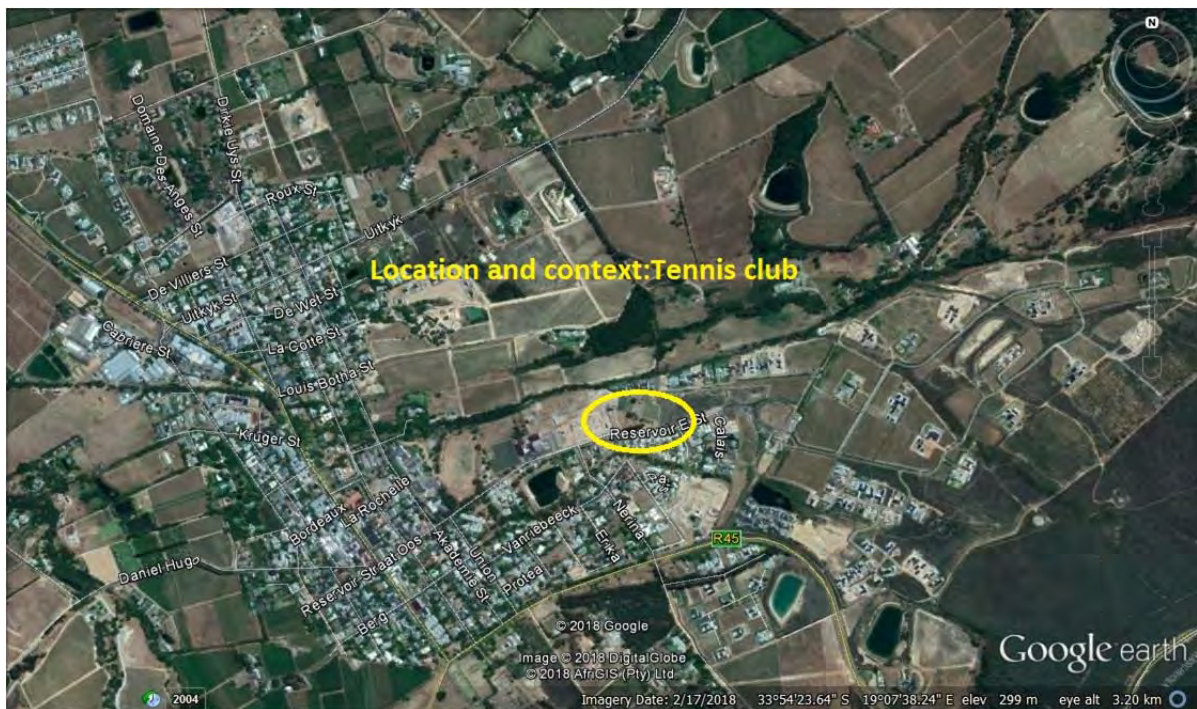


Fig 7: Location and context



Fig 8: Extent of property

6.2.1.5 Franschhoek Bowling Club

The Franschhoek Bowling Club is situated on erf 2885, Franschhoek, as indicated in Fig 9 and 10, below.

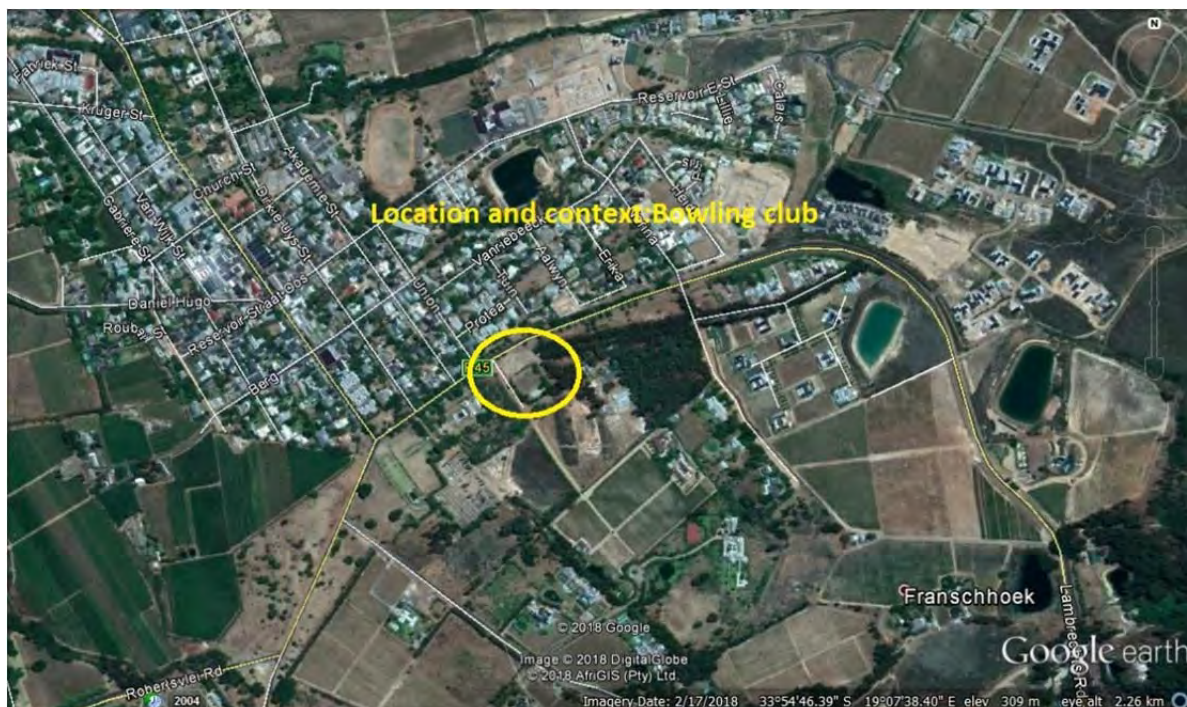


Fig 9: Location and context



Fig 10: Extent of property

6.3 Legal requirements

6.3.1 **Asset Transfer Regulation**

In terms of Section 34 (1) of the ATR a Municipality may grant a right to use, control or manage a capital asset only after-

- c) The Accounting officer has concluded a public participation process*; and
- d) The municipal council has approved in principle that the right may be granted.

*Sub regulation (1) (a) (public participation process), however, must be complied with only if-

- c) The capital asset in respect of which the right is to be granted has a value in excess of R10M*; and
- d) A long-term right is proposed to be granted (i.e. longer than 10 years).

None of the assets has a value in excess of R10M.

In terms of Regulation 36, the municipal council must, when considering such approval, take into account:

- a) whether such asset may be required for the municipality's **own use** during the period for which such right is to be granted;
- b) the extent to which any compensation to be received will result in a significant economic or **financial benefit** to the municipality;
- c) the **risks and rewards** associated with such right to use; and
- d) the **interest of the local community**

In terms of Regulation 41, if an approval in principle has been given in terms of regulation 34 (1)(b), the municipality (read Mayco) may grant the right only in accordance with the **disposal management system*** of the municipality, irrespective of:-

- c) the value of the asset; or
- d) the period for which the right is granted

*The policy on the Management of Council owned property is deemed to be Stellenbosch Municipality's Disposal Management System.

6.3.2 Policy on the Management of Council owned property

In terms of paragraph 9.2.2 of the Policy, the Municipal Council may dispense with the prescribed, competitive process, and may enter into a private treaty agreement through any convenient process, which may include direct **negotiations**, but only in **specific circumstances**, and only after having **advertised** Council's intention so to act.

One of the circumstances listed in (l) is **lease contracts with existing tenants** of immovable properties, not exceeding ten (10) years. **Such agreements may be renegotiated where the Executive Mayor is of the opinion that public competition would not serve a useful purpose, subject to such renewal being advertised, calling for public comment.**

Further, in terms of paragraph 9.2.2.2, the reasons for any such deviation from the competitive process must be recorded.

NGO's. Sporting Bodies, Small farmers, etc.

In terms of paragraph 22.1.4 the fair market rentals will be determined by the average of the valuations sourced from service providers, unless determined otherwise by the Municipal Manager taking into account the estimated rental(s) *vis-à-vis* the cost of obtaining such valuations.

Under the circumstances the following rentals are suggested:

Name of organization	Rental*	Term
Bergzicht Training Centre	20% of market rental	9 year and 11 months
Burgerhuis	50% of market rental	9 year and 11 months
Toy museum	10% market rental	9 year and 11 months
Franschhoek Tennis Club	10% of market rental	9 year and 11 months
Franschhoek Bowling Club	10% of market rental	9 year and 11 months

*To be determine by an independent valuer.

6.4 Financial Implications

There are no financial implications should the recommendations as set out in the report be accepted, except the income that will derive from the rentals.

6.5 Legal Implications

The recommendations contained in this report comply with Council's policies and all applicable legislation.

6.6 Staff Implications

This report has no staff implications for the Municipality.

6.7 Previous / Relevant Council Resolutions:

None

6.8 Risk Implications

This report has no risk implications for the municipality.

6.9 Comments from Senior Management:**6.9.1 Director: Infrastructure Services**

Agree with the recommendations

6.9.2 Director: Planning and Economic Development

No comments received

6.9.3 Director: Strategic and Corporate Services:

No comments received

6.9.4 Chief Financial Officer:

No comments received

6.9.5 Legal Services

Valuations need to be obtained to establish the value of the respective properties. "Long term" is defined in the Asset Transfer Regulation as a period longer than three years. The proposed term is for 9 years and 11 months.

ANNEXURES

None

FOR FURTHER DETAILS CONTACT:

NAME	PIET SMIT
POSITION	MANAGER: PROPERTY MANAGEMENT
DIRECTORATE	HUMAN SETTLEMENTS & PROPERTY MANAGEMENT
CONTACT NUMBERS	021-8088189
E-MAIL ADDRESS	Piet.smit@stellenbosch.gov.za
REPORT DATE	2018-05-31

5.5.8	PROPOSED DISPOSAL OF A PORTION OF REMAINDER FARM 1653, PAARL (LA MOTTE) TO THE PROVINCIAL DEPARTMENT OF TRANSPORT AND PUBLIC WORKS FOR EDUCATIONAL PURPOSES
--------------	--

Collaborator No:

IDP KPA Ref No:

Meeting Date:

18 July 2018

1. SUBJECT: PROPOSED DISPOSAL OF A PORTION OF REMAINDER FARM 1653, PAARL (LA MOTTE) TO THE PROVINCIAL DEPARTMENT OF TRANSPORT AND PUBLIC WORKS FOR EDUCATIONAL PURPOSES

2. PURPOSE

To obtain Council's approval on the possible disposal of a portion of Remainder Farm 1653, Paarl (La Motte).

3. DELEGATED AUTHORITY

For decision by Municipal Council.

There are no delegations in place authorising the disposal of fixed capital assets in terms of Section 14 of the Municipal Finance Management Act. The municipal Council is therefore the decision-making authority.

4. EXECUTIVE SUMMARY

At a previous Council meeting Council approved, in principle, the disposal of a portion of land to the Provincial Department of Transport and Public Works for the purpose of building a new school.

This decision, however, was subject to:

- a) the property being transferred to Stellenbosch Municipality; and
- b) a feasibility study being completed.

Both these conditions have now been met, paving the way for Council to make a final decision in this regard.

5. RECOMMENDATIONS

- (a) that a portion of Remainder Farm 1653, as identified in the Site Assessment Report, measuring approximately 1.8ha in extent (still to be determined), be identified as land not needed to provide the minimum level of basic municipal services;
- (b) that the market value, as determined by the independent valuer, be determined as R1 100 000.00 (excluding of VAT);
- (c) that approval be granted for the transfer of the property to the Provincial Department of Transport and Public Works, for the purpose of a school, at no cost (*gratis* transfer), taking into account the community value of the project, on condition:-
 - i) that the Department be responsible for all cost related to the rezoning, subdivision and transfer, including, but not limited to survey and legal costs;

- ii) that the Department be accountable for the upgrading of bulk infrastructure should the need arise, and for making a contribution toward the Bulk Infrastructure Fund, as per the approved tariff structure at the time of approval of the site development plan, and
- iii) that the Department be responsible for all service connections at the prevailing rates;
- (d) that the Department be given occupancy of the land with immediate effect, to enable them to attend to the planning/building plan approvals; and
- (e) that the Municipal Manager be authorized to sign all documents necessary to effect transfer of the land.

6. DISCUSSION / CONTENTS

6.1 Background

On 2017-03-29 Council considered a report from the Director: HS & PM, recommending the *gratis* transfer of a portion of Remainder Farm 1653. Having considered the report, Council resolved as follows:

“RESOLVED (majority vote)

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

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

A copy of Council report is attached as **APPENDIX 1**.

Following the above resolution, the Provincial Department of Public Works has been informed of the outcome and was requested to proceed with the feasibility study, as contemplated in their initial request. Copy of the letter attached as **APPENDIX 2**.

6.2 Discussion

6.2.1 **Site Assessment (feasibility study)**

Subsequent to the above decision, the Provincial Department of Transport and Public Works has appointed Revel Fox & Partners Architects and Planners to undertake the site assessment of the land identified in their application, i.e. a portion of Farm 1653, Paarl (La Motte), measuring approximately 1.8ha in extent.

Gibb Consultant Engineers, in turn, was appointed by Revel Fox to assess the site from a construction point of view.

GIBB assessed the proposed site identified for the new Wemmershoek Primary School, as part of the Western Cape Education Department (WCED) School Site Assessment Program for the 2017/18 Financial year.

The purpose of the assessment was to determine the suitability of the proposed site for the construction of a new school. They advised as follows: (Executive Summary). See attached as **APPENDIX 3**.

6.2.1.1 Topography

“The site slopes from the southeast to the north-west with a gradient of approximately 6 meters over 210 meters (1:35 gradient). The site is split into two parts by a gravel access road. The northern part of the site is flatter than the southern part. Average gradient of the northern part is 1:45 and the southern part at 1:30 gradient”

6.2.1.2 Geotechnical

The Geotechnical Investigation comprised the excavation of test pits, soil profiling, soil sampling and laboratory testing. DPL penetrometer tests were conducted to confirm the soil consistency.

The investigation determined the proposed school site is underlain by loose consistency sandy soils down to a depth in the order of 1.4 m below surface (sand fill and in situ sandy soils). Below this depth, the soils are of medium dense consistency. Groundwater seepage was not encountered within test pits.

The site is considered suitable for the construction of a new school, provided that the ground improvement measures detailed in the report are adhered to. Remedial measures require the partial excavation and stockpiling of the upper loose sandy soils to a depth of about 0.8 m, followed by in situ compaction using a heavy vibratory roller, and the subsequent re-compaction of the stockpiled soils in layers. After compaction, lightly reinforced conventional strip foundations can be placed as shallow as possible below surface.

The NHBRC Site Class Designation for the site was assessed to be “S2”, that is, “compressible soils with a total expected settlement exceeding 20 mm”.

6.2.1.3 Geohydrology

The school is underlain by alluvium, overlying basement rocks of the Malmesbury Group. The alluvium consists of sand and boulders, and if saturated, will be a good aquifer to target. The bedrock consists of quartzite of the Peninsula formation. The Peninsula formation is generally a good aquifer where it is fractured or faulted.

The Electrical Conductivity (EC) of the groundwater at the school should be low enough and suitable to be used for irrigation for typical grass types. It is expected that the groundwater will have a high iron concentration (familiar brown staining associated with use of ground water). Yield statistics of existing shallow boreholes are between 0.5 and 5 liters per second (l/s). A borehole target site has been identified and groundwater appears to potentially be a viable source of water for irrigation at the school, with an estimate that there is a 60 % chance of finding sufficient groundwater for irrigation of soft landscape areas.

6.2.1.4 Stormwater Management Plan

The site is located in a region that receives an annual precipitation of approximately 880 mm. Almost 70 % of precipitation occurs in period between May to September. Hydrological soil characteristic indicates the site to be within a potential natural infiltration zone. Soils are permeable allowing good infiltration facilitating ground water recharging.

Due to proximity of the Robertsvlei River and sloping upstream topography a Local Storm Water Master Plan is to be compiled to identify the 1:50 and 1:100 flood lines and appropriate interventions to manage run-off discharging over the developed site respectively.

6.2.1.5 Traffic Investigation

Robertsvlei Road, situated along the site's western boundary, is a two lane undivided surfaced roadway. The preferred alignment for vehicle access to the site is opposite Bergendal Road. Parking and "Stop-and-drop" facilities are required on the site. A pedestrian walkway and speed bumps should be constructed to accommodate safe pedestrian movement along Robertsvlei Road and to reduce vehicular speed on the approach to allow safe crossing for pedestrian respectively.

6.2.1.6 Municipal Services

It is unlikely that the proposed school site can be connected to the municipal sewer system in La Motte residential area with a gravity system, because the Robertsvlei River is located between the proposed school site and La Motte. Sewage will have to be pumped from the proposed school site to a municipal sewer manhole on the La Motte periphery, alternatively, it can be stored in a septic tank on the proposed school site and emptied by the municipality or a private operator.

The proposed school site can be serviced off the municipal potable water reticulation that is located on the opposite side of Robertsvlei Road. A raw water pipeline suitable for irrigation and fire-fighting is located on the near side of Robertsvlei Road.

There is no piped stormwater reticulation in Robertsvlei Road. Stormwater run-off is collected in a swale adjacent to Robertsvlei Road and channelled towards Franschoek River to the north of the proposed school site.

Electrical and Telkom services are located in the area in overhead format.

6.2.1.7 Environmental Compliance

The proposed school site falls within the Critical Biodiversity Area and due to its proximity to the Franschoek River will require:

- (a) the area to be "ground-truthed" by a botanical specialist to confirm whether any endangered or threatened vegetation occurs on the site and*
- (b) In terms of the National Water Act the National Department of Water and Sanitation must be informed of the proposed/intended construction activity on the site.*

Should "ground-truthing" confirm the presence of endangered or threatened vegetation, in terms of the National Environmental Management Act, an environmental application process will be required.

In terms of the National Resources Act the rezoning of any site exceeding 10 000 m² will trigger a Notice of Intention to Develop (NID) application or a Heritage Impact Assessment (HIA)."

They have subsequently indicated that they are still interested in the site.

6.2.2 Transfer of property

At the time of the previous Council resolution, the property (Remainder Farm 1653, Paarl) was not yet transferred into the name of Stellenbosch Municipality. The property has subsequently been transferred to Stellenbosch Municipality (2017-08-07).

6.2.3 Market value

Cassie Gerber Property Valuers cc was appointed to determine a fair market value for the property under discussion. A copy of his valuation report, valuing the property at R1 100 000.00 (excluding VAT) is attached as **APPENDIX 4**.

6.3 Financial Implications

There are no financial implications should the recommendations as set out in the report be accepted.

6.4 Legal Implications

The recommendations in this report comply with Council's policies and all applicable legislation.

In terms of Section 14(2) of the MFMA a Municipality may dispose of a capital asset, but only after the municipal council, in a meeting open to the public –

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

In terms of Section 40 of the Municipal Supply Chain Management Regulations, a municipality's supply chain management policy must, *inter alia*, specify the ways in which assets may be disposed of to another organ of state at market related value or, whether free of charge.

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

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

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

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

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

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

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

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

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

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

6.5 **Staff Implications**

This report has no staff implications for the Municipality.

