



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref no.3/4/2/5

2023-07-14

MAYORAL COMMITTEE MEETING
WEDNESDAY, 2023-07-19 AT 10:00

TO The Executive Mayor, Ald G Van Deventer
The Deputy Executive Mayor, Cllr J Fasser

COUNCILLORS JC Anthony
R du Toit
P Johnson
J Joon
X Kalipa
L Nkamisa
R Pheiffer
C van Wyk
J Williams

Notice is hereby given that a Mayoral Committee Meeting will be held via **MS Teams** on **Wednesday, 2023-07-19 at 10:00** to consider the attached agenda.

EXECUTIVE MAYOR, ALD GM VAN DEVENTER

CHAIRPERSON

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2023-07-19
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APPENDIX 1

**Confirmation of
Minutes: Mayoral
Committee
Meeting: 2023-06-14**



STELLENBOSCH

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MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref no.3/4/2/5

2023-06-14

MINUTES

MAYORAL COMMITTEE MEETING:

2023-06-14 AT 10:00

MINUTES
MAYORAL COMMITTEE MEETING
2023-06-14
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PRESENT: Deputy Executive Mayor, J Fasser (**Chairperson**)

Councillors: JC Anthony
 R du Toit
 P Johnson
 J Joon
 X Kalipa
 L Nkamisa
 R Pheiffer
 C van Wyk
 J Williams

Also Present: Councillor P Crawley (Chief Whip)
 Q Smit (Speaker)
 W Petersen (MPAC Chairperson)

Officials: Municipal Manager (G Mettler (Ms))
 Director: Corporate Services (A de Beer (Ms))
 Director: Community & Protection Services (G Boshoff)
 Director : Infrastructure Services (S Chandaka)
 Chief Financial Officer (K Carolus)
 Manager: New Housing (L van Stavel)
 Senior Administration Officer (B Mgcushe (Ms))

1.	OPENING AND WELCOME
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The Chairperson, Deputy Executive Mayor welcomed everyone present at the Mayoral Committee Meeting.

2.	COMMUNICATION BY THE CHAIRPERSON
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Goeie more, Molweni, Asalaam Alykum, Good morning to all our Mayco Members, Councillors, Speaker, Chief Whip, our MM, Directors and all our officials, and last but not least – A special welcome to Our members of the public joining us Online. Our Executive Mayor is representing our municipality at another important engagement, therefore, as the Executive Deputy Mayor, I will be chairing today's Mayco - Meeting.

As part of my Communication:
 We have experienced some good rainfall over the past few days, which is good news for our dams, but it also creates a lot of challenges for our disaster management teams, who are trying their outmost best to respond to all the incidents that are reported. I would like to ask all our residents to report all incidents on our Let's Fix It platform, as

this will assist all our Stormwater, Maintenance and Tarring teams to respond quicker to all logged complaints. Our Teams Are READY TO RESPOND.

I want to also ask all our residents to please be vigilant on our roads. It is wet and raining heavily and I urge all motorists to adhere to the road rules, maintain a safe following distance and be safe on our roads.

It is also World Blood donor day where it is a global celebration of the millions of people throughout the world who give their blood in a voluntary basis to save the lives of those in need. We know that less than 1% of South Africans are active donors, and a unit of blood last only for 42 days after donation. Donating a unit of blood can save up to 3 people's lives. It is quick, safe and easy and I urge all our residents to consider, becoming a donor.

The month of June as we all know, is a very special month, as we celebrate and commemorate our youth who made the ultimate sacrifice for what they stood for and believed in.

Their actions paved the way for future generations and on June the 16th we celebrate this Historic day.

As a student town with over 32 500 students each year and within our 14 dorpies we have active young people participating in various projects and programmes showcasing active citizenry. As a municipality we take pride in playing an active role in creating an enabling environment and to ensure through our skills development projects, we empower our leaders of tomorrow.

I am looking forward to our municipal event happening on June the 16th, at the Town Hall, where our own young councillors who serve on our Mayoral committee will be addressing our young people, and share their journeys, and I hope that all our councillors will inform their youth to attend this function.

Thank you.

3.	DISCLOSURE OF INTERESTS
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NONE

4.	APPLICATIONS FOR LEAVE OF ABSENCE
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The following applications for leave of absence were approved in terms of the Rules and Order By-law of Council: -

Executive Mayor, Ald GM Van Deventer

Director: Planning and Economic Development (A Barnes)

5.	CONFIRMATION OF PREVIOUS MINUTES
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The minutes of the Mayoral Committee Meeting held on 2023-05-17 were **confirmed as correct without any amendments.**

6.	STATUTORY MATTERS
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6.1	MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR MAY 2023
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance and Compliance

14 June 2023

1. SUBJECT: MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR MAY 2023

2. PURPOSE

To comply with Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy 2022/2023 to report the deviations to Council.

3. DELEGATED AUTHORITY

Council

FOR NOTING.

4. EXECUTIVE SUMMARY

Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy (2022/2023) stipulate that SCM deviations be reported to Council. In compliance thereto, this report presents to Council the SCM deviations that occurred during May 2023.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2023-06-14: ITEM 6.1

that Council notes the deviations as listed for the month of May 2023.

FOR FURTHER DETAILS CONTACT:

NAME	Dalleel Jacobs
POSITION	<i>Senior Manager Supply Chain Management</i>
DIRECTORATE	<i>Finance</i>
CONTACT NUMBERS	<i>021 808 8137</i>
E-MAIL ADDRESS	<i>Dalleel.jacobs@stellenbosch.gov.za</i>
REPORT DATE	05 June 2023

7.	CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: [ALD G VAN DEVENTER]
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7.1	PROTECTION SERVICES: (PC: CLLR R PHEIFFER)
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NONE

7.2	SPORTS, YOUTH AND CULTURE: [PC: CLLR JC ANTHONY]
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NONE

7.3	CORPORATE SERVICES: (PC: CLLR L NKAMISA)
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7.3.1	APPLICATION FOR SEPERATION OF NOTARIALLY TIED PROPERTIES, PORTION 17 OF FARM 369 AND PORTION 3 OF FARM 527 FROM THE MOTHER ERF, PORTION 837 OF THE FARM BLAAUW KLIP NUMBER 510
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

14 June 2023

1. SUBJECT:APPLICATION FOR SEPERATION OF NOTARIALLY TIED PROPERTIES, PORTION 17 OF FARM 369 AND PORTION 3 OF FARM 527 FROM THE MOTHER ERF, PORTION 837 OF THE FARM BLAAUW KLIP NUMBER 510

2. PURPOSE

To obtain Council-approval for the separation of Notarial tied properties, portion 17 of Farm 369 and portion 3 of Farm 527 from the Mother Erf, Portion 837 of the farm Blaauw Klip number 510.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

During October 2004 a Deed of Sale was entered into between the Stellenbosch Municipality, the Cape Dutch Estate Stellenbosch (Pty) Ltd and Blaauwklippen Agricultural Estates (Pty) Ltd. A copy of the Deed of Sale is attached hereto as **APPENDIX 1**. In terms of the Deed of Sale various portions of Council-owned land were sold to the purchasers (now the applicants).

In terms of Clause 2.2.3 it was recorded that:

“The seller shall be entitled to impose a notarial tie condition between the property hereby sold and the existing property of the purchaser, so that the purchaser or its successor in title shall not be entitled to sell or otherwise alienate or transfer any portion of the property hereby sold without the simultaneous sale or alienation or transfer of the property collectively referred to as Blaauwklippen Estate, being the existing property of the Purchaser, or its successor in title, to the same transferee.”

The reason for inserting the clause was to ensure that the Purchaser would not be able to sell or otherwise dispose of the property that was sold to them. For this reason, the municipal properties were first consolidated into one portion, and then notarially tied to the property collectively referred to as Blaauwklippen. The Notarial Deed, registering the notarial tie (condition of sale), was registered with the Registrar of Deeds on 25 July 2006, a copy of which is attached hereto as **APPENDIX 2**.

An application is now brought to un-tie Portion 17 of the Farm 369 (Paradyskloof Erf) and Portion 3 of the Farm 527 (Skilpadrug Erf) from the Mother Erf (**APPENDIX 4**). The application is brought on the basis that the fact that Blaauwklippen cannot sell these properties is placing a financial strain on the business and they are not able to raise the necessary funds they require for operational purposes. COVID had, and continues to have, a devastating effect on Blaauwklippen’s wine and hospitality businesses. They say it is not an application for change

in land use for development purposes, but merely to enable the current owners to utilise the properties individually to raise funds. They say it will not necessarily lead to the urban development of the properties as the farm will remain zoned for agricultural purposes and be protected by the MSDF.

The properties are situated outside the urban edge (**APPENDIX 5**). Council however in March 2023 approved the inclusion of “portion of remainder, portion 3 and a broader portion of portion 7 of farm 527 portion 7 of Farm 527” to form part of the housing pipeline (**APPENDIX 6**).

The item served before council in May and was referred back for further info. It is resubmitted for consideration.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2023-06-14: ITEM 7.3.1

that Council consider this item.

FOR FURTHER DETAILS CONTACT:

NAME	<i>Annalene de Beer</i>
POSITION	<i>Director: Corporate Services</i>
DIRECTORATE	<i>Corporate Services</i>
CONTACT NUMBERS	<i>021-8088073</i>
E-MAIL ADDRESS	annalene.debeer@stellenbosch.gov.za
REPORT DATE	<i>2023-05-11</i>

7.4	FINANCIAL SERVICES: (PC: CLLR J FASSER)
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7.4.1	APPROVAL OF DEBT AGREEMENT
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance and Compliance

14 June 2023

1. SUBJECT: APPROVAL OF DEBT AGREEMENT

2. PURPOSE

To obtain Council's approval for the raising of an external loan in terms of Section 46 (2) of the Municipal Finance Management Act (Act No 56 of 2003).

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

During May 2023 an advertisement was placed inviting interested parties to make submissions regarding the financing of the proposed loan of R69 244 294 million. Submissions were received from 5 authorised financial institutions:

- (a) Development Bank of Southern Africa (DBSA);
- (b) ABSA Bank;
- (c) Nedbank;
- (d) Standard Bank ; and
- (e) First National Bank (FNB)

After due process, in terms of the municipality's approved Supply Chain Policy, the offer of *Nedbank for the term of 10 years*, was adjudicated by the Bid Adjudication Committee and approved by the Municipal Manager as being the most favorable for Council.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2023-06-14: ITEM 7.4.1

- (a) that Council approves the debt agreement as stipulated in **APPENDIX 1**, and
- (b) that the Municipal Manager be mandated to enter into a loan agreement with Nedbank.

FOR FURTHER DETAILS CONTACT:

NAME	Monique Steyl
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POSITION	Senior Manager: Financial Management Services
DIRECTORATE	Financial Services
CONTACT NUMBERS	021 808 8512
E-MAIL ADDRESS	Monique.Steyl@ Stellenbosch.gov.za
REPORT DATE	08 June 2023

7.5	HUMAN SETTLEMENTS: (PC: CLLR R DU TIOT)
7.5.1	ACCUMULATIVE QUARTERLY STATISTICS ON DEMOGRAPHICS AND SERVICE LEVELS IN ALL INFORMAL SETTLEMENTS FOR THE 2022/23 FINANCIAL YEAR AS AT 31 MAY 2023

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

14 June 2023

1. SUBJECT: ACCUMULATIVE QUARTERLY STATISTICS ON DEMOGRAPHICS AND SERVICE LEVELS IN ALL INFORMAL SETTLEMENTS FOR THE 2022/23 FINANCIAL YEAR AS AT 31 MAY 2023

2. PURPOSE

To report to Mayco in accordance with KPI D1088/D3896 on the demographics and service levels in the respective informal settlements within the WC024 area, for quarter under review (for the period April 2023 till May 2023).

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

Report to Mayco in accordance with KPI D1088/D3896 on the demographics and service levels in the respective informal settlements within the WC024 area, for quarter under review.

EXECUTIVE MAYORAL COMMITTEE: 2023-06-14: ITEM 7.5.1

RESOLVED

that Mayco takes note of the demographics and service levels in the respective informal settlements as of the 31 May 2023.

7.5.2	STELLENBOSCH MUNICIPALITY: DRAFT INTEGRATED HUMAN SETTLEMENT PLAN (IHSP) FOR THE PERIOD 2022 - 2027
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

14 June 2023

1. SUBJECT: STELLENBOSCH MUNICIPALITY: DRAFT INTEGRATED HUMAN SETTLEMENT PLAN (IHSP) FOR THE PERIOD 2022 - 2027

2. PURPOSE

To approve the draft Integrated Human Settlement Plan (IHSP), 2022 – 2027, compiled in accordance with the Provincial Department of Infrastructure (previously known as Provincial Department of Human Settlements) guidelines and aligned with the Integrated Development Plan (IDP) and Municipal Spatial Development Framework (MSDF), for public participation.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The National Housing Act 107 of 1997 requires that all municipalities must plan to facilitate the delivery of housing opportunities as part of their overall plan for their municipality.