6.6 **Previous / Relevant Council Resolutions:**

As indicated under paragraph 5.1 this matter has already been considered by Council.

6.7 **Risk Implications**

This report has no risk implications for the Municipality.

6.8 **Comments from Senior Management:**

6.8.1 **Director: Infrastructure Services**

Agree with the recommendations.

6.8.2 Director: Planning and Economic Development

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

6.8.3 Chief Financial Officer:

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

6.8.4 Municipal Manager:

Agree with the recommendations contained in the report.

ANNEXURES

- 1: Previous Council Resolution dated 2017-03-29
- 2: Letter addressed to the Department of Transport and Public Works
- 3: Site Assessment Report
- 4: Valuation Report

FOR FURTHER DETAILS CONTACT:

NAME	Piet Smit
POSITION	<i>Manager: Property Management</i>
DIRECTORATE	<i>Human Settlement & Property Management</i>
CONTACT NUMBERS	021-8088189
E-MAIL ADDRESS	Piet.smit@stellenbosch.gov.za
REPORT DATE	2017-09-19

APPENDIX 1

**PROPOSED DISPOSAL OF A PORTION OF REMAINDER FARM 1653,
LA MOTTE FOR EDUCATIONAL PURPOSE**

7TH COUNCIL MEETING: 2017-03-29: ITEM 7.5.3

RESOLVED (majority vote)

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

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

Councillors DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted

APPENDIX 2



2017-04-21

The Deputy Director: Acquisitions
 Department Transport and Public Works
 P/Bag X9160
 Cape Town
 8000

Attention: Ruwaida Benjamin

Dear Sir/Madam

PROPOSED ACQUISITION OF A PORTION OF FARM 1653, PAARL (LA MOTTE, FRANSCHHOEK) FOR EDUCATIONAL PURPOSES

Your letter dated 10 February 2017 refers.

I am pleased to inform you that, having considered your request on 2017-03-17, Stellenbosch Municipal Council resolved as follows:

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

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

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

You may therefor proceed with your feasibility studies. Should you require any further information, please contact the undersigned.

Yours faithfully

.....
PIET SMIT
MANAGER: PROPERTY MANAGEMENT

APPENDIX 3

Revel Fox & Partners

Architects and Planners

117 Waterkant . Cape Town 8001 . Telephone: +27 21 4251710 . Fax: +27 21 421 4469 . Website: www.revelfox.co.za

SCHOOLS SITE ASSESSMENT PROGRAMME

EXECUTIVE SUMMARY- ARCHITECT		WEMMERSHOEK PRIMARY SCHOOL	
emis	0108470589	District	Cape Winelands
GPS coordinates	19.443, -33.533	Address	Robertsvei rd, Wemmershoek
Erf & size	Portion of farm 1653 La Motte 1.8270Ha	Ownership	Stellenbosch Municipality
Zoning	Agricultural	Type of infrastructure	nil
Proposed size of school	Medium primary school	Site type	Green Fields
Planned site handover	2018-02-01	Planned practical completion date	2019-05-06
Scope of work	New medium size primary school		
Budget (incl. fees & VAT)	R60 million		

Revel Fox & Partners (RF&P) was appointed (2016.09.13) by the Department of Transport and Public Works: Education Directorate (DTPW: ED) to undertake the site assessment of a number of schools, including Wemmershoek PS School and was given a "project proposal" dated 2016.07.28. It is assisted in this undertaking by Gibb Engineering (Gibb). This site assessment is to be broadly equivalent to stage 1 of the PROCAP Procedural Guide.

The property, Farm 1653 La Motte is currently owned by the Stellenbosch Municipality and is in the process of being transferred. A portion of the property has been identified for the location of the new school.

Municipal district: Cape Winelands – Stellenbosch Municipality.

Size of property (portion of farm 1653): 1.8270Ha. Zoning:

The existing Wemmershoek PS situated on the R45 Franschoek rd has been classified as an inappropriate structure. It is proposed that a replacement school be built on an alternative site that is close to the La Motte Development. When completed the new school will be occupied by learners from Wemmershoek PS and the existing vacated school to be demolished and the site handed back to DTPW. The school is currently operational as a primary school catering for grades R and 1 to 7 with a total of 418 learners.

The proposed size of the new school is to be Medium – 418 learners (as per WCED Norms & Standards). The concept plan indicates the main vehicular and pedestrian entrance at the T-junction of Robertsvlei road and Rosendal street.

It is noted that whilst PROCAP 1 does not require any design, RF&P has included in the report a concept diagram of the proposed new school to test the various parameters on the site.

Gibb Consultant engineers has assessed the site to determine the suitability for the construction of a new school. Gibb's executive summary and reports are within the document.

The DTPW: ED noted in its brief a proposed site handover in April 2020 and practical completion in October 2021, with an estimated budget of R60 million (including demolition, professional fees & VAT).

APPENDIX 4

**CASSIE GERBER
PROPERTY VALUERS CC**

CK 98/22188/23

**C.L. Gerber, Registered Professional Valuer in Terms of Section 19 of Act 47 of 2000, Registration
No: 1717/4**

P.O. Box 2217
DURBANVILLE
7551

Telephone: (021) 9757240
Fax: 086 558 6933
Cell phone: 082 416 2987
E-mail -caslg@mweb.co.za

VALUATION REPORT

**A PORTION OF THE REMAINDER OF FARM 1653,
PAARL RD AND UNREGISTERED ERF 318, LA MOTTE**

OWNER: MUNICIPALITY OF STELLENBOSCH



Market value: R1 100 000.00

Date: 18 June 2018

=====

VALUATION REPORT

A PORTION OF THE REMAINDER OF FARM 1653, PAARL RD AND UNREGISTERED ERF 318, LA MOTTE

OWNER: MUNICIPALITY OF STELLENBOSCH

1. Instructions

- 1.1 The Director of Housing of the Municipality of Stellenbosch instructed me to value the above-mentioned property.
- 1.2 The present market value of the above-mentioned property is required for the possible alienation thereof.
- 1.3 Market value is defined in this report as a price which the property might reasonably be expected to sell for in a transaction between a willing, able and informed buyer and a willing, able and informed seller.

2. Date of valuation

18 June 2018

3. Description of property

The Farm 1653, Paarl RD (Title Deed No.T45558/2017)

4. Owner

Municipality of Stellenbosch (R6 030 000.00)

5. Purchase price

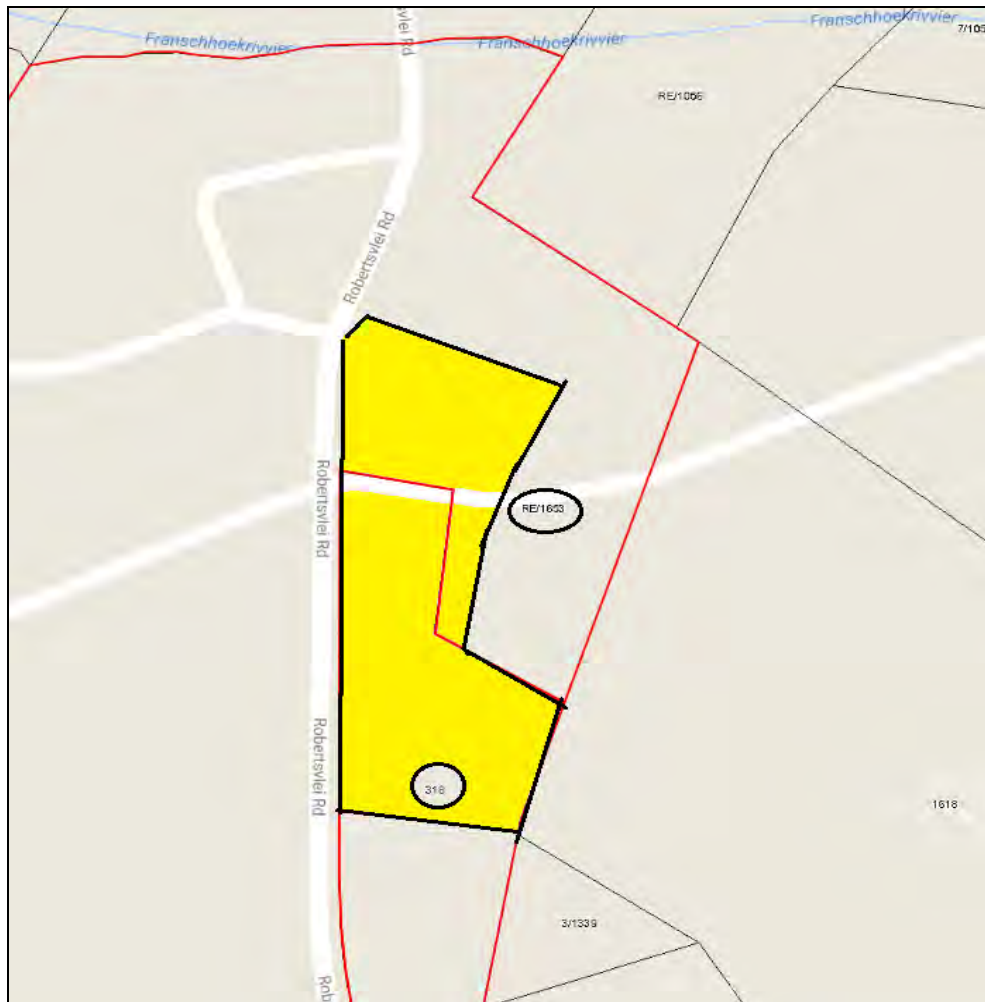
R6 030 000.00 (08.11.2016)

6. Extent required

±2.1400ha

7. Situation and physical aspects

- 7.1 The property is situated on Robertsvlei Road off the Franschhoek, Main Road about 800m from, La Motte.
- 7.2 Maps page 3 below refer:



Locality map



Aerial photo

8. Zoning and highest and best use

8.1 The subject property is zoned for agricultural purposes.

8.2 The proposed use of the site for educational purposes is the highest and best use.

9. Improvements

The subject property consists of vacant land and is suitable for building purposes. The land has a gentle slope from east to west.



Subject property

10. Services

My information is that the bulk services will have to be upgraded.

11. Method of valuation

It would be appropriate to compare the subject property with similar properties and thus arrive at a market value on the basis of comparison.

12. Transactions

A market research was carried out in the area and no similar sales in the area were detected. The search was extended to other comparable areas and the following transactions were traced:

12.1 Comparable sale no.1

Property: Erf 27974, Strand

Extent: 1.4970ha

Purchase price: R870 000.00

Date of sale: 19.02.2015

Location: The property is situated in Admiral Park Strand.

Zoning: The property is zoned for agricultural purposes.
General: The property consists of vacant land, with a long term residential development potential.
The purchase price amounts to ±R58.00 per m².

12.2 Comparable transaction no. 2

Property: Erf 5540, Strand

Extent: 9.0560ha

Purchase price: R6 500 000.00

Date of sale: 02.03.2013

Location: The property is situated on 21st Street, Tarentaalplaas, Strand.

Zoning: The developer was in the process of rezoning the property to general residential purposes when the City of Cape Town purchased the property for low-cost housing.

General: The purchase price amounts to ±R72.00 per m².

12.3 Comparable sale no.3

Property: Erf 29654 & 29655, Blue Downs

Extent: 21.4377ha

Purchase price: R16 000 000.00

Dale of sale: 07.11.2014

Location: The property is situated in Fountain Village, Blue Downs and zoned for agricultural use.

General: The City of Cape Town purchased the land for State Subsidized housing purposes. The purchased price amounts to ±R746 348.00 per ha.

12.4 Transaction no. 4

Property: Erf 27040, Bellville at Belhar
 Extent: 9.8021ha
 Purchase price: R7 850 000.00
 Dale of sale: January 2016 (Not registered)
 Location: The property is situated on Belhar Drive, Belhar.
 General: The Government of the Western Cape purchased the land from the City of Cape Town for hospital purposes. The purchase price amounts to ±R800 000 per ha. The property is zoned for community purposes but the highest and best use of the property is residential development.

12.5 Transaction no. 5

Property: Erf 34457, Strand
 Extent: 0.8163ha
 Purchase price: R612 225.00
 Dale of sale: October 2016 (Not registered)
 Location: The property is situated in Onverwacht Road, Strand.
 General: The City of Cape Town purchased the land for State Subsidized housing purposes from the Provincial Government of the Western-Cape. The value of the property based on two independents valuations amounts to ±R750 000 per ha.

12.6 Transaction no. 6

The City of Cape Town purchased the following properties during 2015:

No.	Description/Stellenbosch RD	Extent/ha	Date	Purchase price/Price/ha
1	Farm 794/38	261.2562	03.06.15	R167 334 923.00/±R640 000
2	Farm 791/6	0.1538	03.06.15	R98 509.00/±R640 000
3	Farm 792/0	58.8057	03.06.15	R37 665 124.00/±R640 000
4	Farm 791/5	13.2862	03.06.15	R8 509 827.00/±R640 000
5	Farm 791/4	36.6118	03.06.15	R23 449 903.00/±R640 000
6	Farm 787/11	84.4847	03.06.15	R54 112 556.00/±R640 000
7	Farm 794/40	4.3047	03.06.15	R2 757 265.00/±R640 000
8	Farm 787/10	61.9575	03.06.15	R39 684 856.00/±R640 000
9	Farm 794/44	1.3760	03.06.15	R881 329.00/±R640 000
10	Farm 794/43	99.8553	03.06.15	R63 957 444.00/±R640 000
11	Farm 794/37	37.4146	03.06.15	R23 964 098.00/±R640 000

The property is situated between Macassar and Somerset West. The City of Cape Town purchased the properties from Paardevlei Prop Pty Ltd for future low-cost residential development. The properties are about 659ha in extent and the purchase price amounts to R640 000.00 per ha. There were no difference in the rate per m² for the extents of the properties, whether they 1.6ha or 260ha.

12.7 Transaction no. 7

Property: Erf 14282, Nyanga.
 Extent: 1.1512ha
 Purchase price: R800 000.00 (±R75.00 per m²)
 Date of sale: (The property is not registered but the City of Cape Town agreed to the price of R750 000/ha during January 2016)
 Improvements: Vacant land
 Zoning: Community local 1
 Comments: The above-mentioned comparable transaction is situated in Miller Street, Nyanga.

13. Summary list of comparable transactions:

No. Property	Extent	Date	Purchase Price/ per ha
1. Erf 27974, Strand	1.4970ha	19.02.15	R890 000/±R580 000
2. Erf 5540, Strand	9.0560ha	01.03.13	R6 500 000/±R717 756
3. Erven 29654/5, Blue Downs	21.4377ha	07.11.14	R16 000 000/±R746 348
4. Erf 27040, Belhar (Not reg.)	9.8021ha	Jan 2016	R7 850 000/±R800 000
5. Erf 34457 Strand (Not reg.)	0.8163ha	Oct.2016	R612 225/±R750 000
6. Portions of farms 787, 791, 792 ^ 704, Stellenbosch RD	1.3760 to 261.2562ha	03.06.15	R640 000/ha
7. Erf 14282, Nyanga	1.1512ha	02.01.16	R800 000.00/750 000

14. Conclusion

14.1 Transactions no. 1 and 2 are situated in the Strand adjacent to existing residential development. The properties are zoned for agricultural purposes but have the potential to be rezoned for residential use. The properties are better situated and closer to all amenities.

14.2 Transaction no. 3 is situated in Blue Downs. The land is zoned for agricultural use, but has the potential for

residential purposes. The City of Cape Town purchased the property for long-term mixed residential development. The purchase price amounts to ±R746 348.00 per ha.

- 14.3 Transaction no. 4 is situated in Belhar, Bellville. The property was zoned for community purposes at the time of the sale. The market value of the property was based on its highest and best use, namely low-cost housing purposes. The property is not registered in the deeds office, but the two parties agreed to a purchase price of R800 000.00 during January 2016.
- 14.4 Transaction no. 5 is situated on Onverwacht and Boundary Road, Strand. The property is not registered at the Deeds office but the agreed purchase price amounted to R750 000.00 per ha. The property was zoned for residential use at the date of sale.
- 14.5 Transaction no. 6 is a list of properties situated between Macassar and Somerset West. The City of Cape Town purchased the properties from Paardevlei Prop Pty Ltd for future residential development. The properties are about 659ha in extent and the purchase price amounts to R640 000.00 per ha.
- 14.6 Transaction 7 is smaller in extent. The site at the time was already zoned for community purposes while the site of the subject property needs rezoning. Allowing for rezoning and the time it will take to rezone, a downward adjustment in the rate per ha is necessary.
- 14.7 Based on the above-mentioned comparable transactions a price of R750 000.00 per ha for the developable land of the subject property, after rezoning and upgrading of the bulk services, is market related.
- To determine the present value of the property, a prospective buyer has to allow for the holding cost to rezone the subject property. Holding cost amounts to about 20% of the market value of the property and includes the interest on the bond, rates on the property and developers profit. According to the town planners it will take about 24 months to rezone the property.
- The present market value of the subject property is calculated as follows:
- R750 000.00 x 24 months discounted @ 20% =R504 400.00
Say: R500 000.00/ha (Present value excluding VAT)

15. Valuation calculations

$\pm 2.1400\text{ha} @ \text{R}500\,000.00/\text{ha} = \text{R}1\,072\,000.00$

Market value rounded: R1 100 000.00

16. Market value

R1 100 000.00 (Excluding VAT)

17. Valuation Certificate

I inspected the subject property described herein. I have no present or prospective interest in the property.

The valuation is independent and impartial and complies with all the ethical standards of the South African Institute of Valuers of which I am a member.

All suppositions and data in this report are to the best of my knowledge, true and correct and I have not attempted to conceal any information.

The valuation has been made to the best of my skill and ability.

I, Casper Louis Gerber, consider a price of R1 100 000.00 to be a fair assessment of the subject property's current market value.



C.L. GERBER

Signed at Durbanville on 18 June 2018

QUALIFICATION TO VALUE

I, Casper Louis Gerber, certify with this my qualifications and experience as follows:

- Professional Valuer registered with the South African Council of Valuers in terms of Act 47 of 2000.
- Member of the South African Institute of Valuers since 1974.
- Served as a member on various valuation boards.
- I have been involved in valuing fixed properties since 1965. At present, I am making an average of 15 valuations per month spread over the whole spectrum of the property market.

5.6	INFRASTRUCTURE: (PC: CLLR J DE VILLIERS)
-----	--

NONE

5.7	PARKS, OPEN SPACES AND ENVIRONMENT: (PC: CLLR N JINDELA)
-----	--

NONE

5.8	PROTECTION SERVICES: (PC: CLLR Q SMIT)
-----	---

5.8.1	RESERVIST POLICY
-------	-------------------------

Collaborator No: *580486*
 IDP KPA Ref No: *Safest Valley*
 Meeting Date: *18 July 2018*

1. SUBJECT: RESERVIST POLICY

2. PURPOSE

To obtain Council's approval for the introduction of a Reservist Policy.

(ANNEXURE A) for the Fire Services.

3. DELEGATED AUTHORITY

For decision by Mayoral Committee and Council.