The aim of the draft Integrated Human Settlements Plan (IHSP) is therefore:

- To outline the Municipality's implementation plan in providing for the housing needs of its steadily growing and increasing population.
- to enable the Municipality to prepare funding applications for submission to the Provincial Department of Infrastructure, that are consistent with funding conditions and included in the municipal IDP and Housing Pipeline, as per Provincial Department of Infrastructure guidelines is a requirement; and
- To inform the municipal Housing Pipeline spanning over ten years reflected in five-year periods the funding required in the Provincial Department of Infrastructure's Business Plan.

The development of the IHSP will therefore not only comply with the requirements of the National Housing Act whereby the municipality are obliged to facilitate the delivery of housing opportunities as part of their municipal but will also develop credible Housing Pipeline and operational models for human settlements development within the WC024.

The draft Integrated Human Settlements Plan is a component of the Integrated Development Plan (IDP) and therefore outlines the Human Settlements contribution to the Municipality's five-year Integrated Development Plan (2022 – 2027).

It should be further mentioned that the need for shelter within the Stellenbosch Municipal area is outlined in the Spatial Development Framework (SDF). By 2036, the need for subsidised housing was projected as 40 953 opportunities consisting of and separated between 17 847 indigent and 23 106 others (excluding privately funded).

The draft IHSP also commits to the following principle aligned with the IDP and SDF focus areas:

IDP & SDF Focus Areas	IHSP Principles	IHSP Implication
Valley of Possibility	Equal access	Require well located land
Safe Valley	Place Identify	Provide for amenities & safe communal spaces
Dignified Living	Well-being & individual capability.	Secured tenure (title or rental)
Good Governance and compliance	Corporate capabilities	Secured funds & services
Green & sustainable valley	Resource frugal	Healthy ecological infrastructure

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2023-06-14: ITEM 7.5.2

- (a) that the draft Integrated Human Settlements Plan (IHSP) be approved for public participation; and
- (a) that after the comments from external and internal stakeholders are received, the draft Integrated Human Settlements Plan be submitted to Council for approval.

FOR FURTHER DETAILS CONTACT:

NAME	<i>Lester van Stavel</i>
POSITION	<i>Manager: Housing Development</i>
DIRECTORATE	<i>Planning & Economic Development, Integrated Human Settlements</i>
CONTACT NUMBERS	<i>021 808 8462</i>
E-MAIL ADDRESS	Lester.vanstavel@ Stellenbosch.gov.za
REPORT DATE	<i>8 June 2023</i>

7.6	INFRASTRUCTURE SERVICES : (PC : CLLR P JOHNSON)
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NONE

7.7	PARKS, OPEN SPACES AND ENVIRONMENT: (PC: J WILLIAMS)
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NONE

7.8	PLANNING AND LOCAL ECONOMIC DEVELOPMENT AND TOURISM :(PC: CLLR C VAN WYK)
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NONE

7.9	COMMUNITY SERVICES:(PC: CLLR X KALIPA)
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7.9.1	UNIVERSAL ACCESS POLICY (UAP) IMPLEMENTATION PROGRESS REPORT
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Collaborator No:	750875
IDP KPA Ref No:	Good Governance
Meeting Date:	14 June 2023

1. SUBJECT : UNIVERSAL ACCESS POLICY (UAP) IMPLEMENTATION PROGRESS REPORT

2. PURPOSE

To present to the Mayoral Committee a report reflecting progress on the implementation of the UA Policy.

3. DELEGATED AUTHORITY

Mayoral Committee

4. EXECUTIVE SUMMARY

Stellenbosch is home to persons of different ages, cultures, genders, nationalities, languages and physical, emotional and cognitive abilities. In order to ensure inclusivity, the Municipality adopted a Universal Access Policy in 2016 and reviewed same in 2021, making it the first municipality in South Africa to do so.

The policy aims to remove barriers to access information, employment opportunities, physical infrastructure and services for all persons in our municipality, not just persons with disabilities.

The policy is for the municipality as a whole and aims to address all services. The implementation thereof is thus a shared responsibility among all directorates. It illustrates a holistic and collective response to citizens with different levels of abilities and the White Paper on the Rights of Persons with Disabilities.

The UAP thus stipulates that “although specific roles and responsibilities are outlined with specific attention to the Office of the Municipal Manager and the Department Community Development, all directorates and departments have a responsibility in mainstreaming the rights of persons with disability within their realm of responsibilities. Each directorate has a specific function in service delivery to the community and is responsible for the inclusion of UA and UD in the conceptualization, implementation and reporting of projects.”

This report aims to provide information on the progress made with the implementation of the policy.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2023-06-14: ITEM 7.9.1

- (a) that the progress made with the implementation of the Universal Access Policy be noted; and
- (b) that reporting on progress made with the implementation of the policy be included as a performance indicator for all the Directorates per the approved budget as and when applicable.

FOR FURTHER DETAILS CONTACT:

<i>NAME</i>	Michelle Aalbers
<i>POSITION</i>	Manager Community Development
<i>DIRECTORATE</i>	Community and Protection Services
<i>CONTACT NUMBERS</i>	8408
<i>E-MAIL ADDRESS</i>	Michelle.aalbers@stellenbosch.gov.za
<i>REPORT DATE</i>	22-05-2023

7.10	RURAL MANAGEMENT: (PC: CLLR J JOON)
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NONE

7.11	MUNICIPAL MANAGER
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NONE

8.	REPORTS SUBMITTED BY THE EXECUTIVE MAYOR
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NONE

9.	URGENT MATTERS
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10.	MATTERS TO BE CONSIDERED IN-COMMITTEE
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The meeting adjourned at 10:46

CHAIRPERSON:

DATE:

Confirmed on

6.	STATUTORY MATTERS
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6.1	MFMA SECTION 52 REPORTING UP TO JUNE 2023
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Collaborator No: 752650
 IDP KPA Ref No: Good Governance and Compliance
 Meeting Date: 19 July 2023

1. SUBJECT: MFMA SECTION 52 REPORTING UP TO JUNE 2023

2. PURPOSE

To comply with section 52(d) of the Municipal Finance Management Act and report to Council on the implementation of the budget; and service delivery budget plan of the Municipality for the 4th quarter of the 2022/23 financial year.

3. DELEGATED AUTHORITY

THE EXECUTIVE MAYOR TO SUBMIT TO COUNCIL

In terms of section 52 (d) of the Municipal Finance Management Act:

“The mayor of a municipality—

(d) must, within 30 days of the end of each quarter; submit a report to the council on the implementation of the budget and the financial affairs of the municipality.”

4. EXECUTIVE SUMMARY

The Executive Mayor must provide general political guidance over the fiscal and financial affairs of the Municipality and is required by Section 52(d) of the Municipal Finance Management Act to submit a report on the implementation of the budget and the financial and non-financial performance of the Municipality, to the Council within 30 days after end of each quarter.

The Section 52 report is a summary of the budget performance. It compares the implementation of the budget to the commitments made and contained in the Service Delivery and Budget Implementation Plan (SDBIP) and is intended to enable Council to give effect to their oversight responsibility.

This report provides the overall performance of the Municipality for the period 1 April 2023 to 30 June 2023.

The Office of the CFO is currently, in terms of s126 (1)(a) of the MFMA, preparing the Annual Financial Statements for the financial period ended 30 June 2023. It is important to note that the information in this report are preliminary results and may not be an accurate reflection of the financial position of the municipality as same will materially be influenced by year-end journals and processes still to be finalised which will influence the financial position. The latter process alluded to will only be finalised by the end of August 2023.

5. RECOMMENDATION

that Council notes Section 52 Report (including quarterly performance report) – Fourth Quarter.

6. DISCUSSION / CONTENTS**6.1. Background**

To comply with section 52 (d) of the Municipal Finance Management Act and report to Council on the budget, financial and service delivery budget implementation plan of the Municipality for the 4th quarter of the financial year. The report is indicated under **APPENDIX 1**.

6.2 Discussion

This report illustrates the implementation of the budget as well as the non-financial performance of the municipality for quarter 4.

In terms of the Municipal Finance Management Act (MFMA) Section 52(d) *“must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality;”*

6.3 Financial Implications

None.

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 to the Municipality.

6.6 Previous / Relevant Council Resolutions:

None

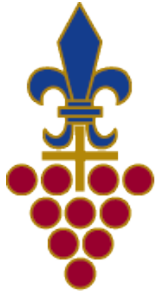
6.7 Risk Implications

None

ANNEXURES

Appendix 1 : Section 52 Report – 4th Quarter

APPENDIX 1



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

QUARTERLY BUDGET MONITORING REPORT

4th Quarter 2022/23



QUALITY CERTIFICATE

I, Geraldine Mettler, the Municipal Manager of Stellenbosch Municipality, hereby certify that the quarterly report the period ending June 2023 has been prepared in accordance with Section 52 of the Municipal Finance Management Act and regulations made under the Act and accordingly submit the required quarterly statement on the state of Stellenbosch Municipality's budget reflecting the particulars up until the end of June 2023.

Name: Geraldine Mettler

Municipal Manager of Stellenbosch Municipality- WC024

Signature _____

Date: 26 July 2023

To Council

In accordance with Section 52(d) of the Municipal Finance Management Act, I submit the required report on the implementation of the budget and the financial situation of Stellenbosch Municipality reflecting the particulars of the second quarter of the financial year 2022/23.

The submission of this report forms part of my general responsibilities as the Mayor of Stellenbosch Municipality. The purpose of the report serves to inform Council on the financial affairs of Stellenbosch Municipality and to enable Council to fulfil its oversight responsibility in this regard.

.....
Advocate G M van Deventer
Executive Mayor
Date: 26 July 2023

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1. Recommendations

These recommendations are linked to the responsibilities of the Mayor under Section 52 of the MFMA.

- (a) That the content of the quarterly budget statement and supporting documentation be noted.

2. Executive Summary

2.1 Introduction

The mayor, who must provide general political guidance over the fiscal and financial affairs of the Municipality, is required by Section 52(d) of the Municipal Finance Management Act to submit a report on the implementation of the budget and the financial state of affairs of the Municipality, to the Council within 30 days after end of each quarter.

This report is a summary of the main budget issues arising from the monitoring process. It compares the implementation of the budget to the commitments/promises made and contained in the Service Delivery and Budget Implementation Plan (SDBIP) and is intended to inform and enable the Council with a view of giving effect to Council's oversight responsibility.

The Office of the CFO is currently, in terms of s126 (1) (a) of the MFMA, preparing the annual financial statements for the financial period ended 30 June 2023. It is important to note that the information in this report are preliminary results and may not be an accurate reflection of the financial position of the municipality as it will be materially influenced by year-end journals and processes still to be finalised which will influence the financial position. The latter process alluded to will only be finalised by the end of August 2023.

2.2 Summary of 2022/23 budget progress / implementation

The following table summarises the overall position of the capital and operating budgets.

Detail	Capital Expenditure	Operating Expenditure	Operating Revenue (excluding capital transfers and contributions)
Original Budget	409 273 204	2 100 690 481	2 103 782 596
Adjustment Budget	378 709 141	2 119 664 507	2 089 953 735
Plan to Date (SDBIP)	378 709 141	2 119 664 507	2 089 953 735
Actual	290 794 140	1 757 224 477	2 094 755 591
Variance to SDBIP	(87 915 001)	(362 440 030)	4 801 856
Year to date % Variance to SDBIP	-23,21%	-17,10%	0,23%

The above figures are explained in more detail throughout this report.

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

3. Operating Revenue

The following table shows the actual operating revenue per National Treasury Reporting regulations against that planned in the SDBIP for the 4th Quarter of 2022/23.