Legal framework:

Fire Services Act, Act 99 of 1987

Disaster Management Act, Act 57 of 2002

Disaster Amendment Act, Act 16 of 2015

4. EXECUTIVE SUMMARY

There is a great need for assistance for non-uniform members of society to assist the fire department in times of major incidents. The demand and requests to offer assistance through volunteering also often exceeds our expectations as the department are inundated with requests for voluntary/reservist work from people from all walks of life and with various skills and knowledge.

The establishment of a reserve force, consisting of professional emergency medical practitioners, trained fire fighters and other auxiliary personnel can be seen as an amicable alternative to the manpower shortages that are experienced from time to time, especially during major incidents. It could also assist in overcoming service delivery challenges faced associated with our vast the area of coverage and budget restrictions in terms of requesting (overtime) additional manpower.

The adoption of such policy will undoubtedly strengthen the department's hand in acquiring young energetic reservist; assist in the grooming and securing future professional fire fighters for Stellenbosch municipality and maintaining a state of readiness.

5. RECOMMENDATION

that the draft Reservist Policy be supported and same be submitted to Council for adoption.

6. DISCUSSION / CONTENTS

6.1 Background

Stellenbosch Municipality currently has two fully operational fire stations located in Stellenbosch and Franschhoek. A third fire station that is located in Klapmuts is almost done. The total permanently employed operational staff of the Fire Services amounts to 48, with a contingent of 16 fire fighters on duty daily to render a service to the inhabitants, businesses and visitors of the entire WC024 area.

Although this number of on-duty fire fighters daily compares favorably to those of similar size fire departments, the manpower often still seems insufficient because of a variety of emergency and non-emergency tasks that needs to be done

6.2 Discussion

The main functions of a fire service are reflected in schedule 1 of the Fire Services Act, (Act 99 of 1987) under:

“service” means a fire brigade service intended to be employed for—

- (a) preventing the outbreak or spread of a fire;*
- (b) fighting or extinguishing a fire;*
- (c) the protection of life or property against a fire or other threatening danger;*
- (d) the rescue of life or property from a fire or other danger;*
- (e) subject to the provisions of the Health Act, 1977 (Act No. 63 of 1977), the rendering of an ambulance service as an integral part of the fire brigade service; or*
- (f) the performance of any other function connected with any of the matters referred to in paragraphs (a) to (e).*

The Act also makes specific provision, under schedule 6A, for the establishment a reserve force.

6A. Fire brigade reserve force.—

- (1) A controlling authority may establish a fire brigade reserve force for its area of jurisdiction.*
- (2) A chief fire officer may, on the prescribed conditions, appoint a person who applies therefor, as a member of a fire brigade reserve force.*
- (3) A member of the fire brigade reserve force shall be a temporary member of the service and shall perform the functions entrusted to him by the chief fire officer, or a member of the service acting on behalf of the chief fire officer: Provided that a member of a fire brigade reserve force may, as far as possible, only be employed for the performance of those functions for which he, in the opinion of the chief fire officer, has received adequate training.*
- (4) A chief fire officer may at any time discharge a member of a fire brigade reserve force.*
- (5) A member of a fire brigade reserve force shall have the same powers as a member of the service and shall, in the performance of his functions, be regarded as a member of the service.*

6.3 Financial Implications

There will be financial implications for the acquisition of personal protective clothing for the operational volunteers. This can be partly subsidised from our existing vote for uniforms and protective clothing, Ukey number 20170608982554.

6.4 Legal Implications

The recommendations in this report comply with Council's policies and all applicable legislation.

6.5 Staff Implications

In the execution of their duties the volunteers are deemed as members of a service in terms of the fire services act 99 of 1987 and shall as such have the same powers as the permanent members. A volunteer corpse does however not reflect on the organisational structure of a municipality

6.6 Previous / Relevant Council Resolutions:

None.

6.7 Risk Implications

Provision need to be made for the volunteers to be covered by Council's insurance policies.

6.8 Comments from Senior Management:**6.8.1 Director: Infrastructure Services**

Supports the item.

6.8.2 Director: Planning and Economic Development

Supports the item.

6.8.3 Director: Strategic and Corporate Services:

Supports the item.

6.8.4 Director Human Settlements and Property Management

Supports the item.

6.8.5 Chief Financial Officer:

Supports the item.

6.8.6 Municipal Manager:

Supports the item.

Annexure A: Draft Reservist Policy**FOR FURTHER DETAILS CONTACT:**

NAME	Wayne Smith
POSITION	Manager: Fire services and Disaster management
DIRECTORATE	Community and Protection Services
CONTACT NUMBERS	Ext 8771
E-MAIL ADDRESS	wayne.smith@stellenbosch.gov.za
REPORT DATE	7 February 2018

APPENDIX 1



RESERVIST POLICY

FIRE AND DISASTER MANAGEMENT

DRAFT



INDEX

1. <i>DEFINITIONS</i>	<i>Page 3</i>
1. <i>PRE AMBLE</i>	<i>Page 3</i>
2. <i>PURPOSE</i>	<i>Page 3</i>
3. <i>STATUTORY FRAMEWORK</i>	<i>Page 3</i>
4. <i>SCOPE/DETERMINATION</i>	<i>Page 4</i>
5. <i>JOB DESCRIPTIONS</i>	<i>Page 5</i>
6. <i>APPLICATION AND ACCEPTANCE PROGRESS</i>	<i>Page 5</i>
7. <i>MEDICAL EXAMINATION</i>	<i>Page 6</i>
8. <i>UNIFORMS AND PERSONAL PROTECTIVE EQUIPMENT (PPE)</i>	<i>Page 6</i>
9. <i>TRAINING</i>	<i>Page 6</i>
10. <i>MINIMUM ACTIVE STATUS REQUIREMENTS</i>	<i>Page 7</i>
11. <i>COMMANDEERING</i>	<i>Page 7</i>
12. <i>DISCIPLINARY PROCESS</i>	<i>Page 7</i>
13. <i>DISPUTE RESOLUTION (GRIEVANCE AND APPEALS)</i>	<i>Page 7</i>
14. <i>LEAVE</i>	<i>Page 8</i>
15. <i>RESIGNATION</i>	<i>Page 8</i>



Fire fighter: A **firefighter** (also fireman and firewoman) is a rescuer extensively trained in firefighting, primarily to extinguish hazardous fires that threaten life, property and/or the environment.

Reservist/Volunteer: a person or group of people who freely offers to take part in an enterprise or undertake a task.

Chief Fire Officer: means the person in charge of a service as contemplated in section 5 of the fire brigade services act, 99 of 1987

EMS: Emergency medical services

PPE: Personal protected equipment

2. **Pre amble**

This policy is to formalize the recruitment, deployment and utilisation of a reserve force as contemplated in Section 6A(1) of the Fire Brigade Services Act, No 99 of 1987 as amended in conjunction with the Regulations: Fire Brigade Reserve Force (Published under notice no R78 in Government Gazette no 15431, dated 21 January 1994)

3. **Purpose**

To establish procedures and criteria for the recruitment and selection of reservists by the Chief Fire Officer

4. **Statutory framework**

Fire services act, act 99 of 1987 (schedule 6 A)

Disaster management act, act 57 of 2002 (schedule 44)

5. **Scope/Categories of Reservist**



Reservist serve the community by responding to a variety of situations, ranging from emergencies that immediately threaten life or property to routine citizen requests for information, assistance or education

6. Determination of categories of reservists:

Category A: Firefighter Reservist: Reservists who serve the community by responding to a wide variety of emergency situations, including fire suppression, emergency medical aid or rescue, hazardous material responses and confined space. This classification of reservist may also assist in non-emergency activities such as Public Education, Public information, inspections and routine day to day fire department activities.

Category B: EMS Only Reservist: Reservists who serve the community by responding to and dealing with emergency medical situations that can pose a threat to life. Members in this position are responsible for the protection of life through medical services, emergency scene support and other like duties. This classification of reservist may also assist in non-emergency activities such as Public Education, Public information, inspections and routine day to day fire department activities.

Category C: Support Services Reservist: Reservists who serve the community by being assigned to number of different areas of “non-hazardous” volunteer work that would otherwise have to be performed by suppression personnel. By so doing, they free up suppression personnel to focus on emergency duties. Typical support services functions may include but are not limited to assisting in performing non-hazardous tasks at emergency scenes such as preparing and providing food supplements and beverages and assisting in routine day to day fire department activities to include assisting in administration functions.

Unless specifically differentiated, the procedures contained herein apply to all categories of reservists.

Utilisation of Reserve Force

The Chief Fire Officer must determine the utilisation of Reservists at his or her station in accordance with the needs and priorities at his or her station. Utilisation of Reservists is subject to the requirements of this policy, Section 6A of the Fire Brigade Services Amendment Act, 83 of 1990, as well as provisions contained in the Regulations, in particular regulations 2,5,7 and 8 of the Regulations.

Command and control Reservist

All reservists serve under the command and control of the Chief Fire Officer as determined in terms of section 6A of the Fire Brigade Amendment Act 83, of 1990

Requirements applicable to persons from specific groups

Indication of who may not be appointed as reservists eg:

7. Job Descriptions:



A member of the fire brigade reserve force shall be a temporary member of the service and shall perform the functions entrusted to him by the chief fire officer, or a member of the service acting on behalf of the chief fire officer: Provided that a member of a fire brigade reserve force may, as far as possible, only be employed for the performance of those functions for which he, in the opinion of the chief fire officer, has received adequate training.

A chief fire officer may at any time discharge a member of a fire brigade reserve force.

A member of a fire brigade reserve force shall have the same powers as a member of the service and shall, in the performance of his functions, be regarded as a member of the service.

8. Application and Acceptance Process

- Step 1:** The Applicant shall complete a departmental application and furnish all required documentation.
- Step 2:** If not disqualified on basis of the application and documentation, the Applicant's paperwork will then be submitted for a background check.
- Step 3:** The Applicant may be required to complete the selected department assessment tool.
- Step 4:** After completing the assessment tool, and upon return of the background check, the applicant will be sent to The Chief's Interview
- Step 5:** Upon completion of the Interview, if the applicant is approved by the Fire Chief to continue in the process, the applicant will be required to undertake a medical examination.
- Step 6:** After successful completion of the background check and medical exam, the Applicant will, upon approval of the Chief, be offered a reservist/volunteer position as applicable
- Step 7:** The reservist/volunteer will be given in house training at the Fire department that is appropriate for the volunteer category they are occupying. Fire fighter/EMT reservist may be enrolled for a Fire fighter 1 course at the Cape Winelands training academy if and when positions are available.

In terms of the enabling legislation, reserve force members are vested with the same powers as fulltime members of the service; it stands to reason therefore, that the selection, appointment criteria for reservist must be the same as for permanent members of the Fire Brigade Services.

9. Medical Examination



Each applicant will be required to undergo a Medical Examination (at own expense) and present such to the Chief for scrutiny and record keeping purposes

10. Uniforms and Personal Protective Equipment (PPE)

Upon acceptance into the Service, members will receive the following uniform allotments:

- a) Jumpsuit
- b) Boots
- c) PPE (in line with their level of training)

EXCEPTION: Support Services reservists/volunteers assigned to logistical functions associated with major incidents will not receive PPE and uniform

11. Training

Based upon the category that they are occupying, the reservist's initial training can include:

- a) Orientation
- b) Call taking and dispatch
- c) Maps and Water Sources
- d) Radio protocols
- e) Fire Equipment
- f.) Hose and hydrant

Reservists can on merit be nominated by the Chief to attend the Fire fighter 1 course at the Cape Winelands Training academy.

12. Minimum Active Status Requirements

Reservists: In order to maintain their membership with the Fire service, each reservist must meet the following minimum standards by the end of each month.

Drills: The reservist will attend all required/scheduled training

Shifts: The reservist will spend a minimum of 20 hours at a station per month. Shifts are to be scheduled in 4 or 5 hour blocks. Failure to Comply: At the end of each 6 months, reservists failing to meet the minimum requirements shall be notified of their deficiencies and be given an opportunity to respond.

Failure to adhere to requirements will subject the reservist to removal from the program.

13. When commandeered:



Reservists are expected to respond to their assigned stations unless otherwise directed by the Officer in Charge.

Fire Responses: Reservist will be under the direct command of the Officer in charge and will be utilised under his/her discretion

EMS Calls: Reservists will be under the direct command of the Officer in charge and will be utilised under his/her discretion

14. *Disciplinary Process may include Verbal Reprimand, Written Reprimand, and Suspension & Removal from Volunteer Program*

Reservists shall comply with all internal rules, policies and procedures and with the terms and conditions of the agreement at all times. Non-compliance may subject the reservist to a disciplinary up to and including termination.

Reservist may be terminated at any time with or without cause.

The Chief has the right to alter, amend, or change the conditions of service and requirements at any time without prior notice to the reservist.

15. *Dispute Resolution (Grievance and Appeal)*

The Department recognizes that sometimes situations arise in which a reservist feels that he/she has not been treated fairly or in accordance with Departments' rules and procedures. For this reason the Department provides its reservists with procedures for resolving disputes.

Step 1: A reservist should first try to resolve any problem or complaint with his/her supervisor. The supervisor should respond to the reservist, in writing, within ten (10) working days after meeting with him/her, if possible.

Step 2: If the reservist is not satisfied with the response from his/her supervisor, the reservist may submit the problem, in writing, to the Fire Chief or his/her designee within ten working days after receiving the supervisor's response. The written complaint must contain, at a minimum:

A description of the problem;

A specific practice, guideline, or procedure, which the reservist believes, has been misapplied;

The date of the circumstances leading to the complaint or the date when the reservist first became aware of those circumstances;

The remedy sought by the reservist to resolve the dispute.



The Fire Chief may meet with the parties, either individually or together, and will endeavour to respond in writing to the aggrieved reservist within ten working days of any such meeting, if possible. Such determination will be final and binding

16. Leave

A reservist may request a Leave of Absence from the Department for good cause. Such request shall be made in writing to the Chief and shall include the following information:

- a) Starting date
- b) Ending date
- c) Reason for leave

Any necessary documentation shall be included with the request. The Chief has full discretion in granting or not granting the request.

17. Resignation

Reservists are encouraged to submit written notice of resignation to their supervisor at least ten working days (two calendar weeks) prior to the effective date of their resignation. An exit interview with the Fire Chief shall occur prior to their last day with the Department. When a reservist resigns he/she is expected to return all property, including uniforms, equipment and keys. Failure to do so can result in criminal charges being filed.

5.8.2	REVIEW OF ACCESS CONTROL AND INTERNAL SECURITY POLICY ON THE PROTECTION OF COUNCIL PROPERTY AND MUNICIPAL STAFF
-------	--

Collaborator No:

IDP KPA Ref No:

Meeting Date:

*Safest Valley**18 July 2018*

1. SUBJECT: REVIEW OF ACCESS CONTROL AND INTERNAL SECURITY POLICY ON THE PROTECTION OF COUNCIL PROPERTY AND MUNICIPAL STAFF

2. PURPOSE

To submit the reviewed Access Control and Internal Security Policy on the protection of Council property and Municipal staff to Council for approval.

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

The policy on Access Control and Internal Security on the protection of Council property and Municipal staff was approved by Council on 20 August 2014. The review of the policy is to remain abreast of changing environments and risks when it comes to safety.

The reviewed policy addresses certain shortcomings as suggested in clause 8.1 of the attached policy as it relates to safety and security during Council meetings.

5. RECOMMENDATION

that Council considers and approves the reviewed policy on Access Control and Internal Security on the protection of Council property and Municipal staff.

6. DISCUSSION / CONTENTS

6.1 Background

The reviewed policy is attached as **ANNEXURE A**.

6.2 Discussion

The public has access to the public gallery to attend Council meetings. This policy is directed to put additional measures in place insofar as safety is concerned, which includes the installation of CCTV cameras in Council Chambers, electronic scanning of the public when entering the public gallery, etc.

6.3 Financial Implications

The department has sufficient budget to install additional CCTV cameras.

6.4 Legal Implications

None

6.5 Staff Implications

None

6.6 Previous / Relevant Council Resolutions:

None

6.7 Risk Implications

This report has no risk implications for the Municipality.

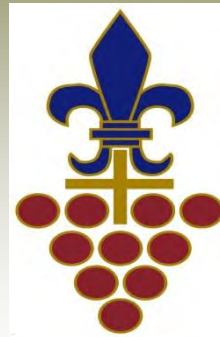
ANNEXURES

Annexure A: Reviewed Access Control and Internal Security Policy on the protection of Council property and Municipal staff.

FOR FURTHER DETAILS CONTACT:

NAME	GERALD ESAU
POSITION	<i>DIRECTOR COMMUNITY & PROTECTION SERVICES</i>
DIRECTORATE	<i>COMMUNITY & PROTECTION SERVICES</i>
CONTACT NUMBERS	<i>X8437</i>
E-MAIL ADDRESS	<i>Gerald.esau@stellenbosch.gov.za</i>
REPORT DATE	<i>15 March 2018</i>

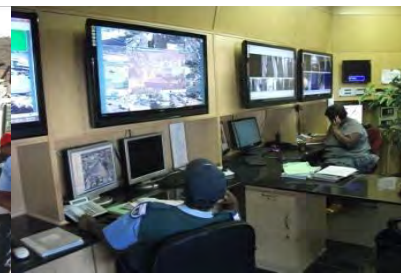
APPENDIX 1



REVIEW OF POLICY 2018

ACCESS CONTROL AND INTERNAL SECURITY POLICY ON THE PROTECTION OF COUNCIL PROPERTY AND MUNICIPAL STAFF

MARCH 2018



INDEX

1. PURPOSE	2
2. BACKGROUND	2
3. OBJECTIVE	2
4. LEGAL MANDATE	2
5. PROTECTION OF COUNCIL PROPERTY/ASSETS	4
6. PROTECTION OF MUNICIPAL STAF	4
7. ACCESS CONTROL	4
8. SECURITY	9
9. GENERAL	11
10. OFFICE SECURITY	11
11.CONTROL OF FIRE ARMS	12
12. LOSS/STOLEN AND RE-ISSUING OF ELECTRONIC TAGS/REMOTE DEVICES	13
13. SECURITY BREACHES	13

1. PURPOSE

To introduce Access Control and Safety & Security measures for the protection of Council property and municipal staff.

2. BACKGROUND

The municipality of Stellenbosch depends on its personnel and assets to deliver services that ensure the safety, security and economic well-being of all its residents, ratepayers and visitors.

Although the municipality of Stellenbosch has over years developed and introduced security measures such as CCTV surveillance systems and access control systems to protect Council property and staff in the past, the need for a policy on access control and the protection of Council property and municipal staff exist.

3. OBJECTIVE

The objective of the Access Control and Safety & Security policy is to set clear guidelines and direction for access control and the protection of Council property and municipal staff.

4. LEGAL MANDATE

Control of Access to Public Premises and Vehicles Act, Act 53 of 1985, as amended;

4.1 (Subsection 1 of the Act) Notwithstanding any rights or obligations to the contrary and irrespective of how those rights or obligations arose or were granted or imposed, the owner of any public premises or any public vehicle may-:

4.1.1 (a) Take such steps, as he may consider necessary for the safeguarding of those premises or that vehicle and the contents as well as for the protection of the people therein or thereon.

4.1.2 (b) Direct that those premises or that vehicle may only be entered upon in accordance with the provision of subsection (2).

4.2 (Subsection (2) of the Act) No person shall without the permission of an authorized officer enter any public premises or any public vehicle in respect of which a direction has been issued under subsection (1) (b), and for the purpose of granting of that permission an authorized officer may require of the person concerned that he/ she:-

4.2.1 (a) Furnish his/ her name, address and any other relevant information required by the authorized officer.

4.2.2 (b) Produce proof of his/ her identity to the satisfaction of the authorized officer.

4.2.3 (c) Declare whether he/she has any dangerous objects in his/her possession, custody or under his control.

4.2.4 (d) Declare what the contents are of any suitcase, attached case, bag, handbag, folder, envelope, parcel or container of any nature, or vehicle which he has in his/ her possession, or custody or under his/ her control, and show those contents to him.

4.2.5 (e) Subject him/ her and anything which he/ she has in his possession or custody or under his/ her control to an examination by an electronic or other apparatus in order to determine the presence of any dangerous object.

4.2.6 (f) Hand to an authorized officer anything, which he/ she has in his/ her possession or custody or under his/her control for

examination or custody until he/ she leaves the premises or vehicle.

5. PROTECTION OF COUNCIL PROPERTY/ASSETS

The protection of Council property/assets will be the responsibility of the Community and Protection Services Directorate in co-operation with the line department and will be provided by the Law Enforcement Department. This service may be outsourced from time to time depending on circumstances prevailing and by direction of the Director: Community and Protection Services subject to the normal Supply Chain processes of Council.

6. PROTECTION OF MUNICIPAL STAFF

The Law Enforcement Department of the Community and Protection Services Directorate will be responsible for the protection of municipal staff during official business hours, as well as after hours due to operational duties, where applicable, and take all reasonable necessary steps and measures to ensure the safety of staff.

7. ACCESS CONTROL

7.1 The IDENTIFICATION Card Policy:

- 7.1.1 The Identification card is a security measure to ensure unauthorized or illegal entry to any municipal building or office other than just being a means to positively identify departmental employees or visitors/ contractors.
- 7.1.2 The issuing and strict control of the identity cards is crucial to a safe and secure working environment.

- 7.1.3 The Head: Law Enforcement is responsible for the manufacture, issue and management of Stellenbosch Municipality's identity cards (ID).
- 7.1.4 The individual ID card holders are responsible and accountable for their cards and how and where they are used.
- 7.1.5 Where external contractors are issued with ID contractor cards, the line management by whom they are appointed is responsible for control, use and return of the cards.

7.2 Application for Identity Cards (ID)

- 7.2.1 An identity card shall only be issued on the strength of an application form that has been signed by both the applicant and his/ her director or delegatee.
- 7.2.2 Application forms for ID cards can be obtained from the Head: Law Enforcement.
- 7.2.3 Application forms shall be submitted at least 1 business day prior to the issue of the card.
- 7.2.4 Once the employee's photograph and details have been printed onto the ID card, the relevant information will be captured on the access control system by the Head: Law Enforcement and the biometrics access control system updated accordingly to allow access by means of fingerprint reading where applicable.
- 7.2.5 Contracted service providers and internship students must complete an application form duly signed by the applicant and the relevant director or line management delegatee.
- 7.2.6 All ID cards are to be visible at ALL TIMES when entering any municipal building or office.

7.3 Recovery of ID Cards

7.3.1 Human Resource Management shall recover the card from the employee whose employment with the Department has been terminated and submit it to the Law Enforcement Department within 24 hours of termination of employment.

7.3.2 Human Resources shall notify the Head: Law Enforcement on a monthly basis and in writing of the names and details of any person who left the Municipality during the preceding month. On receiving such notification The Head: Law Enforcement will amend its records accordingly.

7.4 Lost/ Stolen and Re-issuing of ID Access cards

7.4.1 When an ID card is lost, the cardholder must report the loss to the South African Police Services (SAPS) and Head: Law Enforcement within twenty-four hours of loss.

7.4.2 When an ID card is lost, the employee must pay an amount of R50,00 for the replacement of the card. The money shall be paid to the municipality and the relevant vote number supplied by the Head Law Enforcement. The revenue office will issue a receipt, which will be produced to the Head: Law Enforcement for the replacement of the card.

7.4.3 When an ID card is damaged and needs to be replaced, the damaged card must be returned to the office of the Head: Law Enforcement before a new card is issued. A new application form will be completed for the new ID card. Paragraph 7.4.2 above is not applicable in this case.

7.5 MUNICIPAL STAFF AND COUNCILLORS

Access to the municipal buildings in Plein Street (Head Office) by Municipal staff and councilors will be by electronic tag or fingerprint readers, where applicable and by wearing visible ID cards at all times issued by the Head: Law Enforcement.

NB: NO OTHER ACCESS EXCEPT AT THE MAIN ENTRANCE IN PLEIN STREET, AND/ OR FROM THE REAR OF THE MAIN BUILDING (OFFICIAL PARKING AREA) AND/ OR THE SIDE ENTRANCE WITHIN THE STEEL GATE AREA WILL BE ALLOWED

At all other municipal buildings or rented office space access will be by electronic tag or fingerprint readers, and by wearing visible ID cards at all times issued by the Head: Law Enforcement, and or the relevant building's security arrangements or a combination thereof depending on the security risk of the relevant offices.

7.6 VISITORS TO HEAD OFFICE (PLEIN STREET):

7.6.1 Categories of visitors

- VIPs, e.g. MECs, Ministers,
- Official visitors, i.e. for the purpose of meetings, work related matters, ad hoc contractors, technicians, and etc.
- Service Providers who are contracted on a long-term basis to the municipality.
- Non- official visitors, family members, friends, relatives and etc.

NB: All categories of visitors, (except VIP's, i.e. MEC's, Ministers and Mayors) will wear an ID visitor's card marked as such and shall be visible at ALL TIMES for the duration of the intended visit at the municipality issued by the

Security staff at the foyer of the main entrance of the main complex and returned to the Security staff before allowed to leave the municipal premises.

7.7 Access procedures

7.7.1 VIPs: The office of the Executive Mayor/ Municipal Manager will arrange for the reception and departure of the VIPs. Security instructions shall be observed in respect to VIP visits.

7.7.2 Official visitors: This category must report to the access control point at the main entrance in Plein Street (foyer), go through all applicable access control procedures and are escorted to the venue of the meeting, workplace, etc. For this purpose, the host must notify the security personnel of the meeting at least two hours before the commencement of such meeting.

NB: NO OTHER ACCESS EXCEPT AT THE MAIN ENTRANCE WILL BE ALLOWED.

7.7.3 Service Providers: This category of vetted visitors must report to the access control point at the main entrance in Plein Street (foyer) to provide restricted access privileges only, and will be in use during the contracted period only. Escorting is not essential, although the areas to which they may not have access to must be clearly indicated to them.

7.7.4 All categories of visitors will be subjected to be screened by a metal detector at the main entrance of the Head Office in Plein Street

8. SECURITY

The Community and Protection Services Directorate will;

- Secure a safe environment for all Council operations, i.e. meetings, etc.,
- Manage 24 hour Control Centre ensuring operation of two-way radio- communication, CCTV, Security & Alarm systems,
- Rapid response to municipal alarms, CCTV and related violations,
- Investigate theft,
- VIP protection in terms of Council's policy on the protection of Councillors.
- Remove any member of public or municipal employee from any municipal building or office if that person cannot identify him/her by means of a visitor's card issued by the security staff or an identity card issued by the Head: Law Enforcement.
- Remove any member of public or municipal employee whose conduct is not conducive to the working environment of the municipality.

8.1 SECURITY IN COUNCIL CHAMBERS

8.1.1 During Council meetings the public has access to the gallery but may not participate, interfere or disrupt proceedings of the meeting Any public member who wants to enter the public gallery to attend a Council meeting will be subjected to the following before access will be allowed;

8.1.1.1 Security check which will involve the scanning by means of electronic scan or handheld device for possible weapons/ firearms before entry will be allowed.

8.1.1.2 *Ensuring that the person is not under the influence of intoxicated liquor.*

8.1.2 *The Community and Protection Services Directorate will install adequate CCTV cameras in Council Chambers as well as the public gallery for the sole purpose to protect Councillors, officials and members of the public during meetings.*

8.1.3 *The footage will be recorded and kept for a period of 3 weeks where after the recording will be overwritten. If an incident has occurred which requires the retaining of video footage, then the Speaker of the Council will request the retaining of the video footage officially. The video footage will then be downloaded and kept in safekeeping until needed for evidence.*

8.1.4 *For any In-Committee meetings the Speaker may require that no video recordings be made during the meeting proceedings.*

8.1.5 *Sufficient Law Enforcement Officers will be deployed at each Council meeting to safeguard the proceedings of the meeting and to protect attending Councillors. This will include the Council Chambers, public gallery, entrance to the Council building, ablution facilities and the outer perimeters of the immediate building in which the meeting is held.*

8.1.6 Law Enforcement will have the right to remove any public member from the public gallery acting in a manner to disrupt the proceedings of the meeting.

9. GENERAL

No person shall without the permission of an authorized/ Law Enforcement/ security officer enter or enter upon public premises or any public vehicle – Control of Access to Public Premises and vehicles Act 53 of 1985.

9.1.1 Without prejudice to the provisions of the Trespass Act, 1959 (Act 6 of 1959), an authorized officer may at any time remove any person from any public premises or public vehicle if:-

- *That person enters or enters upon the premises or vehicles concerned without the permission contemplated in paragraph 7 above.*
- *The authorized officer considers it necessary for the safeguarding of the premises or vehicle concerned or the contents or for the protection of the people therein or thereon.*

10. OFFICE SECURITY

10.1.1 Each staff member is responsible to inspect his/ her own office or work area for signs of intrusion at the beginning of each day. If the staff member detects any sign of intrusion, he/ she should notify the immediate head or next senior member so that the matter can be reported to the Head: Law Enforcement.

- 10.1.2 Cleaning of offices should be done during official working hours and supervised by the occupant of the office. The occupants of offices that contain sensitive apparatus or documents, which cannot be hidden or locked away, may clean their offices themselves.
- 10.1.3 The occupant of an office should lock the doors of the office or working area at all times when leaving such an office or working area.
- 10.1.4 At the end of the day, before departure, each official should ascertain that:
- All relevant electrical appliances are switched off.
 - Blinds/ curtains are drawn.
 - Doors, windows and cabinets are closed and locked.
 - Sensitive apparatus or documents are locked away.
- 10.1.5 The jamming of doors fitted with electronic readers, either on the hallway or in offices is prohibited.

11. CONTROL OF FIRE ARMS

No persons, other than an authorized official of Council issued with an official firearm, a member of the South African Police Services, a member of the South African Defence Force or a member of a recognized and registered Security company are allowed in or on the premises of any municipal building with a firearm.

- 11.1 Visitors, other than mentioned in paragraph 10, in possession of fire-arms will not be allowed access to any municipal building or office.

12. LOSS/STOLEN AND RE-ISSUING OF ELECTRONIC TAGS/REMOTE DEVICES

- 12.1 When an electronic tag/ remote device is lost, the holder thereof must report the loss to the South African Police Services (SAPS) and Head Law Enforcement within twenty-four hours of loss upon which the electronic tag/ remote device shall be cancelled.
- 12.2 When an electronic tag is lost, the employee must pay an amount of R100,00 for the replacement of the electronic tag. When an electronic remote device is lost, the employee must pay an amount of R350,00 for the replacement of the electronic remote device. The money shall be paid to the municipality and the relevant vote number supplied by the Head Law Enforcement. The cashier's office will issue a receipt, which will be produced to the Head Law Enforcement for the replacement of the electronic tag/ or remote device.
- 12.3 When an electronic tag/ or remote device is damaged and needs to be replaced, the damaged electronic tag/ or remote device must be returned to the Head Law Enforcement before a new electronic tag/ or remote device is issued.

14. SECURITY BREACHES

- 13.1 Failure to adhere to the prescriptions of this policy constitutes a security breach and a punishable offence in terms of the Collective Agreement on Discipline.
- 13.2 Any staff member suspected under reasonable grounds of misconduct relating to the prescriptions of this policy may be subjected to polygraph testing. If a staff member refuses to be subjected to a polygraph test after reasonable grounds exist

that the staff member has contravened the prescriptions of this policy, a negative conclusion may be made in terms of that staff member.

- 13.3** Any loss incurred by the Municipality as a result of failure to adhere to these policy prescriptions constitutes fruitless and wasteful expenditure.

Review of Access Control and Internal Security Policy on the Protection of Municipal Property and Staff

DRAFT

5.8.3	APPLICATION FOR EVENT SUPPORT – SASOL SOLAR CHALLENGE
-------	--

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Safest Valley

18 July 2018

1. SUBJECT: APPLICATION FOR EVENT SUPPORT – SASOL SOLAR CHALLENGE

2. PURPOSE

To obtain Council approval for event support to host the Sasol Solar Challenge during September 2018 in Stellenbosch.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The SA Sasol Solar Challenge (SSC) is an eclectic collaborative platform showcasing the advancement of solar technologies and their application demonstrated by academics, budding technological entrepreneurs and renewable energy enthusiasts.

Being SA's sixth bi-annual Solar Challenge and 10th year anniversary since the inaugural 2008 Challenge, the 2018 event will set new standards in both local and international Solar Challenge events.

The event traverses the South African countryside, departing from Tshwane/Pretoria on the 22nd of September traveling through 14 towns/cities en route to the Challenge Finish line held for the first time in the historic town of Stellenbosch on the **29th September 2018**. This will be the official finish line of the event after which the awards ceremony will be held in Cape Town on the 30th September 2018.

5. RECOMMENDATION

that Council endorses the request for event support in terms of Council's Events Policy.

6. DISCUSSION / CONTENTS

6.1 Background

The application for event support is made in terms of Council's Events Policy which allows Council to partner with the Solar Challenge event. The application for event support is attached as **ANNEXURE A**.

The event sees itself supporting the following event categories that the Municipality may wish to partner in terms of clause 9.3.2 of the Events Policy (Attached as **ANNEXURE B**):

- Events that attract a high proportion of visitors to Stellenbosch
- A media attraction, particularly international and national media
- Events that provide the Municipality with marketing opportunities

- Demonstrates a positive economic, social and environmental impact
- Events that apply greening principles
- Information on trading opportunities for local traders
- Job creation opportunities as a result of the event
- Information on local suppliers
- Lasting legacies from the hosting of the event.

Based on the magnitude of this prestigious event it would be prudent to allow the event organizer to do a presentation to Mayo.

Attached as **ANNEXURE C** is a summary of the Sasol Solar Challenge report of 2016 which gives an insight of the 2016 event.

6.2 Discussion

The event organizer requires a central location in Stellenbosch with easy access to large crowds and easy non-speed bump access or minimal bumps that can allow for modification as solar cars cannot travel over speed bumps. The preferred location will be Die Braak as it is in the centre of town and the impact on traffic will be minimal due to the fact that the event will take place on a Saturday afternoon.

The following municipal services will be required:

- Traffic Services
- Community Services

The request to render the services at no cost in support of the event needs to be considered by Council. The exact costing of the required services will be determined by the relevant departments under financial implications.

An educational programme will be implemented once the event has been secured with the Stellenbosch Municipality. The programme will be presented during the event presentation to Council as a support programme to the Sasol Solar Challenge.

6.3 Financial Implications

- Traffic Services to provide cost implications
- Community Services – Hiring of Die Braak amounts to R6 742.00 subject to change from 01 July 2018.

6.4 Legal Implications

None

6.5 Staff Implications

Staff will have to work overtime and Council funds overtime.

6.6 Previous / Relevant Council Resolutions:

None

6.7 Risk Implications

In terms of the Section 25 (1) of the Events Act 2 of 2010 the event's organizer must ensure that public liability insurance, as prescribed, is in place for an event. Thus there is no risk involved for the Municipality.

6.8 Comments from Senior Management:**6.8.1 Director: Infrastructure Services**

Item supported, but the electricity connection and the equipment demonstrated and used MUST conform to the requirements of SANS 10142, NRS 097 as well as a SABS recognised International Standards Agency recognised by the SABS where internal standards are not available.

6.8.2 Director: Planning and Economic Development

No comments required.

6.8.3 Director: Strategic and Corporate Services:

The recommendations are noted.

6.8.4 Director Human Settlements and Property Management

No comments required.

6.8.5 Chief Financial Officer:

No comments required.

6.8.6 Municipal Manager:

No comments required.

ANNEXURES

Annexure A: Application for event support from Sasol Solar Challenge

Annexure B: Events policy of Council

Annexure C: Sasol Solar Challenge summary report 2016

FOR FURTHER DETAILS CONTACT:

NAME	GERALD ESAU
POSITION	DIRECTOR COMMUNITY & PROTECTION SERVICES
DIRECTORATE	COMMUNITY & PROTECTION SERVICES
CONTACT NUMBERS	021 – 808 8437
E-MAIL ADDRESS	Gerald.esau@ Stellenbosch.gov.za
REPORT DATE	30 June 2018

APPENDIX 1



SASOL
**SOLAR
CHALLENGE**

December 2017

Attention: Stellenbosch Municipality

To whom it may concern

Dear Mam, Sir

**APPLICATION TO HOLD THE FINISH OF THE 2018 SASOL SOLAR CHALLENGE IN THE CITY OF
STELLENBOSCH ON THE 20TH SEPTEMBER 2018**

The following information provided pertains to the Stellenbosch Municipality Events Policy in lieu of an event application and opportunity to secure a presentation with the relevant Municipal Board body as discussed during meeting held on the 24th of November 2017 at the Stellenbosch Law Enforcement offices organized by Yvonne Mndabani from the Events department.

Members in attendance:

Y. Mndabani	Comm Serve EMP
M. Masondo	Events
N. Langehoven	Manager Law / Events
A. Herring	Traffic
C. Nell	STB Solid Waste Management
S. Conradie	Stellenbosch SAPS / Events

INTRODUCTION

The SA Sasol Solar Challenge (SSC) is an eclectic collaborative platform showcasing the advancement of solar technologies and their application demonstrated by academics, budding technological entrepreneurs and renewable energy enthusiasts. The SSC is an internationally accredited Solar Challenge calendar event accredited to the ISF delivering a highly competitive showcase where 'brain sport' and fierce competition is the order of the day.

10 YEAR ANNIVERSARY

Being SA's sixth bi-annual Solar Challenge and '10 year anniversary' since the inaugural 2008 Challenge the 2018 event will set new standards in both local and international Solar Challenge events. From its humble beginnings in 2008 playing host to 5 participants, the 2018 SSC will seek to host 15 international teams, 10 local teams and a sustainability fleet showcasing E-Mobility through the participation of Electric Cars (EV's) driving the route.

DIRECTORS:

Winstone Jordaan, Paul Bisogno

SASOL SOLAR CHALLENGE:

Unit M49 The Innovation Centre, Mark Shuttleworth Street,
The Innovation Hub, Pretoria, 0087
Email: admin@solarchallenge.org.za Tel: +27 72 804 5342



SASOL

From Sasol's first engagement as the title sponsor in 2012, the SSC has grown from strength to strength not only attracting increased SA team and International team interest and participation, but through Sasol's support grown worldwide interest and valuable engagement.