Operating Revenue by Source

Description	ORIGINAL BUDGET	ADJUSTMENT BUDGET
Revenue by Source		
Property rates	438 941 448,00	438 941 447,00
Service charges - electricity revenue	846 763 143,00	812 307 977,00
Service charges - water revenue	176 782 707,00	176 782 708,00
Service charges - sanitation revenue	109 133 951,00	109 133 951,00
Service charges - refuse revenue	94 971 363,00	94 971 363,00
Service charges - other	-	-
Rental of facilities and equipment	15 537 893,98	10 098 683,00
Interest earned - external investments	20 397 326,00	35 417 421,00
Interest earned - outstanding debtors	11 391 237,40	18 338 651,00
Fines, Penalties and Forfeits	124 955 174,00	124 955 174,00
Licences and permits	5 934 010,00	7 482 512,00
Agency services	4 281 368,00	3 191 727,00
Transfers recognised - operational	213 380 350,00	224 854 074,00
Other revenue	41 312 625,00	33 478 047,00
Gains on disposal of PPE	-	-
Total Revenue (excluding capital transfers and contributions)	2 103 782 596	2 089 953 735

QUARTER 4 2022/23		
PLANNED	ACTUAL	VAR
85 695 355	94 338 369	10%
218 586 852	210 731 575	-4%
24 039 218	20 063 128	-17%
28 038 200	25 259 551	-10%
49 338 708	22 535 914	-54%
-	-	-
3 234 150	2 208 482	-32%
7 593 849	12 679 781	67%
5 313 225	5 739 270	8%
47 152 394	43 138 279	-9%
1 911 036	2 274 137	19%
754 608	1 161 938	54%
63 990 523	9 908 619	-85%
5 431 763	37 309 340	587%
-	160 133	0%
541 079 881	487 508 517	-10%

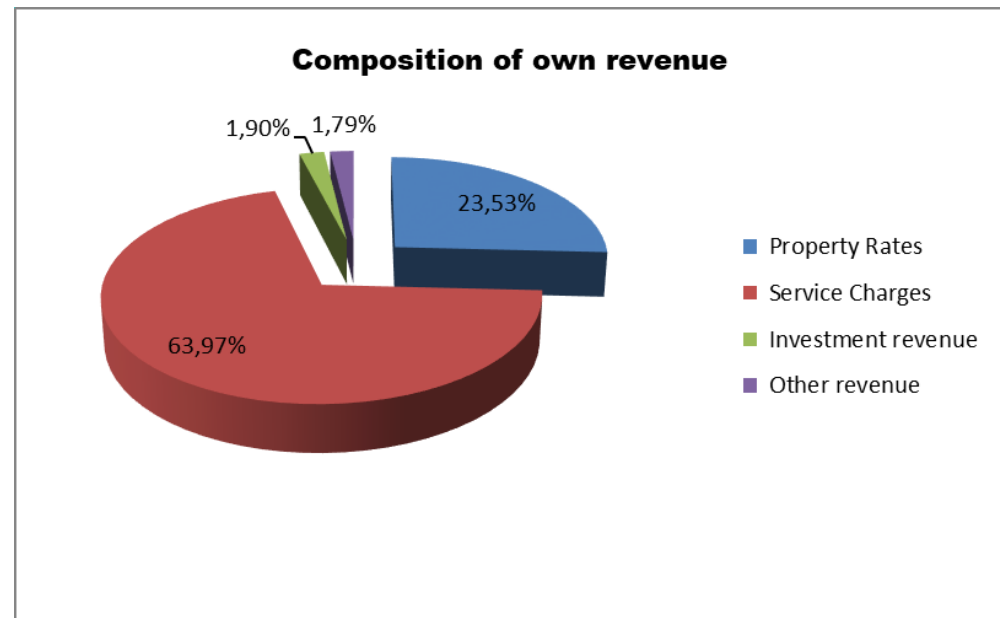
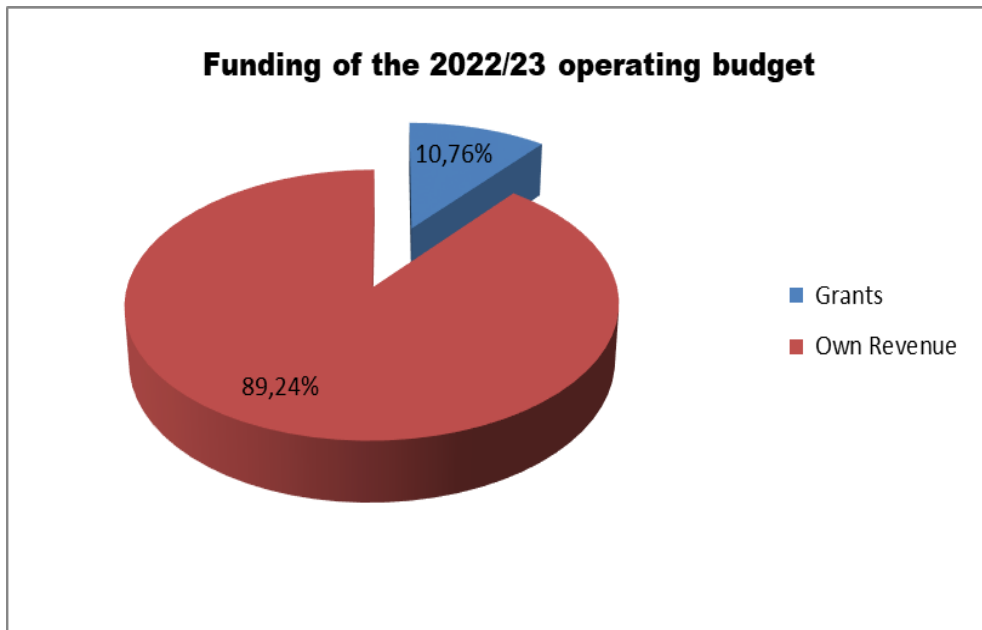
QUARTER 4 2021/22		
PLANNED	ACTUAL	VAR
98 491 102	87 658 558	100%
192 203 415	183 439 243	-5%
47 510 922	46 442 345	-2%
26 133 308	23 399 410	100%
22 030 697	19 207 004	100%
-	-	0%
3 199 867	2 622 160	-18%
3 547 525	6 296 242	77%
3 413 738	3 483 710	2%
52 371 953	48 085 721	-8%
1 867 907	2 255 615	100%
918 233	994 666	8%
35 978 092	12 728 814	-65%
22 622 119	20 873 696	-8%
351 081	351 081	0%
510 639 958	457 838 265	-10%

NB: - The “year to date actual for property rates income” refers to the total billed for the year and not actual receipts.

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Stellenbosch municipality is not dependant on grant funding to fund the operating budget as is evident in the graph below.

Own revenue consists mainly of service charges at 63.97 per cent of the 1 865 099 661 billion own revenue budget.



QUARTERLY BUDGET STATEMENT FOR JUNE 2023

4. Operating Expenditure

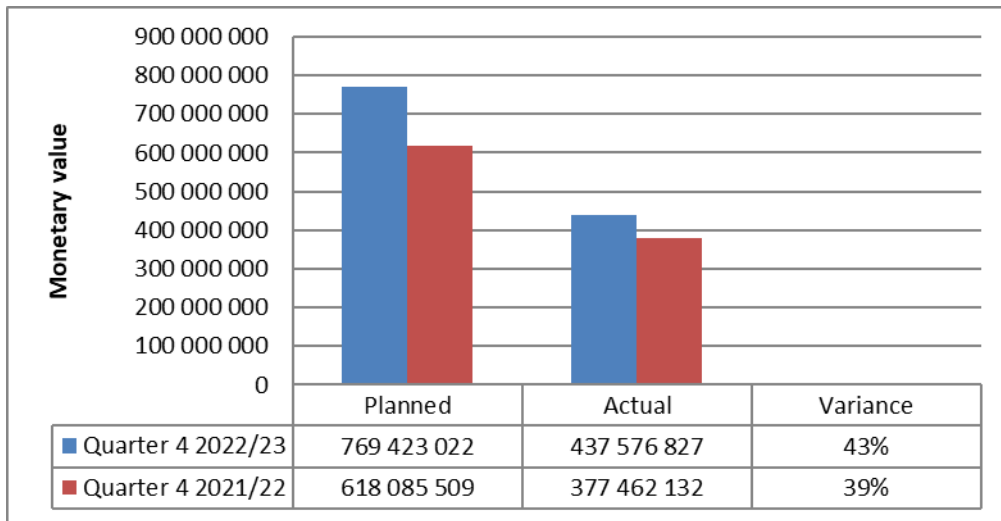
The following table illustrates the actual operating expenditure for each Directorate against planned expenditure in the SDBIP for the 4th Quarter of 2022/23.

Operating Expenditure (Per Directorate):

DIRECTORATE	ORIGINAL BUDGET	AMENDED BUDGET	QUARTER 4 2022/23		QUARTER 4 2021/22	
			PLANNED	ACTUALS	PLANNED	ACTUALS
Municipal Manager	27 432 083	26 015 794	8 069 211	3 982 522	7 446 977	3 979 397
Planning & Development	74 667 884	85 666 334	29 217 600	18 947 271	21 572 599	14 463 534
Infrastructure Services	1 258 869 331	1 258 386 849	442 175 442	284 985 936	341 328 212	249 667 248
Community and Protection Services	430 825 516	435 402 172	164 558 458	71 304 023	122 046 749	65 598 210
Corporate Services	210 683 035	220 759 869	91 456 229	36 565 272	56 653 853	29 997 889
Financial Services	98 212 632	93 433 489	33 946 082	21 791 803	69 037 119	13 755 853
TOTALS	2 100 690 481	2 119 664 507	769 423 022	437 576 827	618 085 509	377 462 132

During the fourth quarter of the financial year the directorates spent R437 576 827, 43% less than the planned expenditure. At the same period last year, the directorate spent R377 462 132, 39% less than the planned expenditure.

QUARTERLY BUDGET STATEMENT FOR JUNE 2023



The year on year comparison for the fourth quarter quarter is 57% actual spending rate of the planned operating budget for the financial year 2022/23, compared to a 61% actual spending rate for the same period in the previous financial year.

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

5. Capital Expenditure

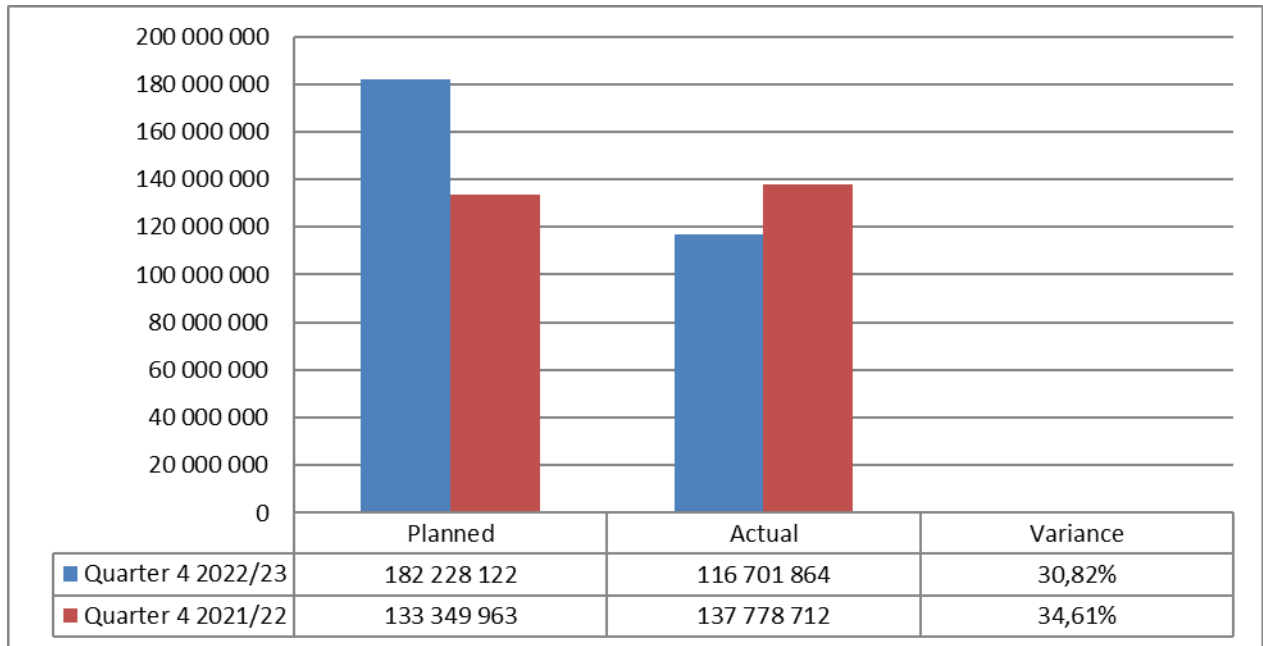
The following table illustrates the actual capital expenditure per directorate against the planned in the SDBIP for the 4th Quarter of 2022/23.