ROUTE CHANGE

The event traverses the South African country side departing from Tshwane/ Pretoria on the 22nd of September travelling through 14 towns/cities on route to Challenge Finish line held for the first time in the historic town of Stellenbosch on the 29th of September 2018. This will be the official finish line of the event after which the awards ceremony will be held in Cape Town on the 30th of September 2018.

EVENT APPLICATION

As seen as an event application and motivation the remainder of the document will take its cue from the Stellenbosch Municipality Events Policy document and provide information as per the points addressed in the policy document.

Policy: 9.3.2

The SSC event sees itself supporting the following event categories that the Municipality may wish to partner with:

A, B, C, D, G, K

With the implementation of its supporting program 'Dialogues' both for 2018 and going forward the following partnership opportunities arise:

H, I, J, K

GUIDELINES FOR EVENT SUPPORT APPLICATIONS:

Policy: 9.3.10

9.3.10.1

The Directors and Board members of Eco Promotions (Pty) Ltd and the Advanced Energy Foundation (AEF Non-for-Profit) have been involved since the inception of the event in 2008. The AEF holds the licence for the event and Title sponsorship relationship with SASOL while Eco Promotions serves as the contracted Promoter and implementation company to the AEF.

DIRECTORS:

Winstone Jordaan, Paul Bisogno

SASOL SOLAR CHALLENGE:

Unit M49 The Innovation Centre, Mark Shuttleworth Street,
The Innovation Hub, Pretoria, 0087

Email: admin@solarchallenge.org.za Tel: +27 72 804 5342



9.3.10.2

The 2018 event will constitute the sixth successful SA Solar Challenge. SASOL took up the Title Sponsorship of the event in 2012 with 2018 being its fourth consecutive sponsorship.

9.3.10.3

Please see attached the 2016 event report including statistics offered by various agencies as seen in the table below:

PR and Media exposure

Coverage report summary			
Online, Broadcast, Print (local)	Value to date	R	10 139 535
Social Media	Value to date	R	13 324 501
Team coverage (international)	Value to date	R	65 000 000
Team coverage (local)	Value to date	R	15 000 000
Total		R	103 464 036

9.3.10.4

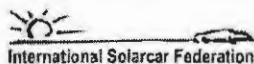
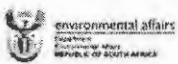
Please see the documents attached pertaining to the carbon footprint, waste management and environmental impact as well as event awards achieved by the SSC over the past years.

9.3.10.5

Please see a list of partners and sponsors for the 2016 even. Of these partners have been aligned and in support of the event since prior to the 2014 and have played an integral part in the success of the event.

- The Endorsement Sponsors
- The Sponsors

Department of Environmental affairs
Jumping Kids
Motorsport South Africa
FIA (Fédération Internationale de l'Automobile)
ISF (International Solarcar Federation)
AEF (Advanced Energy Foundation)
TIA (Technology and Innovation Agency)
Swiss Embassy



DIRECTORS:

Winstone Jordaan, Paul Bisogno

SASOL SOLAR CHALLENGE:

Unit M49 The Innovation Centre, Mark Shuttleworth Street,
 The Innovation Hub, Pretoria, 0087
 Email: admin@solarchallenge.org.za Tel: +27 72 804 5342



The Sponsors for the event were:

- Sasol: Title sponsor for the event.
- Care for Education: Supplied Lego for the Educational event.
- Scuderia Ferrari: Timing sponsor, supplied watches for the Officials and Observers.
- Panasonic: Formed part of the educational program, meal sponsor.
- Oasis water: Supplied water before, during and after the event.
- Hertz car rental: Supplied all Official cars and discount to solar car teams.
- Campworld: Sponsored the Event Office and gifts to the Event.
- MUSTEK: Supplied the technology for the solar system on the Event Office.
- Gridcars: Modifying the Event Office to suit our needs.
- Göchermann Solar: Meal sponsor.

The Service Providers for the event were:

- CSIR: Start venue and Start function.
- Commodore Hotel: Accommodation.
- C-track: Telemetry system.
- City of Cape Town: Traffic Management.
- NECSA: Building space for solar teams.
- ER24: Medical services.
- Newmark Hotels: Accommodation.
- Wasteplan: Waste management along the route.
- Think Bike: Think Bike Marshals traveling with the teams, Traffic management.
- V&A Waterfront: End venue.

Media Partners were:

- Sasol internal media.
- Proof communications (Agency supplied by SASOL in addition to their own internal).
- HDI Youth Marketeers.
- International film crews following international teams and their local press.
- Multiple social media specialists employed by each team; blogging, flogging, FB, Instagram.

DIRECTORS:

Winstone Jordaan, Paul Bisogno

SASOL SOLAR CHALLENGE:

Unit M49 The Innovation Centre, Mark Shuttleworth Street,
The Innovation Hub, Pretoria, 0087
Email: admin@solarchallenge.org.za Tel: +27 72 804 5342



9.3.10.6

The financial model for the event follows the following basic structure:

- Title sponsorship: Event management, officials and event operations.
- 4 tier sponsorship: Platinum
(Financial) Gold
 Silver
 Bronze
- Service providers: Operational requirements (Events office, power).
 Cellular communications (Airtime, data, device).
 Vehicle (Official vehicles prior, during and post event).
- Total event budget between 8' – 10' million rand.

9.3.10.7

Beneficiaries:

Jumpingkids a non-profit prosthetic program for children has been of the main beneficiaries since the 2010 event.

The operational budget and spend of the event is run through the AEF on a non-profit basis. All fund raising, sponsorships of a financial nature are for event cost covering purposes and not-for-profit.

EVENT PERMITS:

10.1 – 10.4

The management of the SSC works closely with the local Municipalities of all 17 towns that the event passes through so as to comply with all permits, legal requirements, traffic requirements etc and specific event By-laws that pertain to the SSC passing through the town.

At this point we are aware and have concluded on multiple events full JOC applications in the larger cities as well as full and detailed Section 6 documents that pertain to the smaller towns and districts. It is our intent to work closely with all relevant parties to acquire and complete all permits, documentation, planning and implementation that would be required within the Stellenbosch Municipality.

DIRECTORS:

Winstone Jordaan, Paul Bisogno

SASOL SOLAR CHALLENGE:

Unit M49 The Innovation Centre, Mark Shuttleworth Street,
The Innovation Hub, Pretoria, 0087
Email: admin@solarchallenge.org.za Tel: +27 72 804 5342


EVENT APPLICATION TIMEFRAMES:
11.1

At this time as this will be the official finish of the event we envisage the event to fall under the following criteria: (The figures shown here are estimates as we believe being the 10 year anniversary and the build-up prior to the event will draw a larger spectator crowd than see before.

Size	Crowd	Teams	Solar Cars	Electric Vehicles	Officials	Think Bike	Sponsors
Large	2000' above	+20 (20 members per team)	+20 (plus 3 support vehicles)	+15 (+30 representatives)	+20 (plus +20 cars)	+20 bikes +20 riders	+ 75 VIP(invitees)

INTERNAL –GOVERNMENT CO-ORDINATION:
12.1

This is the case with the SSC and Departments such as the DST, DTI, DEA, DHE have expressed an interest in holding a presence within the event. In addition to this the event has the unique inclusion of representative Embassies following the international teams as well as participating in the support programs.

12.2

Should the inclusion and or participation of Provincial Departments be possible through the support of the Stellenbosch Municipality this would be excellent and as the SSC management we will support if and where required.

EVENT SERVICES:
13.1

As discussed with those attending the meeting due to the nature of the event, that being a MSA (Motorsport SA) event, the support of multiple arms of the Municipality will be required. At this time we are anticipating that the departments concerned or the Stellenbosch Municipality will be able to fund or procure the services required in support of the event.

DIRECTORS:

Winstone Jordaan, Paul Bisogno

SASOL SOLAR CHALLENGE:

Unit M49 The Innovation Centre, Mark Shuttleworth Street,
The Innovation Hub, Pretoria, 0087
Email: admin@solarchallenge.org.za Tel: +27 72 804 5342



13.2

Of the main services required:

- Fencing
- Toilets
- Electrical generators or electrical supply
- Temporary infrastructure
- Volunteers
- Venue hire
- Road closure adverts
- Road/traffic signage

13.3

Municipal services:

- Law enforcement
- Traffic services
- Disaster management
- Fire services
- Electricity/ Electrical services
- Community services

13.4

The procuring of event services through hosting departments.

ADDITIONAL REQUIREMENTS TO BE HIGHLIGHTED AS REQUESTED BY MEMBERS OF THE MEETING HELD IN NOVEMBER 2017

Finish Venue:

(The final detail will be discussed in greater depth, the following indicates the basic requirements for the SSC 2018 timing finish line, celebration arena and ceremonial finish line and all the demarcated and secure areas required for all the various vehicles and spectator engagement areas).

DIRECTORS:

Winstone Jordaan, Paul Bisogno

SASOL SOLAR CHALLENGE:

Unit M49 The Innovation Centre, Mark Shuttleworth Street,
The Innovation Hub, Pretoria, 0087
Email: admin@solarchallenge.org.za Tel: +27 72 804 5342



- A central location in Stellenbosch with easy access to large crowds and easy non-speed bump access or minimal bumps that can allow for modification (Solar cars cannot travel over speed bumps) for the Challenge participants.
- An initial finish line that will determine the end of the distance and timing of the Challenge which will be located before the ceremonial finish line arena and include a secured holding area for all the solar cars and lead and chase cars (+ 60 vehicles).
- The ceremonial area must allow for a finish line structure which traverses the road with an entry shoot approx. 20 m long, 2.5 m wide (finish line structure and shoot fencing to be supplied and erected by SSC logistics team) and then an area demarcated for where +20 solar cars car park and be on display for the crowd (fencing for the solar cars supplied and erected by SSC logistics).
- An area for +15 electric vehicles to park and be put on display prior to the arrival of the Solar Cars for the public to access but not interfering in anyway with the arrival of the solar cars including all marketing infrastructure (gazeebos etc).
- Secure area demarcated for the solar car teams lead and chase vehicles (+40 cars).
- Secure area demarcated for the teams support vehicles (+30 cars and large trucks).
- Secure area demarcated for SSC official vehicles and the SSC caravan event office – alongside the post event secure parking area for the solar cars.
- Area demarcated for the team finish celebrations as this is a unique event and the teams partake in very unique celebrations that the crowds will enjoy (to be discussed in more detail and planned).

Community area at the Finish line:

- Area demarcated for community participation in the event.
- This option and area to be discussed and negotiated with the municipality, departments all hosting the event.

Overnight area

- Overnight secure (covered and lockable area) for the solar cars with easy access on Sunday morning.
- Secure overnight area for all team support vehicles and event official vehicles with easy access on Sunday morning.

STEM.IE EDUCATION PROGRAMME:

DIRECTORS:

Winstone Jordaan, Paul Bisogno

SASOL SOLAR CHALLENGE:

Unit M49 The Innovation Centre, Mark Shuttleworth Street,
 The Innovation Hub, Pretoria, 0087
 Email: admin@solarchallenge.org.za Tel: +27 72 804 5342



- Implementation detail to be discussed with the education representative once the event has been secured with the Municipality.
- The programme will be presented during the event presentation to the council as a support programme to the SSC.

DIALOGUE'S PROGRAM

- The dialogues program to be discussed in detail once the event has been secured.
- The dialogues program will run in conjunction and in support of targets held within with the Mayors IDP program and look to contribute toward the WC024 towns, residential areas and surrounding rural areas.

The detail above as indicated provides a basic outline of the event and requirements as briefly alluded to and discussed during the initial meeting in Nov 2017.

Extended detail on the event and finish day requirements will be provided during a meeting once afforded as well as specific operational plans for the day once agreed too.

On behalf of the SSC management I would like to thank the Stellenbosch Municipality for affording the event the opportunity to submit an event application and if awarded know that the 2018 SSC finish event will bring to the city of Stellenbosch, its community and surrounding communities an event that will become an important annual calendar event for all.

Regards

Paul Bisogno
GM: Sasol Solar Challenge
Cell: +27 72 630 8913
Email: paul@solarchallenge.org.za

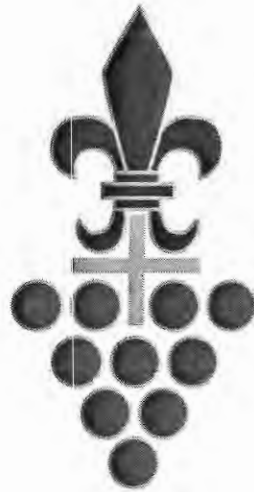
DIRECTORS:

Winstone Jordaan, Paul Bisogno

SASOL SOLAR CHALLENGE:

Unit M49 The Innovation Centre, Mark Shuttleworth Street,
The Innovation Hub, Pretoria, 0087
Email: admin@solarchallenge.org.za Tel: +27 72 804 5342

APPENDIX 2



STELLENBOSCH MUNICIPALITY

EVENTS POLICY

1. DEFINITIONS AND ABBREVIATIONS

For the purpose of this policy, except where clearly indicated otherwise, the words and expressions set out below have the following meaning:

Approved budget	An annual budget which is approved by a municipal council and includes such an annual budget as revised by an adjustment budget in terms of section 28.
Business events	Events where there is a business purpose for hosting. For example, a new product launch or an industry gathering which promotes investments.
By-law	Legislation passed by the council of a municipality which is binding to the municipality or persons to whom it applies.
Municipal events	Events supported, partnered or organized by Stellenbosch Municipality Event Hosting Departments or fellow departments.
Stellenbosch Municipality Event Service Departments	Municipal Departments who render services to events including but not limited to Disaster Management, Fire and Rescue Services, Traffic Services, Law Enforcement, Transport, Roads and Storm Water, Waste Management, Water Services, Electricity, Legal Services and Community Services
Stellenbosch Municipal Hosting Departments	Municipal Departments who lead, partner and host events as part of their business plans: Events Place Marketing, Strategic Facilities, Municipal Stadiums, Tourism, Arts and Culture, Economic Development, Sport and Recreation, Communications and the Mayor's office or any other department that hosts events.
Municipal Services	All services rendered by Stellenbosch Municipality to events.
Municipality	The Stellenbosch Municipality, a local Municipality constituted in terms of the Local Government: Municipal Structures Act, 1998, and the Province of the Western Cape: Provincial Notice 479/2000 dated 22 September 2000.
Community cultural events	Community based cultural events such as festivals and cultural club activities.

Community sport events	Community based events such as school sport and local and regional sporting leagues.
Commercial sponsorship agreement	An agreement concluded between the Stellenbosch Municipality and an event organizer where a financial Transfer is made by the Municipality in return for a rights package.
Commercialisation of events	Activities at events in which the Stellenbosch Municipality wishes to generate an income through new commercial initiatives.
Corporate hospitality	The provision of food, liquid refreshments (alcohol and non-alcoholic) and entertainment to the public or invited guests within a permanent or temporary demarcated hospitality area which may be located in a stadium or a venue or along a route or within the immediate or outer precincts thereof.
Council	The Council of the Stellenbosch Municipality, established by Provincial Notice 479 to 2000 issued in terms of section 12 of the Municipal Structures Act, 1998.
Delegation	In relation to a duty. Includes an instruction to perform the duty. Delegates has a corresponding meaning.
Demonstration	Any demonstration by one or more persons, but not more than 15 persons, for or against any person, cause, action or failure to take action
Environmentally sustainable	The provision of a service or the hosting of an event in a manner aimed at ensuring that risk of harm to the environment and to human health and safety is minimized. Potential benefit to the extent that it is reasonably possible and that legislation intended to protect the environment, human health and safety is complied with.
Event organizer	Any person who plans, is in charge of, manages, supervises or holds event or sponsorship rights to an event or in any manner controls or has material interest in the hosting of an event.
Event services	Goods and services required at events including but not limited to temporary fencing, temporary toilets, temporary structures, security services, etc.
Event	Sporting, entertainment, recreational, religious, cultural, exhibition, organizational or similar activities, hosted at a stadium, venue or along a route or within their respective precincts.

Functions	Parties or community activities that do not impact on Municipal Services or any applicable laws. These could be private functions, such as birthday parties or weddings, or community functions such as sports or social club get-togethers.
Director	A person appointed by the Council to head a Directorate in the Municipality and shall include any person acting in that position or to whom authority is delegated.
Executive Mayor	The person elected in terms of section 55 of the Municipal Structures Act to be the Executive Mayor of the town and shall include any person acting in that position or to whom authority is delegated.
Fundraising events	Where the sole or main purpose is a fundraising initiative for charity.
Gathering	Any assembly, concourse or procession of more than 15 persons in or on any public road as defined in the Road Traffic Act, 1989 (Act 29 of 1989), or any other public place or premises wholly or partly open to the air.
Guest management	The process of managing guests – from invitations to arrival and servicing guests at events.
Local economic development events	Events where the sole purpose is to provide opportunities for SMMEs to trade.
Mayoral committee	The committee appointed by the Executive Mayor to assist the Executive Mayor in terms of Section 60 of the Municipal Structures Act.
Mayoral events	Events supported and/or funded by the Executive Mayor's office.
National days of significance	Events held to commemorate national days. For example, World Aids Day on 1 December, International Women's Day on 9 August and Mandela day on 18 July.
Purpose built venue	Permanently constructed venues designed specifically to host events, such as stadiums, convention centres, banqueting facilities and sporting facilities.
Religious events	Events organized by religious organizations, which attract large numbers of participants, who require the event to be hosted in a stadium or similar large capacity facility. These

	events may have high profile speakers but attract mainly community participants.
Rights package	A series of rights acquired by the Municipality through supporting events. The package of rights is a commercial transaction where the Municipality obtains rights to promote its brand through various event activities. For example, marketing opportunities, media opportunities and hospitality.
	Service delivery events These events celebrate milestones achieved by Council departments. For example, the opening of a new facility, handing over of housing to residence, etc.
Strategic facilities	Includes municipal properties used for Sporting, entertainment, recreational, religious, cultural, exhibition, organizational and educational activities.
Tourist	A person who spends more than 24 hours in an area outside their normal place of work or residence.
Venue owner	Any person or place, where an event is hosted, that has seated or standing spectator capacity within a permanent or temporary structure. This area or place may be erected or demarcated by an enclosed or semi-enclosed temporary or permanent structure.
Venue	Any area or place, where an event is hosted, that has seated or standing spectator capacity within a permanent or temporary structure. This area or place may be erected or demarcated by an enclosed or semi-enclosed temporary or permanent structure.
Visitors	A person who visits an attraction or destination for a day (less than 24 hours).
WC024	Includes the towns of Stellenbosch, Franschhoek and Pniel, and all the residential as well as surrounding rural areas such as Klapmuts, Groot Drakenstein, Kylemore, Jamestown, Raithby, Vlottenburg and Koelenhof.
CBO	Community Based Organization
PBO	Public Benefit Organization
Municipality	Stellenbosch Municipality
IDP	Integrated Development Plan
NGO	Non-Governmental Organization

PGWC	Provincial Government of the Western Cape
SMME	Small, medium, Micro Enterprises
SCM	Supply Chain Management

2. PROBLEM STATEMENT

- 2.1 Stellenbosch Municipality has a strong track record as an events destination and has hosted major local, national and international events.
- 2.2 Stellenbosch municipal area has developed a strong global brand and wishes to utilize this strength to develop as an events destination of choice and to further build the area's brand identity. This branding is critical for business perceptions about Stellenbosch Municipality as the preferred Investment Destination and Innovation Capital of South Africa.
- 2.3 The Municipality plays an important role in: the regulations of events, partnerships with events organized in the WC024, events organization, facilitation and the provision of services at events. The Events Policy is needed to improve the management of events in the Municipal area of Stellenbosch.
- 2.4 The Stellenbosch Municipality also wishes to exploit events hosted in the WC024 to achieve the Municipality objectives such as: economic growth, job creation, social inclusivity and environmental goals.

3. DESIRED OUTCOME

- 3.1 The Events Policy aims to create mutually beneficial outcomes for The Greater Stellenbosch residents, businesses and visitors by using the platforms created by events to contribute to Stellenbosch's growth, development and inclusivity.
- 3.2 The Events Policy will assist and guide the Municipality in managing event related activities in an efficient and effective manner thereby providing clarity to all role players and stakeholders. The Events policy aims to create an enabling mechanism for new approaches and initiatives to events.
- 3.3 Stellenbosch Municipality would like to ensure that the WC024 area becomes an area for memorable events for residents, the business community and visitors to the region and the events industry, by creating stability in the municipal area's events calendar and clearly defining dates of events, processes and systems that support such events.

4. STRATEGIC FOCUS AREAS (INTENT)

- 4.1 The strategic focus areas of the Municipality is enshrined in the Municipality's Integrated Development Plan (IDP) and are categorized into five pillars: Preferred Investment Destination, Greenest Municipality, Safest Valley, Dignified Living, Good Governance and Compliance.
- 4.2 Events create platforms that have the ability to support all five pillars. This policy particularly focuses on supporting the Preferred Investment Destination, Safest Valley, Dignified Living and demonstrates co-ordination of events through Good Governance and Compliance.

- 4.3 The underlying principles of the Preferred Investment Destination in relation to events are to create opportunities for co-operation, connectivity and constructive partnerships with the public and private sectors.
- 4.4 Events assist in defining market identity and the global positioning of the WC024 area as destination. A long-term event strategy can catalyze infrastructure and capacity upgrades. Events stimulate the local economy by increasing local visitor numbers.
- 4.5 The underlying principles of the Safest Valley and Good Governance and Compliance relate to the events permit process by regulating the activities at events in accordance with the Municipality's by-laws. The Municipality ensures that events comply with safety and environmental criteria as set out in the events by-law.
- 4.6 The underlying principles of Dignified Living are to enhance accessibility for Stellenbosch residents to events hosted in the WC024. These include access to Municipal support, trading, vending and other economic opportunities and the ability to attend and participate in events.

5. PURPOSE

- 5.1 The purpose of the Events Policy is to give guidance and strategic direction in terms of;
- 5.1.1 Event operations in the Municipal area of Stellenbosch.
 - 5.1.2 Strategic imperatives of the Stellenbosch Municipality as set out in the IDP.
 - 5.1.3 Latest requirements of the Hosting and Service Departments.
 - 5.1.4 Relevant legislation, specifically the Safety at Sports and Recreation Events Act, 2010.
 - 5.1.5 Promotion of co-operation and collaboration between internal and external partners.
 - 5.1.6 Promotion of a positive legacy linked to the hosting of events.
 - 5.1.7 Events which are managed in accordance with the Municipality and Province's support for the triple bottom line – Economic, Social and the Environment.
- 5.2 The Events Policy prescribes processes to be followed by the Municipality for providing event support commercial partnerships, event permit applications, co-ordination of the Municipality's events calendar, hospitality, guest management, ticketing, event marketing and event services.
- 5.3 To create a platform for the introduction of the events by-law and review thereof.

6. SCOPE OF APPLICATION

This policy is applicable to:

- 6.1 The Stellenbosch Municipality's Event Policy applies to events within the Municipal jurisdiction area, which may require the services of the Municipality. It have implications for public safety, the environment and local communities and events which occur in a public and/or private place as contemplated in the Municipality's proposed Events by-law and the Safety at Sports and Recreational Events Act, 2010.

- 6.2 Organizations and/or any of the spheres of government and across the event spectrum (cultural, business, sport etc.) and in private sector venues which impact on the public resources and have implications for community public safety and the environment.
- 6.3 Sporting, cultural and business events which may or may not impact on Municipal Services but could have a significant impact on the Municipality's objectives for tourism, events and marketing.
- 6.4 The Municipality's Events Policy does not apply to public gatherings and demonstrations as defined in the Regulation of Gatherings Act, 1993 (Act No. 205 of 1993 as amended).
- 6.5 The Municipality's Events Policy does not apply to workshops and meetings organized by Municipal departments.
- 6.6 The Municipality's Events Policy does not apply to private or community functions which do not require the services of the Municipality, nor have implications for public safety, the environment and local communities and comply with all applicable legislation.

7. REGULATORY CONTEXT

The policy is developed and guided by the following legislation and regulations:

- The Constitution of the Republic of South Africa: Act 108, 1995, section 156 (1) (a), read with Part B of Schedule 4
- Safety at Sports and Recreation Events Act, no.2 of 2010
- The Disaster Management Act, no. 57 of 2002
- The National Environmental Management Act, no. 107 of 1998
- Municipal Finance Management Act (MFMA), no. 56 of 2003
- Occupational Health and Safety Act
- Private Security Industry Regulating Authority
- National Health Act
- SANS 10400 of 1990 Application of National Building Regulations
- Fire Brigade Service Act
- Road Traffic Act, 1996
- Land Use Planning Ordinance, no 15 of 1985
- Stellenbosch Zoning Scheme
- Regulation of Gatherings Act, 1993, no. 205 of 1993 as amended
- The Stellenbosch Municipality Events by-law
- Stellenbosch Municipality System of Delegations
- Integrated Development Plan

8. ROLE PLAYERS AND STAKEHOLDERS

There are a wide variety of existing and potential stakeholders. These range from departments and agencies to other spheres of Government and the Private Sector.

The table below is an outline of the affected role-players and stakeholders:

Council	Internal
Cultural Organizations	External
Directorate: Community & Protection Services	Internal
Events Department	Internal
Economic Development	Internal
Finance Department	Internal
Legal Department	Internal
Mayor's Office	Internal
Planning and Building Development Department	Internal
Supply Chain Management Department	Internal
Sport and Recreation Department	Internal
National Government Departments	External government
Provincial Government of the Western Cape	External government
Stellenbosch Tourism	External
Communities	External
Events Industry	External
Faith Based Organizations	External
Major facility and property owners	External
Media	External
Municipal Institutes	External
Provincial Departments	External
Participants at events	External
Private sector sponsors	External
Residents	External
South African Police Services	External
Sports Federations and professional clubs	External
Tourism Industry	External
Traders (Informal)	External
Vendors / Service Providers	External

9. POLICY DIRECTIVE DETAILS

In order to promote effective management of events in the Stellenbosch Municipality the following policy directive details will apply:

9.1. CLASSIFICATION OF EVENTS

In this policy events are classified according to the desired strategic outcomes.

- | | |
|----------------------------------|--|
| A. International events | International sporting, business or cultural events that are hosted in WC024. These events may range from large scale, with global media coverage, to small events. |
| B. Stellenbosch iconic events | Annual events on the Stellenbosch events calendar. These events attract measurable visitors and tourists to Stellenbosch and surroundings. |
| C. Incubator events | Annual events on the Stellenbosch calendar. These events attract mainly Stellenbosch communities but show potential to attract visitors and tourists to Stellenbosch. |
| D. Stellenbosch Community events | These events take place in a community, for community purposes and are attended mainly by the community. They may be Mayoral events, service delivery events, fundraising events, local economic development, emerging sport and cultural events, religious events and events celebrating National days of significance. |

9.1.2 The above classification is not a reference to the scale or size of events but rather to the core market of participants and spectators that the event attracts, ranging from a high proportion of visitors (e.g. International events and Stellenbosch iconic events) to mainly Stellenbosch and surrounding residents (e.g. community events.)

9.1.3 Events are also classified according to their security risk as defined in Section 2 of the Safety at Sports and Recreation Events Act, 2010 and the Stellenbosch Municipality Events By-law. These classifications are applied in the events permitting process.

9.2 MANAGEMENT OF THE MUNICIPALITY EVENTS CALENDAR

9.2.1 In order to improve planning for events, an official Stellenbosch Municipality Events Calendar will be published and updated monthly by the Communications Department.

9.2.2 The management of the calendar will be the responsibility of the Communication Department

9.2.3 All Municipal hosting departments are required to submit their event dates to the Events Department for inclusion in the Events Calendar and follow the normal application process.

9.2.4 The Communications Departments will be responsible for the development of an electronic calendar solution which will have both internal functionality for Municipal departments to interface with and an external calendar to provide information to the public.

9.2.5 Municipal hosting departments will be advised of successful inclusion or if an event presents a significant clash, in which case a mutually agreed upon solution will be found.

9.3. EVENTS SUPPORT

9.3.1 Partnership with event organizers

The Municipality may from time to time choose to partner with event organizers in delivering events in WC024.

9.3.2 Events the Municipality wishes to support

Below is a list of guidelines indicating the types of events the Municipality may wish to partner:

- A. Events that attract a high proportion of visitors to Stellenbosch.
- B. A media attraction, particularly international and national media.
- C. Events that provide the Municipality with marketing opportunities.
- D. Demonstrates a positive economic, social and environmental impact.
- E. Events that address seasonality in the Municipality's events calendar.
- F. Applies responsible tourism and sustainable living principles.
- G. Events that apply event greening principles.
- H. Information on trading opportunities for local traders.
- I. Job creation opportunities as a result of the event.
- J. Information on local suppliers.
- K. Lasting legacies from the hosting of the event.

9.3.3 Event support requirements

- 9.3.3.1 A Municipal hosting department can only contemplate supporting an event if the Municipal Hosting Department has the required funds in the approved budget.

9.3.4 Types of partnerships

- 9.3.4.1 The Stellenbosch Municipality may choose the level of partnership it wishes to enter into with an event organizer. The resulting partnership may be defined in the following categories:

- | | |
|--|---|
| A. Sponsor | The Municipality may choose to partner with an event organizer by purchasing a right package in return for a financial transfer. |
| B. Host Town | The Municipality may choose to partner with event organizers, such support to be limited to a maximum of 50% of the costs of staging the event. |
| C. Commercial Partnership Agreement | The Municipality may choose to partner with an event organizer by absorbing some of the upfront costs of staging the event and sharing in the revenue. |
| D. Event organizer | The Municipality may choose to create events to achieve strategic objectives. |
| E. Enabler | The Municipality creates an event friendly environment, enabling event organizers to obtain the necessary guidance and approvals for their events. This includes facilitating the promotion of low-carbon event delivery in keeping with the Municipality's support for developing a green economy and ensuring a positive legacy from the event. |
| F. Co-coordinator of Municipal services | The Municipal creates an enabling environment for events by creating a co-ordination function which enables event organizers to interact with all required Municipal services. |
| G. Social Economic Partnership agreement | The Municipality may choose to partner with NGO's or Non-profit organizations with the purpose to further community upliftment. |

9.3.5. Financial and legal mechanisms to facilitate partnerships with financial implications

9.3.5.1 Partnerships with events organizers can be facilitated through the following financial and legal mechanisms:

- | | | |
|----|-----------------------------|---|
| A. | Cash transfer | Facilitated through a commercial sponsorship agreement or facilitated through the Section 67 mechanism as provided for the Municipal Finance Management Act (MFMA). |
| C. | Inter-departmental transfer | Facilitates the provision of Municipal services at Municipal events. |
| D. | SCM Processes | Facilitates the provision of event services at Municipal events. |

9.3.6 Application process for event support

- 9.3.6.1 Event organizers are required to submit an application for event support to the Municipality.
- 9.3.6.2 The application should be aligned to the guidelines as outlined below.
- 9.3.6.3 Applications for event support must be submitted to the Events Department.
- 9.3.6.4 Event support applications should be made as far as possible in advance in order to facilitate the decision-making processes.
- 9.3.6.5 Event funding applications received less than 6 months before the anticipated event day will not be considered.

9.3.7 Decision making process for event support with a financial transfer

- 9.3.7.1 The decision making process will be facilitated through Council systems and structures such as Council meetings and the budget process following a system of delegations of Stellenbosch Municipality:

Type of event	Mechanism
9.3.7.2 Annual events	The Municipality will develop a list of events that it wishes to support annually. These events will form part of the budget process.
9.3.7.3 Event support applications	All event support requests received through the event support application system will be considered by Council

9.3.8 Decision making process for event support without a financial transfer

9.3.8.1 The Municipality may receive requests for support that do not have financial implications, for example:

Type of event	Mechanism
9.3.8.2 Letters of support for booklets and publications	Requests for letters of support for publications must be sent to the Office of the Executive Mayor. Only letters signed by the Executive Mayor will be considered official.
9.3.8.3 Appearances or representation at events	Requests for appearances or representation at events should be sent to the office of the Executive Mayor.
9.3.8.4 Event permit process	An application for an event permit, must be submitted to the Events Department.
9.3.8.5 Event logistics	Event organizers, e.g. National or Provincial Departments request assistance that the Municipality events department assists them with logistics and planning for events.

9.3.9 Reporting

9.3.9.1 The Events Department will regularly provide reports to Council for supported events.

9.3.10. Guidelines for event support applications

In addition to the guidelines outlined in 9.3.2 of this document, the provision of the following pertinent information will be required in order to assess the reputational and legal risk the Municipality may expose itself to by partnering with an event:

- 9.3.10.1. Company board members and the management teams experience in organizing previous events
- 9.3.10.2 Event track record (if the event was previously organized).
- 9.3.10.3 Any research information, including economic and environmental impact studies.
- 9.3.10.4 Carbon footprint of the event, or an indication of measures to reduce energy demands / waste and to limit the impact on sensitive environments.
- 9.3.10.5 Other event partners, particularly sponsors and media partners.
- 9.3.10.6 The financial model of the event.
- 9.3.10.7 Information on the beneficiaries of the proceeds from the event including whether the fundraising purpose of the event is for profit or not-for-profit.

10. EVENT PERMITS

- 10.1 Events permits are required for hosting events in the Municipal area of Stellenbosch
- 10.2 Event organizers are required to apply for an event permit in terms of the Stellenbosch Municipality Events By-law.
- 10.3 Event organizers are required to apply for an event grading from the South African Police Service.
- 10.4 Event organizers are required to comply with all applicable laws.

11. EVENT APPLICATION TIMEFRAMES

Depending on the size, type, location, date/time, length, event location/s size of venue/s, impact or risk of the event and drawing on any assessment information as required, the following timeframes below will apply:

SIZE	CROWD	MINIMUM TIME TO AN EVENT TO SUBMIT AN APPLICATION TO THE MUNICIPALITY	<u>Appeal to be lodged by Applicant with Municipality within</u>	<u>Appeal to be decided by Stellenbosch Municipality within</u>
Small	50 ¹ to 500	10 working days (2 weeks) ³	24 hours of receipt of written notice	5 working days of receipt of written notice
Medium	500 ¹ – 2 000	20 working days (4 weeks)	24 hours of receipt of written notice	10 working days of receipt of written notice
Large/ Major	2000 ¹ – above	6 months	48 hours of receipt of written notice	20 working days of receipt of written notice

12. INTERNAL –GOVERNMENT CO-ORDINATION

12.1 Inter-governmental participation is required as event organizers often approach more than one sphere of government for support and participation in an event.

12.2 In addition, some Provincial and National Departments such as the Department of Cultural Affairs and Sport, Department of the Premier, Department of Economic Development, Department of Environmental Affairs, WESGRO, Stellenbosch Tourism, Department of Arts and Culture and many others, may provide event organizers with grants towards hosting events in the Municipal area of Stellenbosch

13. EVENT SERVICES

13.1 Municipal hosting departments may need to procure event services in support of events

13.2 Event services include but are not limited to: Fencing, private security, toilets, stage, sound and technical, electrical generators, professional event organizers, safety officers, temporary infrastructure, cleansing and waste management, volunteers, promotional clothing, staff catering, public transport provision, dedicated transport (busses), corporate gifts, venue hire, road closure adverts, road/traffic signage, professional speakers/ programme directors, entertainment and consultants for monitoring and evaluation.

13.3 Event hosting departments may request Municipal services including but not limited to: Law enforcement, traffic services, disaster management, fire services, water,

cleansing, electricity/electrical services, Community Services, poster stickers and lamp pole hiring for event flags.

- 13.4 Event hosting departments may procure event services, provided there is sufficient budget and that it is in alignment with the supply chain management process.

14. THE ROLE OF MUNICIPAL STRUCTURES AND DEPARTMENTS

14.1 Role of the Municipal hosting departments

- 14.1.1 Municipal hosting departments may initiate events
 14.1.2 Hosting departments can organize and project manage events relevant to their functional area, if the events are relevant to their business plans.

14.2 Role of Municipal service departments

- 14.2.1 To ensure that events comply with the applicable legislation.
 14.2.2 To ensure that events are safe.
 14.2.3 To ensure that access to event services is aligned with the Municipality's strategic objectives through accessibility to services.

15. IMPLEMENTATION, EVALUATION AND REVIEW

- 15.1 This policy framework is important for the management of events in the Stellenbosch Municipality. It provides an administrative procedure for the management of events.
 15.2 The events policy will be implemented once approved by Council.
 15.3 Directorates are to advise the Events Department of any blockages within the policy implementation framework.
 15.4 Changes in legislation must be taken into account for future amendments to this policy.
 15.5 Any amendments to this policy must be re-submitted to Council for review and approval.

16. EVENT TARIFFS

- 16.1 Tariffs are levied in terms of Council's budgetary process which is reviewed and approved on an annual basis, and in terms of the Events By-law, Chapter 2, Regulation 4 (3).
 16.2 Fines are determined in terms of Council's Events Bylaw to ensure compliance with the Events Bylaw.

APPENDIX 3



SASOL
SOLAR
CHALLENGE

Sasol Solar Challenge summary report 2016

The Sasol Solar Challenge 2016 had 14 cars who registered for the challenge, but only 10 made it through the scrutineering process to start this challenging adventure.

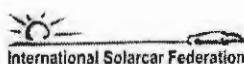
The final results after 8 days on the road:

From	Country	Class	km
Delft University of Technology	The Netherlands	Challenger	4716.7
Tokai University	Japan	Challenger	4544.2
Kechemét University	Hungary	Challenger	4033.2
North West University	South Africa	Challenger	3524.9
Tshwane University of Technology	South Africa	Challenger	2120.3
Near East University	Northern Cyprus in Turkey	Challenger	1635.1
Maragon Olympus	South Africa	Challenger	1378.1
University of Johannesburg	South Africa	Challenger	1337.9
Lodz University of Technology	Poland	Cruiser	2817.8
Zingbug	South Africa	Sustainability fleet	1108.5
Total solar km			27216.8

Students that took part in the Solar Challenge gained experience and learned to work together as a multidisciplinary team. They became part of cutting edge technology and innovation in a secured environment; testing and stretching their skills and knowledge to the utmost.