DIRECTOR	ORIGINAL BUDGET	AMENDED BUDGET
Municipal Manager	40 000	40 000
Planning & Development	15 185 000	12 665 281
Infrastructure Services	325 047 246	296 643 878
Community and Protection Services	26 850 958	29 774 773
Corporate Services	41 900 000	37 708 209
Financial Services	250 000	1 877 000
TOTALS	409 273 204	378 709 141

QUARTER 4 2022/23		
PLANNED	ACTUAL EXPENDITURE	VAR %
6 000	-	-100%
5 830 842	4 019 859	-31%
139 742 632	95 987 034	-31%
21 281 499	7 983 122	-62%
13 601 792	8 422 711	-38%
1 765 357	289 138	-84%
182 228 122	116 701 864	-36%

QUARTER 4 2021/22		
PLANNED	ACTUAL EXPENDITURE	VAR %
16 000	1 297	100%
4 047 854	3 149 018	-22%
97 957 846	120 190 749	23%
20 962 277	9 509 362	-55%
10 235 986	4 889 177	-52%
130 000	39 108	-70%
133 349 963	137 778 712	3%

QUARTERLY BUDGET STATEMENT FOR JUNE 2023



The year-on-year comparison for the end of the fourth quarter is [R116 701 864/ R378 709 141] 30.82% of the total capital budget of R378 709 141 for the 2022/23 financial year compared to a [R137 778 712/ R398 107 635] 34.61% spending rate for the same period in the previous financial year measured against a budget of R398 107 635.

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

6. Investments and Borrowings

6.1 Investments

ACC. NR	BANK	Type/ Period	INTEREST RATE	MATURITY DATE	OPENING BALANCE AS AT 1 JULY 2022	Quarter 4		TOTAL INVESTMENTS/ WITHDRAWALS	INTEREST CAPITALISED FOR THE QUARTER UNDER REVIEW	INTEREST ACCRUED YTD	CLOSING BALANCE YTD
						INVEST	WITHDRAWAL				
	ABSA BANK										
93-6748-9415	A#9415	CALL	8,900%		41 771 894,24	30 000 000,00	-	50 000 000,00	1 941 936,73	5 960 207,92	97 732 102,17
20-8031-5300	A#5300	FIXED / 5 MTHS	5,580%	19-Aug-22	40 611 506,85	-	-	(40 917 260,27)	-	305 753,42	0,00
20-8065-2148	A#2148	FIXED/6 MTHS	7,490%	14-Mar-23		-	-	(3 693 698,63)	-	3 693 698,63	0,00
20-8070-0884	A#0884	FIXED/6 MTHS	7,900%	17-Apr-23		-	(52 012 876,71)	(2 012 876,71)	151 506,85	2 012 876,71	0,00
20-8097-3316	A#3316	FIXED/4 MTHS	8,550%	14-Jul-23		-	-	50 000 000,00	1 065 821,92	1 253 219,18	51 253 219,18
20-8103-0741	A#0741	FIXED/3 MTHS	8,550%	19-Jul-23		70 000 000,00	-	70 000 000,00	1 246 000,00	1 246 000,00	71 246 000,00
					82 383 401,09	100 000 000,00	- 52 012 876,71	123 376 164,39	4 405 265,50	14 471 755,87	220 231 321,35
	NEDBANK										
03/7881123974/...024	N#024	FIXED / 12 MTHS	5,800%	12-Oct-22	83 330 630,14	-	-	(84 640 000,00)	-	1 309 369,86	-
03/7881123974/...025	N#025	FIXED / 6 MTHS	6,100%	22-Sep-22	81 350 356,16	-	-	(82 460 054,79)	-	1 109 698,63	(0,00)
03/7881123974/...026	N#026	FIXED / 12 MTHS	7,950%	21-Jun-23	19 102 999,59	-	(20 576 869,96)	(20 576 869,96)	336 291,55	1 473 870,35	(0,01)
03/7881123974/...028	N#028	FIXED / 12 MTHS	9,050%	13-Oct-23		-	-	100 000 000,00	2 256 301,37	6 471 369,86	106 471 369,86
03/7881123974/...030	N#030	FIXED / 12 MTHS	9,540%	15-Mar-24		-	-	100 000 000,00	2 378 465,75	2 796 657,53	102 796 657,53
					183 783 985,90	-	(20 576 869,96)	12 323 075,25	4 971 058,67	13 160 966,24	209 268 027,39
	STANDARD BANK										
258489367-035	S#035	FIXED 12 MNTHS	7,725%	21-Jun-23	81 126 949,40	-	(87 191 018,39)	(87 191 018,39)	1 387 541,21	6 064 068,98	(0,00)
258489367-036	S#036	FIXED 2 MNTHS	6,525%	23-Sep-22	-	-	-	(1 179 863,01)	-	1 179 863,01	(0,00)
258489367-037	S#037	FIXED 2 MNTHS	7,300%	11-Jan-23		-	-	(900 000,00)	-	900 000,00	-
258489367-038	S#038	FIXED 3 MNTHS	8,425%	17-Apr-23		-	(51 050 239,73)	(1 050 239,73)	184 657,53	1 050 239,73	(0,00)
					81 126 949,40	-	(51 050 239,73)	(90 321 121,13)	1 572 198,74	9 194 171,72	(0,01)
INVESTMENT TOTAL					347 294 336,39	100 000 000,00	(72 589 746,67)	45 378 118,50	10 948 522,91	36 826 893,84	429 499 348,73

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

6.2 Borrowings

Lending Institution	Balance 1/04/2023	Received Quarter 4 2023	Interest Capitalised Quarter 4 2023	Capital Repayments Quarter 4 2023	Balance 30/06/2023	Percentage	Sinking Funds
							(R'000)
DBSA@ 11.1%	9 057 770	-	-	1 624 118	7 433 651	11,10%	
DBSA@ 10.25%	30 265 938	-	-	3 712 271	26 553 667	10,25%	
DBSA @ 9.74%	64 466 373	-	-	3 296 476	61 169 896	9,74%	
NEBANK @ 9.70%	120 281 305	-	-	6 874 482	113 406 823	9,70%	
NEBANK @ 8.8%	92 415 342	-	-	3 779 248	88 636 094	6,73%	
STANDARD BANK @ 11.00%	139 887 257	-	-	4 381 722	135 505 535	11,00%	
NEDBANK @9.70%	-	69 244 294	-	-	69 244 294	9,70%	
TOTAL	456 373 983	69 244 294	-	23 668 317	501 949 960		

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

7. Allocations and grant receipts and expenditure for the 4th Quarter of 2022/23

OPERATING & CAPITAL GRANTS	TOTAL 2022/23	EXPECTED ALLOCATION	OPENING BALANCE 1 JULY 2022	CAPITAL DEBTORS	REPAYMENT OF GRANT	ACCUMULATED ACTUAL RECEIPTS	ACCUMULATED ACTUAL EXPENDITURE	QUARTER 4 RECEIPTS	QUARTER 4 ACTUAL EXPENDITURE	UNSPENT CONDITIONAL GRANTS - 30 JUNE 2023
Unconditional Grant:Equitable Share	179 634 000	179 634 000	-	-	-	179 634 000	179 634 000	-	141 674 761	-
Grand Total (Unconditional Grants)	179 634 000	179 634 000	-	-	-	179 634 000	51 339 778	-	141 674 761	-
EPWP Integrated Grant for Municipalities	4 928 000	4 928 000	-	-	-	4 928 000	3 747 841	-	1 294 847	1 180 159
Local Government Financial Management Grant	1 550 000	1 550 000	-	-	-	1 550 000	1 468 066	-	1 006 413	81 934
Integrated National Electrification Programme (Municipal) Grant	36 732 170	28 350 000	8 382 170	-	-	28 350 000	26 100 053	-	23 140 623	10 632 117
Integrated Urban Development Grant	65 747 000	65 747 000	-	-	-	65 747 000	64 403 805	-	15 487 146	1 343 195
Community Development Workers Operational Support Grant	38 000	38 000	-	-	-	38 000	33 703	-	10 474	4 297
Library Services: Conditional Grant	17 985 630	14 112 000	3 873 630	-	-	14 112 000	8 223 810	-	2 017 359	9 761 820
Municipal Library Support Grant	-	-	-	-	3 101 823	-	-	-	-	-
Financial Management Support Grant	550 000	-	550 000	-	-	-	550 000	-	-	-
Human Settlements Development Grant	20 013 534	18 248 000	1 765 534	10 147 043	-	13 981 467	11 894 668	3 220 985	3 796 019	-3 174 761
Informal Settlements Upgrading Partnership Grant: Provinces (B)	6 018 379	4 500 000	1 518 379	2 334 804	-	4 500 000	4 785 714	-	1 007 707	-1 102 139
Title Deeds Restoration Grant	-	-	-	-	939 830	-	-	-	-	-
Municipal Accreditation and Capacity Building Grant	256 000	256 000	-	-	413 278	256 000	256 000	-	-	-
Financial Management Capability Building Grant	319 766	300 000	19 766	-	-	300 000	319 000	300 000	319 000	766
Maintenance and Construction of Transport Infrastructure	495 000	495 000	-	4 950 000	-	495 000	486 685	-	-	53 315
Regional Socio-Economic Project/violence through urban upgrading (RSEP/PUU)	1 000 000	-	1 000 000	-	771 499	-	1 000 000	-	587 442	-
Cape Winelands District Grant	984 000	500 000	484 000	-	-	500 000	484 000	500 000	-	500 000
Western Cape Municipal Energy Resilience Grant (WC MER Gr	1 690 000	1 690 000	-	-	-	1 184 063	236 880	244 063	236 880	947 183
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT	6 175 000	6 175 000	-	-	-	6 175 000	120 144	-	-	6 054 856
Cape Wineland District Community safety	115 000	115 000	-	-	-	115 000	20 435	-	20 435	94 565
Cape Winelands Disaster Grant	146 959	-	146 959	-	-	-	-	-	-	146 959
Development of Sport and Recreational Facilities	220 000	220 000	-	-	-	219 648	-	-	-	219 648
Blaauwklippen settlement	-	-	-	-	-	-	-	-	-	-
Housing consumer education	68 010	-	68 010	-	68 010	-	-	-	-	-
Khaya Lam Free Market Foundation	102 000	-	102 000	-	-	-	-	-	-	102 000
Grand total (Conditional Grants)	165 134 448	147 224 000	17 910 448	17 431 847	5 294 440	142 451 178	124 130 804	4 265 048	48 924 346	26 845 914

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

8. Personnel Expenditure

In terms of Section 66 of the MFMA, all expenditure incurred by the municipality on staff salaries, wages, allowances, and benefits must be reported to council.

Employee - Related Costs	Original Budget	Adjustments Budget	Quarter 4 Budget	Quarter 4 Actual	YTD Budget	YTD Actual	YTD %
Basic Salary and Wages	381 997 543	354 412 156	95 527 309	89 385 185	354 412 156	342 505 478	97%
Bonus	27 836 149	27 836 149	12 231 437	165 958	27 836 149	25 408 613	91%
Acting and Post Related Allowances	768 931	768 931	366 839	127 363	768 931	644 497	84%
Non Structured	47 382 530	35 382 530	9 960 444	11 254 810	35 382 530	38 942 456	110%
Standby Allowance	13 259 305	13 259 305	3 326 804	3 393 755	13 259 305	12 851 860	97%
Travel or Motor Vehicle	11 416 099	11 412 199	4 002 416	2 262 525	11 412 199	9 010 445	79%
Accommodation, Travel and Incidental	35 784	4 289 714	367 382	-1 543 811	4 289 714	2 883 692	67%
Bargaining Council	148 959	148 959	35 895	90 450	148 959	334 829	225%
Cellular and Telephone	2 610 657	2 625 693	859 250	533 491	2 625 693	2 171 527	83%
Current Service Cost	3 827 806	5 627 183	5 627 183	-	5 627 183	-	0%
Essential User	624 175	624 175	156 031	269 993	624 175	1 029 727	165%
Entertainment	-	-	-	-	-	-	0%
Fire Brigade	2 862 145	2 862 145	715 537	659 221	2 862 145	2 784 163	97%
Group Life Insurance	5 001 446	5 011 385	1 184 047	1 741 916	5 011 385	7 025 277	140%
Housing Benefits	2 918 350	2 918 350	754 343	670 498	2 918 350	2 716 446	93%
Interest Cost	14 894 153	18 380 013	18 380 013	-	18 380 013	-	0%
Leave Gratuity	6 984 886	6 984 886	1 746 223	-	6 984 886	-	0%
Leave Pay	-	-	-	-	-	-	0%
Long Term Service Awards	4 500 771	2 230 475	2 230 475	-	2 230 475	-	0%
Medical	27 138 195	27 138 195	7 401 491	6 980 445	27 138 195	27 094 570	100%
Non-pensionable	212 467	212 467	54 627	16 288	212 467	66 497	31%
Pension	58 888 632	56 788 632	15 345 376	14 056 904	56 788 632	56 186 755	99%
Scarcity Allowance	764 680	764 680	191 173	196 877	764 680	807 251	106%
Shift Additional Remuneration	5 398 676	4 098 676	1 041 122	1 101 011	4 098 676	4 323 743	105%
Structured	2 398 699	2 398 699	599 671	891 162	2 398 699	2 988 000	125%
Unemployment Insurance	2 592 725	2 592 582	400 584	678 434	2 592 582	2 646 331	102%
Totals	624 463 763	588 768 179	182 505 672	132 932 475	588 768 179	542 422 157	92%

During the fourth quarter of the financial year the directorates spent R132 932 475, 27.16% less than the planned expenditure of R182 505 672. This underspending mainly relates to the expenditure incurred in respect of leave Gratuity, Current service cost & interest cost.

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

9. Withdrawals

<i>Consolidated Quarterly Report for period 01/04/2023 to 30/06/2023</i>				
Date	Payee	Amount in R'000	Description and Purpose (including section reference e.g. sec 11(f))	Authorised by (name)
Monthly	Provincial Government Western Cape	5 122 362	The Municipality acts as an agent for PAWC for collection of licencing fees. S 11(e)(i)	Acting Director: Community and Protection Services
Monthly	VERSO Group Insurance and Sanlam Group Insurance	2 023 407	Group Insurance. S11(e) (ii)	Council
Ad Hoc	Investment Management	100 000 000	Investment in accordance with the Cash Management and Investment Policy. S11(h)	Accounting Officer (Municipal Manager)

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

10. Cost Containment Reporting

Measures	Cost Containment In - Year Report																
	Original Budget	Amended Budget	Quarter 1		Saving/ (Over spending)	Quarter 2		Saving/ (Overspending)	Quarter 3		Saving/ (Overspending)	Quarter 4		Saving/ (Overspending)	YTD		Saving/ (Over spending)
			Budget	Actual		Budget	Actual		Budget	Actual		Budget	Actual		Total YTD Budget	Total YTD Actual	
			Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual			
Use of consultants	39 147 232	42 175 993	4 791 544	7 745 613	- 2 954 069	6 310 458	1 505 843	4 804 615	9 176 890	4 743 996	4 432 894	21 897 101	8 224 189	13 672 912	42 175 993	22 219 641	19 956 352
Vehicles used for political office -bearers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accommodation, Travel and Incidental costs	12 884 070	13 584 106	2 566 128	2 516 957	49 171	2 684 160	2 696 174	- 12 014	3 018 618	2 628 813	389 805	5 315 200	2 596 829	2 718 371	13 584 106	10 438 773	3 145 333
Sponsorships, events and catering	1 366 355	3 358 370	7 550	286 488	- 278 938	2 226 148	1 911 481	314 667	338 257	107 235	231 022	786 415	260 205	526 210	3 358 370	2 565 409	792 961
Communication	17 101 276	15 733 255	3 365 181	2 112 404	1 252 777	3 888 880	2 826 922	1 061 958	4 609 946	3 619 391	990 555	3 869 248	3 056 762	812 486	15 733 255	11 615 478	4 117 777
Other related expenditure items	55 573 505	41 987 005	13 960 011	10 096 040	3 863 971	13 912 667	11 001 397	2 911 270	10 437 734	11 915 893	- 1 478 159	3 676 593	13 248 250	- 9 571 657	41 987 005	46 261 579	- 4 274 574
Grand Total	126 072 438	116 838 729	24 690 414	22 757 501	1 932 913	29 022 313	19 941 816	9 080 497	27 581 445	23 015 329	4 566 116	35 544 557	27 386 234	8 158 323	116 838 729	93 100 880	23 737 849

The largest year to date overspending was noted for other related expenditure items of which the largest component relates to Business and Advisory: Project Management.

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Item for report	Item longcode	Description	Original Budget	Amended Budget	Quarter 1		Saving/ (Over spending)	Quarter 2		Saving/ (Overspendi ng)	Quarter 3		Saving/ (Overspending)	Quarter 4		Saving/ (Overspendin g)	YTD		Saving/ (Overspendi ng)	
					Budget	Actual		Budget	Actual		Budget	Actual		Budget	Actual		Total YTD Budget	Total YTD Actual		
Use of consultants	IE0030020010010000000000000000000000	Business and Advisory:Accounting and Auditing	200 000	100 000	-	-	-	-	-	-	25 000	-	25 000	75 000	-	75 000	100 000	-	100 000	
	IE0030020010030000000000000000000000	Business and Advisory:Audit Committee	1 170 000	660 000	77 875	47 875	30 000	76 750	62 750	14 000	302 250	30 000	272 250	203 125	93 500	109 625	660 000	234 125	425 875	
	IE0030020010050000000000000000000000	Business and Advisory:Business and Financial Manag	5 886 863	4 661 863	894 791	366 060	528 731	1 068 684	339 482	729 202	1 249 102	1 034 463	214 639	1 449 286	1 887 776	-	438 490	4 661 863	3 627 780	1 034 083
	IE0030020010060000000000000000000000	Business and Advisory:Commissions and Committees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE0030020010070000000000000000000000	Business and Advisory:Communications	8 100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE0030020010080000000000000000000000	Business and Advisory:Human Resources	328 080	228 080	-	38 400	- 38 400	19 800	5 620	14 180	-	-	-	208 280	2 385	205 895	228 080	46 405	181 675	
	IE0030020010100000000000000000000000	Business and Advisory:Occupational Health and Safe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE0030020010110000000000000000000000	Business and Advisory:Organisational	208 000	100 000	-	-	-	-	-	-	48 750	-	48 750	51 250	-	51 250	100 000	-	100 000	
	IE0030020010120000000000000000000000	Business and Advisory:Project Management	13 339 628	22 179 140	2 903 486	6 367 837	- 3 464 351	3 184 529	301 575	2 882 954	2 735 057	130 571	2 604 486	13 356 068	4 224 471	9 131 597	22 179 140	11 024 455	11 154 685	
	IE0030020010130000000000000000000000	Business and Advisory:Research and Advisory	4 490 481	2 540 481	363 757	872	362 885	431 180	4 896	426 284	1 521 065	74 926	1 446 140	224 479	470 961	-	246 482	2 540 481	551 655	1 988 826
	IE0030020010140000000000000000000000	Business and Advisory:Qualification Verification	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE0030020010150000000000000000000000	Business and Advisory:Quality Control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE0030020010160000000000000000000000	Business and Advisory:Valuer and Assessors	2 388 417	1 733 766	386 713	170 071	216 642	691 222	165 816	525 406	454 223	176 088	278 135	201 608	208 078	-	6 470	1 733 766	720 053	1 013 713
	IE0030020010170000000000000000000000	Business and Advisory:Forensic Investigators	604 687	554 687	151 172	-	151 172	151 172	20 000	131 172	151 172	12 000	139 172	101 171	243 541	-	142 370	554 687	275 541	279 146
	IE0030020020010000000000000000000000	Infrastructure and Planning:Architectural	55 000	-	13 750	-	13 750	13 750	-	13 750	-	-	-	-	27 500	-	27 500	-	-	-
	IE0030020020040000000000000000000000	Engineering:Civil	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE0030020020040100000000000000000000	Engineering:Structural	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE0030020020080000000000000000000000	Infrastructure and Planning:Land and Quantity Surv	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IE0030020030040000000000000000000000	Laboratory Services:Water	2 743 976	2 743 976	-	283 130	- 283 130	-	192 781	- 192 781	899 063	475 213	423 850	1 844 913	612 024	1 232 889	2 743 976	1 563 147	1 180 829		
IE0030020040010000000000000000000000	Legal Cost:Legal Advice and Litigation	7 216 000	6 366 000	-	471 367	- 471 367	669 333	412 924	256 409	1 780 708	2 774 962	- 994 254	3 915 959	438 716	3 477 243	6 366 000	4 097 969	2 268 031		
IE0030020040020000000000000000000000	Legal Cost:Issue of Summons	508 000	308 000	-	-	-	4 038	-	4 038	10 500	35 775	- 25 275	293 462	42 737	250 725	308 000	78 512	229 488		
Vehicles used for political office - bearers	N/A	N/A																		

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Item for report	Item longcode	Description	Original Budget	Amended Budget	Quarter 1		Saving/ (Over spending)	Quarter 2		Saving/ (Overspendi ng)	Quarter 3		Saving/ (Overspendi ng)	Quarter 4		Saving/ (Overspendi ng)	YTD		Saving/ (Overspendi ng)			
					Budget	Actual		Budget	Actual		Budget	Actual		Budget	Actual		Total YTD Budget	Total YTD Actual				
	IE0050010010010050050000000000000000000000	Allowance:Travel or Motor Vehicle	127 800	127 800	-	45 000	-	45 000	-	25 000	60 762	45 000	15 762	47 038	45 000	2 038	127 800	180 000	52 200			
	IE0050010020010050050000000000000000000000	Allowance:Travel or Motor Vehicle	255 600	255 600	-	-	-	40 000	-	40 000	128 900	283	128 617	86 700	-	86 700	255 600	283	255 317			
	IE0050010020010050070000000000000000000000	Allowance:Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	IE0050010040010050050000000000000000000000	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	IE0050010070010050050000000000000000000000	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	IE0050010090010050070000000000000000000000	Allowance:Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	IE0050010100010050050000000000000000000000	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	IE0050010101001005005000000000000000000000	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	IE0050010140010050070000000000000000000000	Allowance:Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	IE0050010170010050050000000000000000000000	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	IE0050020010050010000000000000000000000000	Allowances:Accommodation, Travel and Incidental	35 784	35 784	7 317	18 468	-	11 151	7 738	6 717	8 709	8 825	-	116	12 020	10 716	1 304	35 784	44 727	-	8 943	
	IE0050020010050060000000000000000000000000	Allowances:Travel or Motor Vehicle	10 840 999	10 840 999	2 451 818	2 141 974	-	309 844	2 378 162	2 218 096	160 066	2 196 291	2 206 398	-	10 107	3 814 728	2 202 525	1 612 203	10 840 999	8 768 993	-	2 072 006
	IE0080010010030000000000000000000000000000	Allowances and Service Related Benefits:Travelling	-	180 000	-	45 000	-	45 000	-	45 000	45 000	45 000	-	135 000	45 000	90 000	180 000	180 000	180 000	-	-	
	IE0080020010030000000000000000000000000000	Allowances and Service Related Benefits:Travelling	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	IE0080030010030000000000000000000000000000	Allowances and Service Related Benefits:Travelling	-	180 000	-	45 000	-	45 000	-	45 000	45 000	45 000	-	135 000	45 000	90 000	180 000	180 000	180 000	-	-	
	IE0080040010030000000000000000000000000000	Allowances and Service Related Benefits:Travelling	-	-	-	-	-	-	-	-	-	-	-	-	2 578	-	2 578	-	-	2 578	-	2 578
	IE0080050010030000000000000000000000000000	Allowances and Service Related Benefits:Travelling	-	179 743	-	53 775	-	53 775	-	41 989	41 989	41 989	-	1	137 755	41 989	95 766	179 743	179 743	-	0	
	IE0080060010030000000000000000000000000000	Allowances and Service Related Benefits:Travelling	-	180 368	-	104 579	-	104 579	-	105 291	-	83 529	-	83 529	180 368	89 889	90 479	180 368	383 288	-	202 920	
	IE0100390000000000000000000000000000000000	Travel Agency and Visa's	146 000	80 000	24 999	22 817	-	2 182	11 997	-	11 997	19 998	-	19 998	23 006	400	22 606	80 000	23 217	-	56 783	
	IE0100570010010000000000000000000000000000	Travel and Subsistence:Domestic:Accommodation	345 036	400 361	13 000	18 674	-	5 674	54 148	48 862	5 286	108 208	41 161	67 047	225 005	30 836	194 169	400 361	139 533	-	260 828	
	IE0100570010020000000000000000000000000000	Travel and Subsistence:Domestic:Daily Allowance	108 404	133 404	3 998	12 936	-	8 938	25 894	18 804	7 090	34 397	15 188	19 209	69 115	6 862	62 253	133 404	53 790	-	79 614	
	IE0100570010030000000000000000000000000000	Travel and Subsistence:Domestic:Food and Beverage (Served)	277 871	357 871	-	337	-	337	56 692	55 146	1 546	130 531	70 977	59 554	170 648	64 423	106 225	357 871	190 883	-	166 988	
	IE0100570010040000000000000000000000000000	Travel and Subsistence:Domestic:Incidental Cost	90 995	93 751	10 500	460	-	10 040	14 289	-	14 289	25 882	298	25 584	43 080	2 511	40 569	93 751	3 269	-	90 482	
	IE0100570010050010000000000000000000000000	Travel and Subsistence:Domestic:Transport without Operator:Car Rental	33 951	42 195	750	-	750	4 000	551	3 449	11 390	4 025	7 365	26 055	0	26 055	42 195	4 576	-	-	37 619	
	IE0100570010060010000000000000000000000000	Travel and Subsistence:Domestic:Transport with Operator:Other Transport Provider	304 450	44 450	2 750	-	2 750	7 000	-	7 000	44 488	684	43 804	-	9 788	-	9 788	44 450	684	-	43 766	
	IE0100570010060020010000000000000000000000	Travel and Subsistence:Domestic:Transport with Operator:Public Transport:Air Transport	317 180	451 780	50 996	7 937	-	43 059	64 240	65 716	-	1 476	117 074	20 457	96 617	219 470	9 100	210 370	451 780	103 211	-	348 569