It is our objective to take the event to the next level in order to greatly enlarge the international participation component. We would like solar teams from all over the globe to embrace not only our technical challenge but also the amazing experience of our country.

In 2016 we actively involved the ISF (International Solarcar Federation). The President of the ISF, Chris Selwood, as well as the Dr. Nabih Bedewi who is an International Solar Car Federation Executive Board member and representative for the Middle East and North Africa (MENA) attended the South African Challenge.





SASOL
SOLAR
CHALLENGE

The following are some of the scenes captured during the Solar Challenge Events. Where ever the vehicle stops, crowds gather to see them, and everyone is interested in the technology represented by the event.

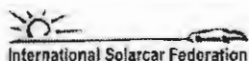
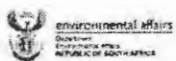
A photo summary of the 2016 event



Figure 1: North West University



Figure 2: Students dancing at the end of every day





SASOL
SOLAR
CHALLENGE



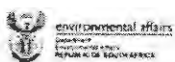
Figure 3: Our traveling Event Office



Figure 3: Children attending the Educational program



Figure 4: Observers ready for the day





sasol
SOLAR
CHALLENGE



Figure 5: NUNA at the Middelburg Control Stop



Figure 6: Tokai driving into Graaff-Reinet





SASOL
SOLAR
CHALLENGE

Figure 7: GAMF (Hungary) leaving from PE



Figure 9: Lodz solar car driving a loop



Figure 10: TUT solar car





Figure 11: Zingbug



Figure 12: Maragon Olympus

Figure 8: NEU solar car



Figure 14: UJ solar car



SASOL
SOLAR
CHALLENGE



Figure 15: Maragon Olympus charging in Graaff-Reinet





SASOL
SOLAR
CHALLENGE



Figure 16 and 17: Lining up for the start in Sedgefield

At the start and finish of every day the official timing clock was set up to have the exact time for the solar cars to start and finish the day stage. As the timing sponsor for the event was 'Scuderia Ferrari', the timing clock was branded accordingly:





SASOL
SOLAR
CHALLENGE



Figure 18: Timing clock at start and finish of every day stage

Education

The 'GIGRIG' educational stage was set up all 8 days on the road at specific locations. Children from all the nearby schools attended the interactions arranged through HDI Youth Marketeers.





SASOL
SOLAR
CHALLENGE



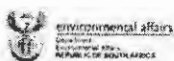
Figure 19: 'GIGRIG' mobile stage



Figure 20: Students in Edinburg

South African Solar Challenge Route

During the on road event, there were plenty of opportunities for schools and the public to come and view the cars. The following map shows the route through South Africa.





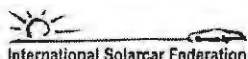
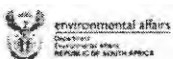
SASOL
SOLAR
CHALLENGE



The Sasol Solar Challenge 2016 started on the 24th of September and ended the 1st of October. It was a 2000 km long route to be completed over 8 day stages, approximately 250 km to be completed every day, with an optional loop for each day to add as much distance as possible. The loops were between 20km and 75km each and the teams could drive it as many times as they want. The result is a distance event instead of a speed race; so the team who covers the most distance in the 8 days and manages to complete all stages, wins. The route also contained some steep hill climbs like mountain passes. The winning team in 2016 managed more than 4700km over the eight days, only on solar power.

Project desk

The Special Project Desk in collaboration with and sponsored by the Embassy of Switzerland was introduced during the 2016 Challenge. The Project Desk focussed on identifying various rural sustainable interventions along the events route that would benefit through Green Technology infrastructure implementation. The Project Desk engaged with a number of rural schools and will be delivering Solar Energy infrastructure and other sustainable solutions through its partners over the coming months.





sasol
**SOLAR
CHALLENGE**

Through its 'Dialogues program' the Special Projects Desk will continue to engage with communities, academic institutions and participating Embassies as part of its ongoing delivery of sustainable green energy solutions into rural communities until the next Solar Challenge in 2018. The 'Dialogues program' will in addition continue engaging as a catalyst with community groups like the Port Elizabeth interest group focussing on sustainable green energy implementation and high-tech infrastructure development through collaborations with academic institutions and Embassies.

One of the rural schools that will benefit from the Project Desk. From Humansdorp you have to negotiate 3 mountain passes on gravel road to reach the school.



Figure 21: Nooitgedacht Primêr

Sponsors

This event is not possible without the help and support of our sponsors.

The Endorsement Sponsors:

Department of Environmental affairs
Jumping Kids
Motorsport South Africa
FIA (Fédération Internationale de l'Automobile)
ISF (International Solarcar Federation)
AEF (Advanced Energy Foundation)
TIA (Technology and Innovation Agency)
Swiss Embassy

The Sponsors for the event were:





SASOL
SOLAR
CHALLENGE

- Sasol: Title sponsor for the event
- Care for Education: Supplied Lego for the Educational event
- Scuderia Ferrari: Timing sponsor, supplied watches for the Officials and Observers
- Panasonic: Formed part of the educational program, meal sponsor
- Oasis water: Supplied water before, during and after the event
- Hertz car rental: Supplied all Official cars and discount to solar car teams
- Campworld: Sponsored the Event Office and gifts to the Event
- MUSTEK: Supplied the technology for the solar system on the Event Office
- Gridcars: Modifying the Event Office to suit our needs
- Göchermann Solar: Meal sponsor

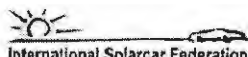
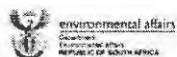
The Service Providers for the event were:

- CSIR: Start venue and Start function
- Commodore Hotel: Accommodation
- C-track: Telemetry system
- City of Cape Town: Traffic Management
- NECSA: Building space for solar teams
- ER24: Medical services
- Newmark Hotels: Accommodation
- Wasteplan: Waste management along the route
- Think Bike: Think Bike Marshals traveling with the teams. Traffic management
- V&A Waterfront: End venue

PR and Media exposure

Coverage report summary		
Online, Broadcast, Print (local)	Value to date	R 10 139 535
Social Media	Value to date	R 13 324 501
Team coverage (international)	Value to date	R 65 000 000
Team coverage (local)	Value to date	R 15 000 000
Total		R 103 464 036

*Coverage statistics supplied by Sasol media and agencies: Proof, Media Shop, Quirk and various local and international teams.





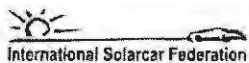
sasol 
**SOLAR
CHALLENGE**

Contact person

Paul Bisogno

GM: Sasol Solar Challenge

Email: paul@solarchallenge.org.za



5.9	YOUTH, SPORT AND CULTURE: (PC: XL MDEMKA (MS))
-----	---

NONE

6.	REPORTS SUBMITTED BY THE MUNICIPAL MANAGER
----	---

6.1	APPOINTMENT OF THE SELECTION PANEL IN THE RECRUITMENT AND SELECTION PROCESS: CHIEF FINANCIAL OFFICER
-----	---

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good governance and Compliance

18 and 25 July 2018

1. SUBJECT: APPOINTMENT OF THE SELECTION PANEL IN THE RECRUITMENT AND SELECTION PROCESS: CHIEF FINANCIAL OFFICER

2. PURPOSE OF REPORT

To appoint a selection panel for the recruitment and selection process of the Chief Financial Officer.

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

The contract period of Mr Marius Wüst, Chief Financial Officer, comes to an end on 30 September 2018. The post has been advertised and closes on 16 July 2018. The Municipal Manager is in the process of appointing a consultant to assist with the recruitment and selection process. Council has to appoint a panel that must make recommendations for the appointment of a candidate for the vacancy that will arise when the contract of the CFO ends on 30 September 2018.

The selection panel must consist of at least 3 but not more than 5 people. The 3 people are prescribed by legislation and must be the Municipal Manager, chairperson or councillor responsible for the relevant portfolio, Finance in this instance, and a person who is not a councillor or a staff member and who has expertise in the area of the advertised post. The legislation, Section 12(4) of the Regulations on the appointment of Conditions of Employment of Senior Managers, is silent on who should be the other two members should council choose to have more than 3 members on the panel. It is recommended that Council appoint a three member panel as prescribed in Section 12(4).

5. RECOMMENDATIONS

that Council approves the recruitment and selection panel consisting of the following persons:

- (a) Municipal Manager, Geraldine Mettler, who will chair the panel;
- (b) Mayoral Committee member for the Finance Portfolio: Councillor Salie Peters; and
- (c) An external person who is a financial expert.

6. DISCUSSION / CONTENTS**6.1 Background**

The contract period of Mr Marius Wüst, Chief Financial Officer, comes to an end on 30 September 2018. Council approved the commencement of the recruitment and selection process for a CFO on 23 May 2018.

6.2 Discussion**6.3 Financial Implications**

As per the approved budget.

6.4 Legal Implications

The applicable regulations are the Regulations on the appointment and conditions of employment of Senior Managers, Gazetted on 17 January 2014. (Gazette No. 37245 dated 17 January 2014).

In terms of the regulations the recruitment, selection and appointment of a Senior Manager will be discussed as stipulated in Chapter 3 of the Regulations.

In terms of Section 7.1 when the post of a senior manager becomes vacant, or is due to become vacant, the municipal manager, in the case of a manager directly accountable to the municipal manager, must, upon receipt of official notification that the post of a senior manager will become vacant, obtain approval from the municipal council for the filling of such post in its next council meeting or as soon as it is reasonably possible to do so.

In terms of Section 7.2 a vacant senior manager post may not be filled, unless:

- (a) approval to fill the post has been granted by the municipal council; and
- (b) the post has been budgeted for.

In terms of Section 8 no person may be appointed as a senior manager on a fixed term contract, on a permanent basis or on probation, to any post on the approved staff establishment of a municipality, unless he or she-

- (a) Is a South African citizen or permanent resident; and
- (b) Possesses the relevant competencies, qualifications, experience and knowledge set out in the regulations.

An appointment may not take effect before the first day of the month following the month during which the municipal council approved the appointment.

In terms of Section 10 the municipal manager must, within 14 days of receipt of the approval referred to in regulation 7, ensure that the vacant post is advertised.

-
- A vacant senior manager post must be advertised in a newspaper circulating nationally and in the province where the municipality is located.
 - An advertisement for a vacant senior manager post must specify the:
 - (a) Job title;
 - (b) Term of appointment;
 - (c) Place to be stationed;
 - (d) Annual total remuneration package;
 - (e) Competency requirements of the post, including minimum qualifications and experience required;
 - (f) Core functions;
 - (g) Need for signing of an employment contract, a performance agreement and disclosure of financial interest;
 - (h) The need to undergo security vetting;
 - (i) Contact person;
 - (j) Address where applications must be sent or delivered; and
 - (k) Closing date which must be minimum 14 days from the date the advertisement appears in the newspaper and not more than 30 days after such date.

Cognisance must be taken of Section 12 which makes provision for the manner in which the selection panel must be constituted. Section 12(1) provides that:

“A municipal Council must appoint a selection panel to make recommendations for the appointment of candidates to vacant senior manager posts.

Section 12(2) provides that in deciding who to appoint to a selection panel, the following considerations must inform the decision:

- (a) The nature of the post;
- (b) The gender balance of the panel; and
- (c) The skills, expertise, experience and availability of the persons to be involved.

Section 12 (3) provides that the selection panel for the appointment of a municipal manager must consist of at least three and not more than five members, constituted as follows:

- (a) The mayor, who will be the chairperson, or his or her delegate;
- (b) A councillor designated by the municipal council; and
- (c) At least one other person, who is not a councillor or a staff member of the municipality, and who has expertise or experience in the area of the advertised post.

Furthermore Section 12(5) provides that a panel member must disclose any interest or relationship with shortlisted candidates during the shortlisting process and that such a panel member [Section 12(6)] must recuse himself or herself from the selection panel if-

- (a) His or her spouse, partner, close family member or close friend has been shortlisted for the post;
- (b) The panel member has some form of indebtedness to a short-listed candidate or *vice versa*; or
- (c) He or she has any other conflict of interest.

The Regulations dictate, in terms of Section 7, that a panel member and staff member must sign a declaration of confidentiality to avert the disclosure of information to unauthorised persons.

The Regulations provide for strict time frames which must be adhered to with regard to the Screening of Candidates in terms of Section 14 as well as the Interviewing process in terms of Section 15. Due regard must be given to Section 17 which deals with the Resolution of the municipal council on appointment of senior managers and reporting as well as the re-employment of dismissed persons in terms of Section 18.

6.5 **Staff Implications**

No additional staff implications

6.6 **Previous / Relevant Council Resolutions**

23 May 2018.

6.7 **Risk Implications**

If a CFO is not appointed following the process stipulated in the regulations, the appointment may be declared null and void. If the vacancy is not filled Council will have to appoint an acting CFO during the audit process which will put additional pressure on the staff establishment.

6.8 **Comments from Senior Management:**

The item was not circulated to Senior Management.

ANNEXURES:

Appendix 1: Council resolution 23/05/2018

Appendix 2: Advertisement

Appendix 3: Extract from Regulations on the Conditions of Service for Senior Managers

FOR FURTHER DETAILS CONTACT:

NAME	Geraldine Mettler
POSITION	<i>Municipal Manager</i>
DIRECTORATE	<i>Municipal Manager</i>
CONTACT NUMBERS	021 808 8025
E-MAIL ADDRESS	mm@stellenbosch.gov.za
REPORT DATE	10 July 2018

APPENDIX 1

8.2.5	RECRUITMENT AND SELECTION PROCESS : CHIEF FINANCIAL OFFICER
--------------	--

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good governance and Compliance

May 2018

1. RECRUITMENT AND SELECTION PROCESS : CHIEF FINANCIAL OFFICER**2. PURPOSE OF REPORT**

To obtain Council approval for the commencement of the recruitment and selection process of the Chief Financial Officer.

3. DELEGATED AUTHORITY

Municipal Council

4. EXECUTIVE SUMMARY

The contract period of Mr Marius Wüst, Chief Financial Officer, comes to an end 30 September 2018. It is therefore critical to commence with the recruitment and selection process of the Chief Financial Officer.

17TH COUNCIL MEETING: 2018-05-23: ITEM 8.2.5

Before deliberations on the matter, Mr M Wüst excused himself for the duration of the matter. Due to the late distribution of this additional item, Cllr F Adams requested time to peruse the document. The Speaker allowed a 10-minute break to allow Councillors to peruse the document.

RESOLVED (majority vote)

- (a) that Council approve the recruitment and selection processes of the Chief Financial Officer;
- (b) that the advertisement indicate a term of up to 10 years; and
- (c) that an independent external consultant be appointed to assist with the recruitment and selection process in line with abovementioned Regulations.

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

Councillors F Adams; GN-Bakubaku-Vos (Ms); FT Bangani-Menziwa (Ms); DA Hendrickse; LK Horsband (Ms); N Mananga-Gugushe (Ms); MD Oliphant; RS Nalumango (Ms); N Sinkinya (Ms) and P Sitshoti (Ms).

FOR FURTHER DETAILS CONTACT:

NAME	Geraldine Mettler
POSITION	Municipal Manager
DIRECTORATE	Municipal Manager
CONTACT NUMBERS	021 808 8025
E-MAIL ADDRESS	mm@stellenbosch.gov.za
REPORT DATE	May 2018

APPENDIX 2



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

Stellenbosch Municipality strives towards dynamic and effective service delivery to the communities within its area of jurisdiction. As an equal employment employer, we currently have the undermentioned vacancy for a suitably qualified and experienced person.

Chief Financial Officer

(Performance-based term contract of no longer than ten (10) years)

Remuneration package: As determined by the appropriate Government Notice for the Upper Limits of the Total Remuneration Packages for Municipal Managers and Managers that are directly accountable to the Municipal Manager, at the time of appointment. The total cost of employment ranges from the Minimum R973 759/Midpoint R1 145 598 and Maximum R1 317 437.

The appointment will be made in accordance with the provisions of Sections 56 and 57 of the Local Government: Municipal Systems Act (Act No 32 of 2000). The successful candidate will be responsible for the effective management of the Stellenbosch Municipality's financial services (budget, income, expenditure, activity-based costing, supply chain management and asset management) with the establishment, implementation and maintenance of a financial management strategy that achieves the goals of the Integrated Development Plan (IDP) of the Stellenbosch Municipality.

Work station: Stellenbosch

Minimum requirements: • At least a postgraduate qualification (NQR 08) in the area of Accounting, Finance or Economy OR Chartered Accountant (SA) • At least 7 years' appropriate experience at senior and middle management level, of which at least 2 years (preferably 5 years) must have been at senior management level • Sound knowledge of and exposure to local government operations and municipal financial management • Strong visionary and leadership abilities with strategic thinking and decision-making skills • In-depth knowledge of local government legislation and the statutory requirements relating to the post • Core skills as set out in the Local Government: Regulations on Appointment and Conditions of Service of Senior Managers, 17 January 2014 • The incumbent will be in possession of a qualification as prescribed by the Minimum Competency Regulations (CPMF/MFMP) OR the minimum competency levels as prescribed in the Government Gazette No 40593 (Exemption Notice of 3 February 2017) within a period of 18 months from date of appointment in the unit standards for every skills area obtained • Excellent facilitation and communication skills in at least two of the three official languages of the Western Cape • Valid Code B driver's licence.

Key performance areas: • Develop, implement and manage strategic goals, policy and procedures in accordance with the strategic goals of the District Municipality • Effectively manage financial services (budget, income, expenditure, activity-based costing, supply chain management and mScoa implementation) with the establishment, implementation and maintenance of a financial management strategy • Be responsible for the effective and efficient management of the Directorate • Advise the accounting officer and co-/senior managers regarding the execution of powers and duties as assigned to them in compliance with the Municipal Financial Management Act • Liaise and interact with individuals, role-players and agencies at senior level at all three levels of government • Assist and support the accounting officer with the roles and responsibilities as delegated by the Chief Financial Officer • Ensure municipal financial viability with the management and monitoring of all income and expenditure of the Stellenbosch Municipality, safeguarding of all assets, discharge of municipal obligations and the proper and committed compliance with the Financial Management Act and other prescripts.

NB: Short-listed candidates will be subjected to competency assessments and security vetting. It will be expected of the successful candidate to enter into a service agreement with the Stellenbosch Municipality (for a period of not more than 10 years) and be subject to performance evaluation by means of a signed annual performance agreement and to declare his/her financial interests.

Direct enquiries to the Municipal Manager, Ms Geraldine Mettler, tel. (021) 808-8025 or mm@stellenbosch.gov.za interested persons must please complete the official application form on the webpage at www.stellenbosch.gov.za

The comprehensive CV must be attached to the application form, accompanied by the original certified, true copies of qualification certificates, including a certified declaration of Unit Standards obtained with regard to the Municipal Minimum Competency Qualification, Identity Document and driver's licence and must be handed in at the Stellenbosch Municipality (for attention of the Municipal Manager) or posted to the Municipal Manager, Ms Geraldine Mettler, Stellenbosch Municipality, PO Box 17, Stellenbosch 7599.

Note: Late or incomplete applications or applications received via fax and/or electronically will not be taken into consideration.

Closing date: Monday, 16 July 2018 at 16:30

By applying, the candidate agrees to being subjected to verification checks in respect of qualifications, credit and criminal records. If you have not been contacted within 3 months of the closing date of the advertisement, please accept that your application was unsuccessful. The Council reserves the right to not make an appointment.

APPENDIX 3

Regulations

- (6) The municipality must compile and maintain a record of all applications received, which must contain—
- (a) the applicants' biographical details and contact information;
 - (b) the details of the post for which the applicants were applying;
 - (c) the applicants' qualifications; and
 - (d) any other requirements outlined in the application form.

12. Selection panel.—(1) A municipal council must appoint a selection panel to make recommendations for the appointment of candidates to vacant senior manager posts.

(2) In deciding who to appoint to a selection panel, the following considerations must inform the decision—

- (a) the nature of the post;
- (b) the gender balance of the panel; and
- (c) the skills, expertise, experience and availability of the persons to be involved.

(3) The selection panel for the appointment of a municipal manager must consist of at least three and not more than five members, constituted as follows—

- (a) the mayor, who will be the chairperson, or his or her delegate;
- (b) a councillor designated by the municipal council; and
- (c) at least one other person, who is not a councillor or a staff member of the municipality, and who has expertise or experience in the area of the advertised post.

(4) The selection panel for the appointment of a manager directly accountable to a municipal manager must consist of at least three and not more than five members, constituted as follows—

- (a) the municipal manager, who will be the chairperson;

Regulations

- (b) a member of the mayoral committee or councillor who is the portfolio head of the relevant portfolio; and
- (c) at least one other person, who is not a councillor or a staff member of the municipality, and who has expertise or experience in the area of the advertised post.

(5) A panel member must disclose any interest or relationship with shortlisted candidates during the shortlisting process.

(6) A panel member contemplated in sub-regulations (3) and (4) must recuse himself or herself from the selection panel if—

- (a) his or her spouse, partner, close family member or close friend has been shortlisted for the post;
- (b) the panel member has some form of indebtedness to a short-listed candidate or *vice versa*; or
- (c) he or she has any other conflict of interest.

(7) A panel member and staff member must sign a declaration of confidentiality as set out in Annexure D to these Regulations, to avert the disclosure of information to unauthorised persons.

(8) A staff member may provide secretarial or advisory services during the selection process, but may not form part of the selection panel.

13. Compiling shortlist of applicants.—(1) A mayor, in the case of the municipal manager, or the municipal manager, in the case of the manager directly accountable to the municipal manager, in consultation with the selection panel, must compile—

- (a) a list of all applicants who applied for an advertised post; and
- (b) a shortlist consisting of all applications received for a specific post, evaluated against the relevant competency requirements, as set out in Annexures A and B to these Regulations.

6.2	APPOINTMENT OF ACTING MUNICIPAL MANAGER WHEN THE MUNICIPAL MANAGER IS NOT AVAILABLE
-----	--

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good governance and Compliance

18 and 25 July 2018

1. **SUBJECT: APPOINTMENT OF ACTING MUNICIPAL MANAGER WHEN THE MUNICIPAL MANAGER IS NOT AVAILABLE**

2. **PURPOSE**

To approve the Directors who will act as the Municipal Manager when the Municipal Manager is not available.

3. **DELEGATED AUTHORITY**

Council

4. **EXECUTIVE SUMMARY**

In 2012 Council approved a roster of Directors to act when the Municipal Manager is out of office (**APPENDIX 1**). In the meantime, some of the individuals have left and the new organisational structure was approved in October 2017. The new structure has now officially been implemented on an operational level after placements, and the acting arrangements must be updated and reviewed. Section 54A (1)(b) of the Municipal Structures Act provides that the Municipal Council must appoint an acting Municipal Manager under certain circumstances and for a period as prescribed. Section 54A (2) provides that such an acting person must at least have the skills, expertise, competencies and qualifications as prescribed. The prescription is attached as per **APPENDIX 2**.

It must be noted that the NQF levels changed since the publication of the minimum requirements and what was a NQF level 6 is now equivalent of a NQF level 7 which equates to at least a B degree. All the Directors had to adhere to this qualification when they were appointed, as NQF 7 has always been a requirement for them in terms of the regulations.

It can be anticipated that there will be occasions when the Municipal Manager will be away from office or not available due to a variety of reasons.. An updated roster of acting arrangements is proposed as a pragmatic arrangement to manage this matter.

Council approved an acting allowance policy in terms of which no acting allowance is payable to Directors when they are acting as the Municipal Manager. A copy hereof is attached as **APPENDIX 3**. It is not clear on what basis Directors may not receive acting allowances, but the other employees are entitled to acting allowances when they act as Directors. Other municipalities pay their acting Municipal Managers an acting allowance. Given that it is expected of the Director to fulfil both functions at the same time it would be unfair that Directors take on the additional responsibility, which is the reason why an acting allowance is paid, without compensation.

5. RECOMMENDATIONS

- (a) that the following Directors be appointed to act as Municipal Manager in the event that the Municipal Manager is not available:

January to February : Corporate Services

March to April : Financial Services (CFO)

May to June : Infrastructure Services

July to August : Planning and Economic Development

September to October: Community and Protection Services

November : Corporate Services

December : Financial Services (CFO)

- (b) that the Director next on the rotation schedule acts when the relevant Director is not available as per the schedule;
- (c) that the Directors be paid an acting allowance equal to the difference between 60 % of their Cost-to-Company packages and that of 60% of the package of the Municipal Manager;
- (d) that an acting allowance only be paid if the Director acted for 5 workdays or longer;
- (e) that the payment of acting allowances be backdated to 1 January 2018 and that those Directors that acted since January 2018 for 5 days or longer be paid the acting allowance for the periods they acted; and
- (f) that clause 6 of the current Acting Allowance Policy be rescinded.

6. DISCUSSION / CONTENTS

6.1 Background

In 2012 Council approved a roster of Directors to act when the Municipal Manager is out of office. In the meantime, some of the individuals have left and the new organisational structure was approved in October 2017. The new structure has now officially been implemented on an operational level after placements, and the acting arrangements must be updated and reviewed.

6.2 Discussion

Section 54A (1)(b) of the Municipal Structures Act provides that the Municipal Council must appoint an acting Municipal Manager under certain circumstances and for a period as prescribed. Section 54A (2) provides that such an acting person must at least have the skills, expertise, competencies and qualifications as prescribed. The prescription is attached as **APPENDIX 2**. It must be noted that the NQF levels changed since the publication of the minimum requirements, and what was a NQF level 6 is now equivalent to a NQF level 7 which equates to at least a B degree. All the Directors had to adhere to this qualification when they were appointed, as NQF 7 has always been a requirement for them in terms of the regulations.

It can be anticipated that there will be occasions when the Municipal Manager will be away from office or not available due to a variety of reasons. An updated roster of acting arrangements is proposed as a pragmatic arrangement to manage this matter.

Council approved an acting allowance policy (**APPENDIX 3**) in terms of which no acting allowance is payable to Directors when they are acting as the Municipal Manager. A copy hereof is also attached as appendix 3. It is not clear on what basis Directors may not receive acting allowances, but the other employees are entitled to acting allowances when they act as Directors. There are other municipalities in our area that pay their acting Municipal Managers an acting allowance. Given that it is expected of the Director to fulfil the functions of the Municipal Manager and of the Director at the same time, it would be unfair that Directors take on the additional responsibility, which is the reason why an acting allowance is paid, without compensation.

Acting allowances for other employees are based on the difference between their salaries and the first notch of the salary scale of the acting post and where it is the same or the acting employee earns more than the first notch, the acting employee receives 5 % of his/her salary for a period of 10 days or more that the acting is in place. The Section 56 Managers and the Municipal Managers are paid on a cost-to-company package and may structure the package as they wish with the proviso that not less than 60% must be structured as the salary component. When payments are therefore calculated in relation to the remuneration packages of the senior managers, 60% of the package is seen as the salary component.

6.3. Financial Implications

It is very difficult to determine when the Municipal Manager will not be available for more than 5 workdays at a time. The acting allowance should be financed from the normal salary budget.

6.4 Legal Implications

Section 54A (1)(b) of the Municipal Structures Act provides that the Municipal Council must appoint an acting Municipal Manager under certain circumstances and for a period as prescribed. Section 54A (2) provides that such an acting person must at least have the skills, expertise, competencies and qualifications as prescribed.

6.5 Staff Implications

Directors take on the additional workload and responsibilities of the Municipal Manager when acting.

6.6 Previous / Relevant Council Resolutions

29 November 2012

6.7 Risk Implications

The Municipality cannot function without a Municipal Manager who is the Head of the Administration.

6.8 Comments from Senior Management:

The item was not circulated for comment.

ANNEXURES:**Appendix 1: Council Resolution 29 November 2012****Appendix 2: Minimum Competency levels for Accounting Officers****Appendix 3: Acting Allowance Policy 2013/2014****FOR FURTHER DETAILS CONTACT:**

<i>NAME</i>	Geraldine Mettler
<i>POSITION</i>	<i>Municipal Manager</i>
<i>DIRECTORATE</i>	<i>Municipal Manager</i>
<i>CONTACT NUMBERS</i>	<i>021 808 8025</i>
<i>E-MAIL ADDRESS</i>	<i>Geraldine.Mettler@stellenbosch.gov.za</i>
<i>REPORT DATE</i>	<i>10 July 2018</i>

APPENDIX 1

ACTING ARRANGEMENTS IN THE ABSENCE OF THE MUNICIPAL MANAGER

File number : 4/4/1
Report by : Municipal Manager
Compiled by : Municipal Manager
Delegated authority : Council

1. PURPOSE OF REPORT

For Council to approve a roster of Directors who will act as Municipal Manager when the Municipal Manager is out of office.

2. BACKGROUND

Section 54 of the Local Government: Municipal Systems Act 32 of 2000 has been amended and reads as follows:

"Appointment of municipal managers and acting municipal managers 54 A91) The municipal council must appoint – (a) a municipal manager as head of the administration of the municipal council; or

(b) an acting municipal manager under circumstances and for a period as prescribed

Instead of approving the appointment of an acting municipal manager on every occasion the municipal manager is out of office, it is recommended that an acting municipal manager roster be adopted.

3. DISCUSSION

The Municipal Manager, as part of his/her duties has to serve on several external bodies, such as the Premier's Coordinating Forum and Minmay (together with the Executive Mayor), the District Coordinating Forum, the Municipal Managers Forum. In addition all senior managers in local government (including municipal managers) are required to complete a compulsory minimum competency level training programme conducted by the University of Stellenbosch on behalf of National Treasury. These courses are structured in modular form with each module requiring attendance on three (3) consecutive days.

The employment contract of the Municipal Manager also makes provision for various types of leave.

It can, therefore, be anticipated that there will be occasions when the Municipal Manager will be away from office. A roster of acting arrangements is proposed as a pragmatic arrangement to manage this matter.

RECOMMENDED

- (a) that the following Directors be appointed to act as Municipal Manager in the event of the Municipal Manager being out of office:

November, December : Planning and Economic
Development

January, February : Financial Services

March, April : Engineering Services

May, June : Strategic and Corporate
Services

July, August : Community and Protection
Services

September, October : Human Settlement and Property
Management

November, December : Planning and Economical
Development

- (b) that the Director next on the rotation schedule acts when the relevant Director is not available as per the schedule; and

- (c) that the acting arrangements be approved by Council.

(MM)

APPENDIX 2

(4) When determining for purposes of these Regulations the value of the annual budget of a municipality or municipal entity, the value must be taken as equal to total operating and capital expenditure authorised in the budget, and—

- (a) in the case of the annual budget of a parent municipality, include the value of the annual budgets of its entities; or
- (b) in the case of municipalities having shared control of a municipal entity, be taken as equal to the aggregated value of—
 - (i) the annual budget of any one of those municipalities, as may be agreed between those municipalities; and
 - (ii) the annual budget of the entity.

CHAPTER 2 ACCOUNTING OFFICERS OF MUNICIPALITIES AND MUNICIPAL ENTITIES

2. General competency levels for accounting officers.—

(1) The accounting officer of a municipality must generally have the skills, experience and capacity to assume and fulfil the responsibilities and exercise the functions and powers assigned in terms of the Act to the accounting officer of a municipality.

(2) The accounting officer of a municipal entity must generally have the skills, experience and capacity to assume and fulfil the responsibilities and exercise the functions and powers assigned in terms of the Act to the accounting officer of a municipal entity.

(3) An accounting officer must note that specific financial management responsibilities, functions and powers are entrusted by the Act to accounting officers and that any failure to comply with these may constitute financial misconduct.

3. Minimum competency levels for accounting officers.—
The accounting officer of a municipality or municipal entity must comply with the minimum competency levels required for higher education qualification, work related experience, core managerial and occupational competencies and be competent in the unit standards prescribed for financial and supply chain management competency areas as set out below.

MINIMUM COMPETENCY LEVELS FOR ACCOUNTING OFFICERS

Description	All Municipalities and Municipal Entities
Higher Education Qualification	At least NQF Level 6 or Certificate in Municipal Financial Management (SAQA Qualification ID No. 48965)
Work-Related Experience	Minimum of 5 years at senior man- agement level
Core Managerial and Occupational Compe- tencies	As described in the performance regulations
Financial and Supply Chain Management Competency Areas:	Required Minimum Competency Level in Unit Standards
Strategic leadership and management	116358
Strategic financial management	116361; 116342; 116362
Operational financial management	116345; 119352; 119341; 119331; 116364

Description	All Municipalities and Municipal Entities
Governance, ethics and values in financial management	116343
Financial and performance reporting	116363; 119356; 119348; 116341
Risk and change management	116339
Legislation, policy and implementation	119332
Stakeholder relations	116348
Supply Chain Management	116353

CHAPTER 3
CHIEF FINANCIAL OFFICERS OF MUNICIPALITIES
AND MUNICIPAL ENTITIES

4. General competency levels for chief financial officers.

(1) The chief financial officer of a municipality must generally have the skills, experience and capacity to assume and fulfil the responsibilities and exercise the functions and powers assigned in terms of the Act to the chief financial officer of a municipality.

(2) If a municipal entity has appointed an official as its chief financial officer that official must generally have the skills, experience and capacity to assume and fulfil the responsibilities and exercise the functions and powers assigned in terms of the Act to that official as chief financial officer of the entity.

(3) A chief financial officer must note that any failure to comply with any financial management responsibilities, functions and powers entrusted to that officer may constitute financial

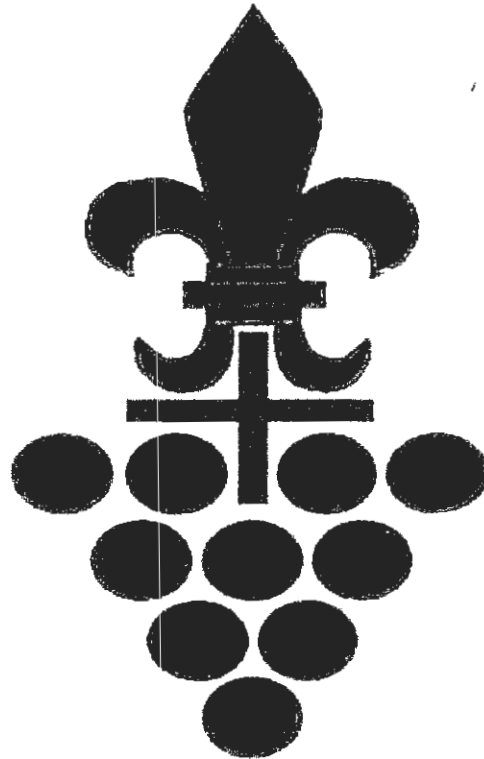
misconduct. In the case of chief financial officers of municipalities specific financial management responsibilities, functions and powers are entrusted by the Act to chief financial officers.

5. Minimum competency levels for chief financial officers. The chief financial officer of a municipality or municipal entity must comply with the minimum competency levels required for higher education qualification, work related experience, core managerial and occupational competencies and be competent in the unit standards prescribed for financial and supply chain management competency areas as set out below.

continued on page 78

APPENDIX 3

STELLENBOSCHMUNICIPALITY



ACTING ALLOWANCE POLICY

2013/2014

- An employee who acts in another post is still responsible for his/her original duties, functions and powers. Said employee will then be vested with the delegations and responsibilities of the more senior post.
- No staff member shall be authorized to act in a higher specialist post without the requisite skill and experience.

6. ACTING AS MUNICIPAL MANAGER

- The Stellenbosch Municipal Council in consultation with the Executive Mayor may appoint a senior manager (director) to act as Municipal Manager during the absence of the Municipal Manager, in terms of delegation and in line with applicable legislation and policies, while Council has the discretion to appoint a Municipal Manager in terms of section 54A of the Local Government: Municipal Systems Act, 2000, Act 32 of 2000.
- Senior managers (directors) in the employ of Stellenbosch Municipality will not be paid for acting in the stead of the Municipal Manager during the absence of the Municipal Manager.

7. ACTING AS DIRECTOR

- The Municipal Manager must authorise the payment of an acting allowance to an employee who acts as Director of a Directorate during the absence of the Director of a Directorate, provided that all duties assigned to the acting employee, were attended to on the required standard
- An acting allowance is only payable when an employee acts as Director of a Directorate for a minimum of ten consecutive working days.
- The salary component for determining the acting allowance of an employee acting as Director will be equal to 60% of the remuneration package of the post in which the employee is acting.

8. ACTING IN ALL OTHER POSTS

- The Director may appoint an appropriately skilled person in writing to act in post of a Manager, as and when it is deemed necessary for operational efficiency.
- The Director must authorise the payment, subject to budgetary provision, of an acting allowance to a person acting in the more senior post.

- The acting incumbent shall be appointed in writing by the Municipal Manager or Director to the acting position prior to the commencement of the acting period.
- The key performance areas, for which the acting incumbent will be responsible, shall be clearly defined in writing.
- The latter requires that a job description exists for the current incumbent's post in which acting is proposed to take place.
- The acting incumbent shall sign a suitable undertaking committing to and assuming all the responsibilities normally associated with the post
- The payment of such acting allowances shall be subject to prior authorization by the Budget Office or Chief Financial Officer.
- The payment of such acting allowance shall further be subject to the proviso that the preferred employee meets the minimum criteria for the position.
- In very special cases where a need arises to extent acting beyond the periods prescribed by this policy, it must be made a specific condition of such further action periods, that no expectation is created or that eligibility exists for placement.

10. THE FOLLOWING GUIDELINES ARE TO BE CONSIDERED PRIOR TO MAKING A DECISION TO APPOINT A PERSON IN AN ACTING POSITION

- Consideration should be given as to whether an official, more senior to the post concerned, can absorb all or part of the critical duties and responsibilities associated to the post; and or whether any other persons are interested and have capacity to perform the duties.
- The possibility of spreading the workload of the post amongst other employees operating at the same level;
- The need for supervision over sub-ordinates
- The need to maintain the daily output associated with the post

11. POLICY REVIEW AND REPORTING

This policy document shall be reviewed annually, when deemed necessary - especially if there is a change in collective agreements or legislation and submitted as part of the budget approval process.

7.	REPORTS SUBMITTED BY THE EXECUTIVE MAYOR
----	--

NONE

8.	MOTIONS AND QUESTIONS RECEIVED BY THE MUNICIPAL MANAGER
----	---

NONE

9.	URGENT MATTERS
----	----------------

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

NONE