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Item for report	Item longcode	Description	Original Budget	Amended Budget	Quarter 1		Saving/ (Over spending)	Quarter 2		Saving/ (Overspendi ng)	Quarter 3		Saving/ (Overspendi ng)	Quarter 4		Saving/ (Overspendi ng)	YTD		Saving/ (Overspendi ng)
					Budget	Actual		Budget	Actual		Budget	Actual		Budget	Actual		Total YTD Budget	Total YTD Actual	
Sponsorships, events and catering	IE00300301000000000000000000000000	Contractors:Catering Services	1 202 678	1 294 693	2 550	286 488	- 283 938	321 148	261 880	59 268	294 257	106 800	187 457	676 738	256 282	420 456	1 294 693	911 451	383 242
	IE00300100600000000000000000000000	Outsourced Services:Catering Services	32 080	32 080	5 000	-	5 000	5 000	11 941	- 6 941	11 000	-	11 000	11 080	3 047	8 033	32 080	14 989	17 091
	IE01000200500000000000000000000000	Advertising, Publicity and Marketing:Gifts and Pro	31 597	31 597	-	-	-	-	-	-	8 000	-	8 000	23 597	875	22 722	31 597	875	30 722
	IE00300301400000000000000000000000	Contractors:Event Promoters	100 000	2 000 000	-	-	-	1 900 000	1 637 660	262 340	25 000	435	24 565	75 000	-	75 000	2 000 000	1 638 094	361 906
Communication	IE01001500100000000000000000000000	Communication:Cellular Contract (Subscription and	4 355 517	3 220 696	1 003 876	386 583	617 293	1 014 078	619 767	394 311	1 007 381	872 130	135 251	195 361	459 540	- 264 179	3 220 696	2 338 020	882 676
	IE01001500200000000000000000000000	Communication:Licences (Radio and Television)	100 000	100 000	-	-	-	20 000	-	20 000	20 000	-	20 000	60 000	-	60 000	100 000	-	100 000
	IE01001500400000000000000000000000	Communication:Radio and TV Transmissions	2 581 000	3 299 000	213 575	488 420	- 274 845	613 356	475 858	137 498	1 403 580	1 071 082	332 498	1 068 489	855 792	212 697	3 299 000	2 891 152	407 848
	IE01001500300000000000000000000000	Communication:Postage/Stamps/Franking Machines	2 646 000	1 675 000	405 801	176 018	229 783	456 014	346 762	109 252	479 096	274 420	204 676	334 089	454 394	- 120 305	1 675 000	1 251 594	423 406
	IE01001500700000000000000000000000	Communication:SMS Bulk Message Service	264 000	264 000	-	7 511	- 7 511	24 029	21 040	2 989	37 663	31 798	5 865	202 308	13 212	189 096	264 000	73 562	190 438
	IE01001500900000000000000000000000	Communication:Telemetric Systems	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE00500200100050030000000000000000	Allowances:Cellular and Telephone	2 464 965	2 464 965	603 201	498 909	104 292	590 608	508 155	82 453	477 341	610 572	- 133 231	793 815	533 491	260 324	2 464 965	2 151 127	313 838
	IE01001500800000000000000000000000	Communication:Telephone, Fax, Telegraph and Telex	4 689 794	4 709 594	1 138 728	554 962	583 766	1 170 795	855 340	315 455	1 184 885	759 388	425 497	1 215 186	740 334	474 853	4 709 594	2 910 024	1 799 570
Other related expenditure items	IE01002300300000000000000000000000	Entertainment:Senior Management	40 000	5 500	3 198	-	3 198	450	-	450	1 374	-	1 374	1 378	-	1 378	5 500	-	5 500
	IE01002300200000000000000000000000	Entertainment:Total for All Other Councillors	104 000	52 000	26 000	-	26 000	26 000	-	26 000	26 000	-	26 000	26 000	-	26 000	52 000	-	52 000
	IE01002300100000000000000000000000	Entertainment:Executive Mayor	249 600	49 600	62 400	2 749	59 651	62 400	2 525	59 875	62 400	840	61 560	137 600	1 266	138 866	49 600	7 380	42 220
	IE01002300400000000000000000000000	Entertainment:Deputy Executive Mayor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE01002300500000000000000000000000	Entertainment:Speaker	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE01002300600000000000000000000000	Entertainment:Chief Whip	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE01002300700000000000000000000000	Entertainment:Executive Committee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE01002300800000000000000000000000	Entertainment:Section 79 committee chairperson	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IE0050020010005009012002000000000000	Overtime:Non Structured	47 382 530	35 382 530	11 919 067	8 382 951	3 536 116	11 875 371	9 312 481	2 562 890	8 713 144	9 992 214	- 1 279 070	2 874 948	11 254 810	- 8 379 862	35 382 530	38 942 456	- 3 559 926
	IE0050020010005009012004000000000000	Overtime:Shift Additional Remuneration	5 398 676	4 098 676	1 349 670	1 093 117	256 553	1 349 670	1 074 954	274 716	1 035 140	1 054 661	- 19 521	364 196	1 101 011	- 736 815	4 098 676	4 323 743	- 225 067
IE0050020010005009012003000000000000	Overtime:Structured	2 398 699	2 398 699	599 676	617 223	- 17 547	599 676	611 436	- 11 760	599 676	868 179	- 268 503	599 671	891 162	- 291 491	2 398 699	2 988 000	- 589 301	
	Grand Total	126 072 438	116 838 729	24 690 414	22 757 501	1 932 913	29 022 313	19 941 816	9 080 497	27 581 445	23 015 329	4 566 116	35 544 557	27 386 234	8 158 323	116 838 729	93 100 880	23 737 849	

11. Quarterly Budget Statements

Table C1: Quarterly Budget Statement Summary

WC024 Stellenbosch - Table C1 Monthly Budget Statement Summary - Q4 Fourth Quarter

Description	2021/22		Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	421 969	438 941	438 941	31 233	452 019	438 941	13 078	3%	438 941
Service charges	1 090 198	1 227 651	1 193 196	69 164	1 135 780	1 193 196	(57 416)	-5%	1 193 196
Investment revenue	18 770	20 397	35 417	4 049	42 250	35 417	6 833	19%	35 417
Transfers and subsidies	196 208	213 380	224 854	6 267	203 745	224 854	(21 109)	-9%	224 854
Other own revenue	192 277	203 412	197 545	27 025	260 962	197 545	63 417	32%	197 545
Total Revenue (excluding capital transfers and contributions)	1 919 424	2 103 783	2 089 954	137 738	2 094 756	2 089 954	4 802	0%	2 089 954
Employee costs	549 798	624 464	588 768	44 446	542 422	588 768	(46 346)	-8%	588 768
Remuneration of Councillors	19 815	21 062	20 846	1 753	21 758	20 846	912	4%	20 846
Depreciation & asset impairment	213 746	213 118	214 993	17 575	245 802	214 993	30 809	14%	214 993
Finance charges	44 332	67 799	68 069	22 655	46 712	68 069	(21 357)	-31%	68 069
Materials and bulk purchases	604 050	634 794	641 006	46 677	539 517	641 006	(101 488)	-16%	641 006
Transfers and subsidies	13 364	14 355	19 730	1 113	17 369	19 730	(2 361)	-12%	19 730
Other expenditure	480 266	526 472	566 253	17 573	343 644	566 253	(222 609)	-39%	566 253
Total Expenditure	1 925 371	2 102 065	2 119 665	151 791	1 757 224	2 119 665	(362 440)	-17%	2 119 665
Surplus/(Deficit)	(5 948)	1 718	(29 711)	(14 053)	337 531	(29 711)	367 242	-1236%	(29 711)
Transfers and subsidies - capital (monetary allocation)	92 495	120 030	119 744	23 933	93 724	119 744	(26 020)	-22%	119 744
Contributions & Contributed assets	30 746	33 000	-	-	0	-	0	#DIV/0!	-
Surplus/(Deficit) after capital transfers & contributions	117 294	154 747	90 034	9 880	431 256	90 034	341 222	379%	90 034
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	117 294	154 747	90 034	9 880	431 256	90 034	341 222	379%	90 034
Capital expenditure & funds sources									
Capital expenditure	340 170	409 273	378 709	70 009	290 794	378 709	(87 915)	-23%	378 709
Capital transfers recognised	94 873	132 483	140 627	29 872	111 411	140 627	(29 216)	-21%	140 627
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	128 766	140 000	94 368	14 474	75 318	94 368	(19 051)	-20%	94 368
Internally generated funds	116 481	136 790	143 714	25 663	104 065	143 714	(39 649)	-28%	143 714
Total sources of capital funds	340 120	409 273	378 709	70 009	290 794	378 709	(87 915)	-23%	378 709
Financial position									
Total current assets	1 542 129	644 346	785 325	-	1 981 327	-	-	-	785 325
Total non current assets	5 994 848	6 274 346	6 158 816	-	6 013 359	-	-	-	6 158 816
Total current liabilities	1 226 819	339 918	460 377	-	1 184 147	-	-	-	460 377
Total non current liabilities	790 708	877 341	889 359	-	864 751	-	-	-	889 359
Community wealth/Equity	5 519 449	5 701 434	5 594 405	-	5 519 449	-	-	-	5 594 405
Cash flows									
Net cash from (used) operating	1 271 392	(61 070)	(96 619)	196 543	1 856 702	(96 619)	(1 953 321)	2022%	(96 619)
Net cash from (used) investing	37 466	-	-	4 047	9 034	814 225	805 190	99%	814 225
Net cash from (used) financing	(177 074)	92 883	92 883	(23 117)	(44 472)	92 883	137 355	148%	92 883
Cash/cash equivalents at the month/year end	1 465 868	249 508	439 664	-	2 708 065	1 253 889	(1 454 176)	-116%	1 697 289
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	97 688	6 118	6 482	306 136	-	-	-	-	416 425
Creditors Age Analysis									
Total Creditors	44 000	-	-	-	-	-	-	-	44 000

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Table C2: Monthly Budget Statement – Financial Performance (standard classification)

WC024 Stellenbosch - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q4 Fourth Quarter

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		517 935	546 657	560 987	38 268	584 428	560 987	23 441	4%	560 987
Executive and council		306	771	841	69	624	841	(217)	-26%	841
Finance and administration		517 629	545 886	559 597	38 199	583 236	559 597	23 639	4%	559 597
Internal audit		-	-	550	-	569	550	19	3%	550
<i>Community and public safety</i>		186 577	180 572	171 810	18 755	198 031	171 810	26 221	15%	171 810
Community and social services		16 503	18 285	20 731	4 243	21 821	20 731	1 090	5%	20 731
Sport and recreation		3 923	1 564	1 293	82	852	1 293	(441)	-34%	1 293
Public safety		142 966	148 586	139 226	13 249	164 894	139 226	25 668	18%	139 226
Housing		23 185	12 136	10 561	1 180	10 464	10 561	(97)	-1%	10 561
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		106 498	145 034	107 854	15 750	102 595	107 854	(5 259)	-5%	107 854
Planning and development		45 354	142 206	100 578	14 238	90 642	100 578	(9 936)	-10%	100 578
Road transport		60 826	1 503	5 931	1 575	10 833	5 931	4 902	83%	5 931
Environmental protection		318	1 325	1 345	(64)	1 121	1 345	(224)	-17%	1 345
<i>Trading services</i>		1 231 552	1 384 432	1 369 047	88 899	1 303 426	1 369 047	(65 621)	-5%	1 369 047
Energy sources		808 428	920 200	896 524	77 537	846 758	896 524	(49 766)	-6%	896 524
Water management		159 914	181 107	186 866	(5 515)	176 517	186 866	(10 349)	-6%	186 866
Waste water management		143 732	149 836	151 401	9 165	149 217	151 401	(2 184)	-1%	151 401
Waste management		119 478	133 289	134 256	7 712	130 933	134 256	(3 323)	-2%	134 256
<i>Other</i>	4	103	118	-	-	-	-	-	-	-
Total Revenue - Functional	2	2 042 665	2 256 812	2 209 698	161 671	2 188 480	2 209 698	(21 218)	-1%	2 209 698
Expenditure - Functional										
<i>Governance and administration</i>		295 455	332 785	333 619	13 339	261 148	333 619	(72 471)	-22%	333 619
Executive and council		48 869	33 555	42 150	2 725	33 330	42 150	(8 821)	-21%	42 150
Finance and administration		237 147	285 492	277 447	9 923	214 211	277 447	(63 236)	-23%	277 447
Internal audit		9 439	13 738	14 022	692	13 608	14 022	(414)	-3%	14 022
<i>Community and public safety</i>		384 641	415 276	440 137	29 526	357 945	440 137	(82 192)	-19%	440 137
Community and social services		37 910	52 304	52 139	3 695	40 479	52 139	(11 660)	-22%	52 139
Sport and recreation		62 084	65 531	71 610	4 624	55 938	71 610	(15 672)	-22%	71 610
Public safety		261 566	264 286	280 112	19 592	226 885	280 112	(53 227)	-19%	280 112
Housing		23 082	33 155	36 277	1 615	34 643	36 277	(1 633)	-5%	36 277
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		187 788	212 066	212 892	15 130	153 492	212 892	(59 400)	-28%	212 892
Planning and development		75 647	80 010	83 579	5 465	73 303	83 579	(10 277)	-12%	83 579
Road transport		96 266	107 911	107 918	8 554	63 469	107 918	(44 450)	-41%	107 918
Environmental protection		15 875	24 146	21 395	1 110	16 721	21 395	(4 674)	-22%	21 395
<i>Trading services</i>		1 057 487	1 141 937	1 133 016	93 795	984 639	1 133 016	(148 377)	-13%	1 133 016
Energy sources		636 422	678 534	666 510	51 632	582 258	666 510	(84 253)	-13%	666 510
Water management		135 897	132 424	144 891	17 135	131 118	144 891	(13 772)	-10%	144 891
Waste water management		154 682	199 471	179 807	15 407	160 957	179 807	(18 849)	-10%	179 807
Waste management		130 487	131 508	141 808	9 622	110 306	141 808	(31 502)	-22%	141 808
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	1 925 371	2 102 065	2 119 665	151 791	1 757 224	2 119 665	(362 440)	-17%	2 119 665
Surplus/ (Deficit) for the year		117 294	154 747	90 034	9 880	431 256	90 034	341 222	379%	90 034

Table C2: Monthly Budget Statement – Financial Performance, reflects the operating revenue and operating expenditure in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. The main functions are Governance and Administration; Community and public safety; Economic and environmental services; and Trading services.

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Table C3: Monthly Budget Statement – Financial Performance (revenue & expenditure by municipal vote)

WC024 Stellenbosch - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q4 Fourth Quarter

Vote Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		-	-	550	-	569	550	19	3,4%	550
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		21 461	22 399	20 612	2 873	20 648	20 612	36	0,2%	20 612
Vote 3 - INFRASTRUCTURE SERVICES		1 243 025	1 517 037	1 463 618	102 761	1 392 413	1 463 618	(71 205)	-4,9%	1 463 618
Vote 4 - COMMUNITY AND PROTECTION SERVICES		172 150	170 719	164 481	17 769	190 991	164 481	26 510	16,1%	164 481
Vote 5 - CORPORATE SERVICES		5 787	11 657	9 691	925	10 523	9 691	832	8,6%	9 691
Vote 6 - FINANCIAL SERVICES		508 718	535 000	550 746	37 343	573 337	550 746	22 590	4,1%	550 746
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 951 141	2 256 812	2 209 698	161 671	2 188 480	2 209 698	(21 218)	-1,0%	2 209 698
Expenditure by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		21 333	27 432	26 016	1 584	24 547	26 016	(1 469)	-5,6%	26 016
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		73 815	87 865	85 666	5 131	82 893	85 666	(2 773)	-3,2%	85 666
Vote 3 - INFRASTRUCTURE SERVICES		1 170 389	1 258 869	1 258 387	105 870	1 095 840	1 258 387	(162 547)	-12,9%	1 258 387
Vote 4 - COMMUNITY AND PROTECTION SERVICES		383 219	419 003	435 402	25 655	302 876	435 402	(132 527)	-30,4%	435 402
Vote 5 - CORPORATE SERVICES		183 423	210 683	220 760	5 782	159 855	220 760	(60 905)	-27,6%	220 760
Vote 6 - FINANCIAL SERVICES		93 193	98 213	93 433	7 769	91 214	93 433	(2 220)	-2,4%	93 433
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 925 371	2 102 065	2 119 665	151 791	1 757 224	2 119 665	(362 440)	-17,1%	2 119 665
Surplus/ (Deficit) for the year	2	25 770	154 747	90 034	9 880	431 256	90 034	341 222	379,0%	90 034

Table C3: Monthly Budget Statement – Financial Performance, reflects the operating revenue and operating expenditure by municipal vote. The municipal directorates are Municipal Manager; Planning Development; Infrastructure Services; Community and Protection Services; Corporate Services; and Financial Services. The operating expenditure budget is approved by Council on the municipal vote level.

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Table C4: Monthly Budget Statement – Financial Performance (revenue & expenditure)

WC024 Stellenbosch - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q4 Fourth Quarter

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		421 969	438 941	438 941	31 233	452 019	438 941	13 078	3%	438 941
Service charges - electricity revenue		756 431	846 763	812 308	60 131	776 866	812 308	(35 442)	-4%	812 308
Service charges - water revenue		146 830	176 783	176 783	(6 534)	163 890	176 783	(12 892)	-7%	176 783
Service charges - sanitation revenue		102 285	109 134	109 134	8 508	105 155	109 134	(3 979)	-4%	109 134
Service charges - refuse revenue		84 652	94 971	94 971	7 058	89 868	94 971	(5 103)	-5%	94 971
Rental of facilities and equipment		12 173	15 538	10 099	679	11 223	10 099	1 124	11%	10 099
Interest earned - external investments		18 770	20 397	35 417	4 049	42 250	35 417	6 833	19%	35 417
Interest earned - outstanding debtors		12 859	11 391	18 339	1 960	19 766	18 339	1 428	8%	18 339
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		122 933	124 955	124 955	12 064	149 951	124 955	24 996	20%	124 955
Licences and permits		7 809	5 934	7 483	702	8 408	7 483	925	12%	7 483
Agency services		3 020	4 281	3 192	281	3 438	3 192	247	8%	3 192
Transfers and subsidies		196 208	213 380	224 854	6 267	203 745	224 854	(21 109)	-9%	224 854
Other revenue		33 089	41 313	33 478	11 254	67 956	33 478	34 478	103%	33 478
Gains		394	-	-	85	220	-	220	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		1 919 424	2 103 783	2 089 954	137 738	2 094 756	2 089 954	4 802	0%	2 089 954
Expenditure By Type										
Employee related costs		549 798	624 464	588 768	44 446	542 422	588 768	(46 346)	-8%	588 768
Remuneration of councillors		19 815	21 062	20 846	1 753	21 758	20 846	912	4%	20 846
Debt impairment		84 985	97 842	101 342	(26)	8 966	101 342	(92 376)	-91%	101 342
Depreciation & asset impairment		213 746	213 118	214 993	17 575	245 802	214 993	30 809	14%	214 993
Finance charges		44 332	67 799	68 069	22 655	46 712	68 069	(21 357)	-31%	68 069
Bulk purchases - electricity		528 012	551 412	543 925	36 836	457 075	543 925	(86 850)	-16%	543 925
Inventory consumed		76 038	83 382	97 080	9 841	82 442	97 080	(14 638)	-15%	97 080
Contracted services		208 232	269 226	283 927	26 410	201 117	283 927	(82 810)	-29%	283 927
Transfers and subsidies		13 364	14 355	19 730	1 113	17 369	19 730	(2 361)	-12%	19 730
Other expenditure		186 462	159 403	180 984	(10 489)	131 365	180 984	(49 619)	-27%	180 984
Losses		587	-	-	1 678	2 195	-	2 195	#DIV/0!	-
Total Expenditure		1 925 371	2 102 065	2 119 665	151 791	1 757 224	2 119 665	(362 440)	-17%	2 119 665
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(5 948)	1 718	(29 711)	(14 053)	337 531	(29 711)	367 242	(0)	(29 711)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		92 495	120 030	119 744	23 933	93 724	119 744	(26 020)	(0)	119 744
Transfers and subsidies - capital (in-kind - all)		30 696	33 000	-	-	0	-	0	#DIV/0!	-
Surplus/(Deficit) after capital transfers & contributions		50	-	-	-	-	-	-	-	-
Taxation		117 294	154 747	90 034	9 880	431 256	90 034	-	-	90 034
Surplus/(Deficit) after taxation		117 294	154 747	90 034	9 880	431 256	90 034			90 034
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		117 294	154 747	90 034	9 880	431 256	90 034			90 034
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		117 294	154 747	90 034	9 880	431 256	90 034			90 034

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Table C5: Monthly Budget Statement – Capital Expenditure

WC024 Stellenbosch - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q4 Fourth Quarter

Vote Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		43	40	40	-	39	40	(1)	-1%	40
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		1 979	15 185	12 092	2 194	11 161	12 092	(931)	-8%	12 092
Vote 3 - INFRASTRUCTURE SERVICES		98 135	324 747	296 634	59 683	237 815	296 634	(58 819)	-20%	296 634
Vote 4 - COMMUNITY AND PROTECTION SERVICES		(4 638)	25 221	23 134	2 865	10 538	23 134	(12 596)	-54%	23 134
Vote 5 - CORPORATE SERVICES		10 572	36 700	36 152	2 181	28 113	36 152	(8 039)	-22%	36 152
Vote 6 - FINANCIAL SERVICES		-	250	1 877	197	406	1 877	(1 471)	-78%	1 877
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	106 089	402 143	369 928	67 120	288 072	369 928	(81 856)	-22%	369 928
Single Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		(12 852)	-	574	265	524	574	(49)	-9%	574
Vote 3 - INFRASTRUCTURE SERVICES		183 936	300	10	2 190	429	10	419	4194%	10
Vote 4 - COMMUNITY AND PROTECTION SERVICES		49 677	1 630	6 641	410	1 200	6 641	(5 441)	-82%	6 641
Vote 5 - CORPORATE SERVICES		12 939	5 200	1 557	23	569	1 557	(988)	-63%	1 557
Vote 6 - FINANCIAL SERVICES		381	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	234 080	7 130	8 781	2 889	2 722	8 781	(6 059)	-69%	8 781
Total Capital Expenditure	3	340 170	409 273	378 709	70 009	290 794	378 709	(87 915)	-23%	378 709
Capital Expenditure - Functional Classification										
Governance and administration		23 934	42 190	39 625	2 402	29 127	39 625	(10 498)	-26%	39 625
Executive and council		43	40	40	-	39	40	(1)	-1%	40
Finance and administration		23 892	42 150	39 585	2 402	29 088	39 585	(10 498)	-27%	39 585
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		45 072	34 292	28 553	4 157	13 668	28 553	(14 885)	-52%	28 553
Community and social services		2 259	8 880	8 193	695	2 104	8 193	(6 089)	-74%	8 193
Sport and recreation		39 350	6 677	8 068	1 693	3 258	8 068	(4 810)	-60%	8 068
Public safety		16 388	3 550	5 222	413	1 544	5 222	(3 678)	-70%	5 222
Housing		(12 925)	15 185	7 070	1 355	6 762	7 070	(308)	-4%	7 070
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		93 898	93 005	84 915	17 476	74 074	84 915	(10 841)	-13%	84 915
Planning and development		35 592	21 350	16 466	2 716	13 953	16 466	(2 513)	-15%	16 466
Road transport		71 783	64 135	60 356	14 342	55 433	60 356	(4 924)	-8%	60 356
Environmental protection		(13 478)	7 520	8 093	418	4 688	8 093	(3 404)	-42%	8 093
Trading services		177 266	239 786	225 616	45 975	173 925	225 616	(51 691)	-23%	225 616
Energy sources		65 135	77 471	88 513	25 133	57 267	88 513	(31 247)	-35%	88 513
Water management		38 226	46 669	82 858	15 149	72 067	82 858	(10 791)	-13%	82 858
Waste water management		67 777	57 300	43 409	2 809	38 443	43 409	(4 967)	-11%	43 409
Waste management		6 128	58 345	10 836	2 883	6 149	10 836	(4 687)	-43%	10 836
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	340 170	409 273	378 709	70 009	290 794	378 709	(87 915)	-23%	378 709
Funded by:										
National Government		66 852	90 810	99 192	24 763	87 217	99 192	(11 975)	-12%	99 192
Provincial Government		25 643	29 220	20 553	1 105	8 443	20 553	(12 110)	-59%	20 553
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		2 378	12 454	20 883	4 004	15 752	20 883	(5 130)	-25%	20 883
Transfers recognised - capital		94 873	132 483	140 627	29 872	111 411	140 627	(29 216)	-21%	140 627
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	128 766	140 000	94 368	14 474	75 318	94 368	(19 051)	-20%	94 368
Internally generated funds		116 481	136 790	143 714	25 663	104 065	143 714	(39 649)	-28%	143 714
Total Capital Funding		340 120	409 273	378 709	70 009	290 794	378 709	(87 915)	-23%	378 709

Table C5: Monthly Budget Statement – Capital Expenditure consists of three sections:
Appropriations by vote; Standard classification and funding portion.

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Table C6: Monthly Budget Statement – Financial Position

WC024 Stellenbosch - Table C6 Monthly Budget Statement - Financial Position - Q4 Fourth Quarter

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		96 106	60 819	58 303	104 419	58 303
Call investment deposits		347 294	188 689	377 148	429 499	377 148
Consumer debtors		188 142	248 872	226 702	268 112	226 702
Other debtors		881 557	103 499	96 265	1 140 162	96 265
Current portion of long-term receivables		-	-	-	-	-
Inventory		29 030	42 467	26 906	39 135	26 906
Total current assets		1 542 129	644 346	785 325	1 981 327	785 325
Non current assets						
Long-term receivables		6 721	-	6 721	6 666	6 721
Investments		-	-	-	-	-
Investment property		411 892	415 362	416 722	416 487	416 722
Investments in Associate		-	-	-	-	-
Property, plant and equipment		5 562 988	5 835 067	5 721 220	5 577 783	5 721 220
Agricultural		-	-	-	-	-
Biological assets		5 143	6 571	5 431	5 143	5 431
Intangible assets		7 067	6 480	5 707	5 892	5 707
Other non-current assets		1 037	10 865	3 015	1 389	3 015
Total non current assets		5 994 848	6 274 346	6 158 816	6 013 359	6 158 816
TOTAL ASSETS		7 536 976	6 918 692	6 944 140	7 994 686	6 944 140
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		51 902	50 847	55 632	5 871	55 632
Consumer deposits		22 155	22 961	22 755	23 713	22 755
Trade and other payables		1 090 054	137 777	283 637	1 111 345	283 637
Provisions		62 708	128 332	98 353	43 218	98 353
Total current liabilities		1 226 819	339 918	460 377	1 184 147	460 377
Non current liabilities						
Borrowing		428 952	524 045	518 105	498 197	518 105
Provisions		361 756	353 295	371 254	366 554	371 254
Total non current liabilities		790 708	877 341	889 359	864 751	889 359
TOTAL LIABILITIES		2 017 528	1 217 259	1 349 736	2 048 898	1 349 736
NET ASSETS	2	5 519 449	5 701 434	5 594 405	5 945 787	5 594 405
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		5 347 562	5 676 719	5 555 308	5 347 562	5 555 308
Reserves		171 887	24 715	39 097	171 887	39 097
TOTAL COMMUNITY WEALTH/EQUITY	2	5 519 449	5 701 434	5 594 405	5 519 449	5 594 405

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Table C7: Monthly Budget Statement – Cash Flow

WC024 Stellenbosch - Table C7 Monthly Budget Statement - Cash Flow - Q4 Fourth Quarter

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		1 452 016	421 433	416 368	165 767	1 249 264	416 368	832 897	200%	416 368
Service charges		733 711	1 339 862	1 361 417	66 308	920 983	1 361 417	(440 434)	-32%	1 361 417
Other revenue		11 634	354 937	119 830	7 289	43 508	119 830	(76 322)	-64%	119 830
Transfers and Subsidies - Operational		4 199	241 730	256 503	0	1 235	256 503	(252 269)	-100%	256 503
Transfers and Subsidies - Capital		40 179	124 900	75 075	-	52	75 075	(75 023)	-100%	75 075
Interest		2 318	20 397	35 417	557	5 423	35 417	(29 994)	-85%	35 417
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(970 715)	(2 483 177)	(2 291 715)	(43 378)	(363 763)	(2 291 715)	(1 927 952)	84%	(2 291 715)
Finance charges		-	(66 796)	(54 839)	-	-	(54 839)	(54 839)	100%	(54 839)
Transfers and Grants		(1 950)	(14 355)	(14 675)	-	-	(14 675)	(14 675)	100%	(14 675)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 271 392	(61 070)	(96 619)	196 543	1 856 702	(96 619)	(1 953 321)	2022%	(96 619)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		(1 160)	-	-	-	(55)	-	(55)	0%	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		38 626	-	-	4 047	9 089	814 225	805 136	99%	814 225
NET CASH FROM/(USED) INVESTING ACTIVITIES		37 466	-	-	4 047	9 034	814 225	805 190	99%	814 225
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		(144 000)	140 000	140 000	-	-	140 000	(140 000)	-100%	140 000
Increase (decrease) in consumer deposits		1 147	-	-	551	1 558	-	1 558	0%	-
Payments										
Repayment of borrowing		(34 221)	(47 117)	(47 117)	(23 668)	(46 031)	(47 117)	(1 086)	2%	(47 117)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(177 074)	92 883	92 883	(23 117)	(44 472)	92 883	137 355	148%	92 883
NET INCREASE/ (DECREASE) IN CASH HELD		1 131 785	31 813	(3 736)	177 473	1 821 264	810 488			810 488
Cash/cash equivalents at beginning:		334 083	217 695	443 400		886 800	443 400			886 800
Cash/cash equivalents at month/year end:		1 465 868	249 508	439 664		2 708 065	1 253 889			1 697 289

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

12. Supporting Documentation

Debtors Age Analysis

Supporting Table SC3: Monthly Budget Statement - Aged Debtors

WC024 Stellenbosch - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q4 Fourth Quarter

Description	NT Code	Budget Year 2022/23									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	14 874	2 685	2 900	118 802	-	-	-	-	139 262	118 802	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	42 759	403	323	56 176	-	-	-	-	99 661	56 176	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	23 622	991	1 056	33 185	-	-	-	-	58 854	33 185	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	8 450	635	592	31 499	-	-	-	-	41 175	31 499	-	-
Receivables from Exchange Transactions - Waste Management	1600	6 541	910	829	40 441	-	-	-	-	48 721	40 441	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	531	194	614	12 676	-	-	-	-	14 015	12 676	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	910	301	169	13 357	-	-	-	-	14 736	13 357	-	-
Total By Income Source	2000	97 688	6 118	6 482	306 136	-	-	-	-	416 425	306 136	-	-
2021/22 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	4 221	162	80	995	-	-	-	-	5 458	995	-	-
Commercial	2300	18 395	138	80	59 052	-	-	-	-	77 664	59 052	-	-
Households	2400	59 038	5 354	5 506	220 024	-	-	-	-	289 922	220 024	-	-
Other	2500	16 034	465	817	26 065	-	-	-	-	43 381	26 065	-	-
Total By Customer Group	2600	97 688	6 118	6 482	306 136	-	-	-	-	416 425	306 136	-	-

Creditors Age Analysis

Supporting Table SC4: Monthly Budget Statement – Aged Creditors

WC024 Stellenbosch - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q4 Fourth Quarter

Description	NT Code	Budget Year 2022/23									Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	44 000	-	-	-	-	-	-	-	-	44 000
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	44 000	-	-	-	-	-	-	-	-	44 000

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Investments and Borrowings

Supporting Table SC5: Monthly Budget Statement – Investment Portfolio

WC024 Stellenbosch - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q4 Fourth Quarter

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
Municipality									
A#9415		CALL ACCOUN	Deposits - Bank (03)	12/10/2022	710	8,40%	97 022	-	97 732
N#024		1Y	Deposits - Bank (03)	12/10/2022	-	5,80%	-	-	-
A#5300		5M	Deposits - Bank (03)	19/08/2022	-	5,58%	-	-	-
N#025		6M	Deposits - Bank (03)	22/09/2022	-	6,10%	-	-	-
N#026		1Y	Deposits - Bank (03)	21/06/2023	83	7,95%	20 494	(20 577)	(0)
S#035		1Y	Deposits - Bank (03)	21/06/2023	307	7,73%	86 884	(87 191)	(0)
S#036		1Y	Deposits - Bank (03)	23/08/2023	-	6,53%	-	-	-
A#2148		6M	Deposits - Bank (03)	15/02/2023	-	7,49%	-	-	-
A#0884		6M	Deposits - Bank (03)	14/04/2023	-	7,90%	-	-	-
N#028		1Y	Deposits - Bank (03)	13/10/2023	744	9,05%	105 728	-	106 471
S#037		2M	Deposits - Bank (03)	11/01/2023	-	7,30%	-	-	-
S#038		3M	Deposits - Bank (03)	17/04/2023	-	8,43%	-	-	-
N#030		1Y	Deposits - Bank (03)	15/03/2024	784	9,54%	102 013	-	102 797
A#3316		4M	Deposits - Bank (03)	16/07/2023	351	8,55%	50 902	-	51 253
A#0741		3M	Deposits - Bank (03)	19/07/2023	512	8,55%	70 734	-	71 246
					-		-	-	-
Municipality sub-total					3 491		533 776	(107 768)	429 499
TOTAL INVESTMENTS AND INTEREST	2				3 491		533 776	(107 768)	429 499

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Supporting Table SC6: Monthly Budget Statement – Transfers and grant receipts

WC024 Stellenbosch - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q4 Fourth Quarter

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		164 684	186 112	186 112	-	186 112	6 478	179 634	2773,0%	6 478
Operational Revenue:General Revenue:Equitable Share		157 136	179 634	179 634	-	179 634	-	179 634	#DIV/0!	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		5 998	4 928	4 928	-	4 928	4 928	-	-	4 928
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	-	1 550	1 550	-	-	1 550
Integrated Urban Development Grant		3 847	3 287	3 287	-	-	3 287	(3 287)	-100,0%	3 287
Provincial Government:		26 899	23 481	33 639	-	23 339	33 639	(10 300)	-30,6%	33 339
Library Services: Conditional Grant		11 144	14 112	14 112	-	14 112	14 112	-	-	14 112
Municipal Accreditation and Capacity Building Grant		252	256	256	-	256	256	-	-	256
HUMAN SETTLEMENTS DEVELOPMENT GRANT		9 613	6 890	16 748	-	6 954	16 748	(9 794)	-58,5%	-
Local Government Public Employment Support Grant		1 800	-	-	-	-	-	-	-	-
WC Financial Management Support Grant		550	-	-	-	-	-	-	-	-
Maintenance and Construction of Transport Infrastructure		-	495	495	-	495	495	-	-	495
Financial Management Capacity Building Grant		250	-	-	-	-	-	-	-	-
Financial Management Capability Building Grant		-	-	300	-	300	300	-	-	-
Community Development Workers Operational Support Grant		38	38	38	-	38	38	-	-	38
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Municipal Library Support Grant		3 252	-	-	-	-	-	-	-	-
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		-	1 690	1 690	-	1 184	1 690	(506)	-29,9%	1 690
District Municipality:		984	500	615	-	615	915	(300)	-32,8%	915
Cape Winelands District Grant 2		984	500	500	-	500	500	-	-	500
Cape Winelands District Grant Community safety		-	-	115	-	115	415	(300)	-72,3%	415
Other grant providers:		675	-	-	16	2 292	-	2 292	#DIV/0!	-
Private Enterprises		656	-	-	16	2 292	-	2 292	#DIV/0!	-
Public Corporations		18	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	193 242	210 093	220 366	16	212 358	41 032	171 326	417,5%	40 732
Capital Transfers and Grants										
National Government:		76 494	90 810	90 810	-	94 097	90 810	3 287	3,6%	90 810
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		23 400	28 350	28 350	-	28 350	28 350	-	-	28 350
Integrated Urban Development Grant		53 094	62 460	62 460	-	65 747	62 460	3 287	5,3%	62 460
Provincial Government:		17 162	29 440	12 615	-	10 675	12 615	(1 940)	-15,4%	12 615
Library Services: Conditional Grant		100	-	-	-	-	-	-	-	-
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT		-	-	6 175	-	6 175	6 175	-	-	6 175
RSEPI/ VPUU		1 000	-	-	-	-	-	-	-	-
Development of Sport and Recreational Facilities		-	-	-	-	-	-	-	-	-
Human Settlements Development Grant		7 078	8 150	1 500	-	-	1 500	(1 500)	-100,0%	1 500
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		1 310	440	440	-	-	440	(440)	-100,0%	440
Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)		-	20 850	4 500	-	4 500	4 500	-	-	4 500
Specify (Add grant description)		7 674	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	1	-	1	#DIV/0!	-
Departmental Agencies and Accounts		-	-	-	-	1	-	1	#DIV/0!	-
Total Capital Transfers and Grants	5	93 656	120 250	103 425	-	104 773	103 425	1 348	1,3%	103 425
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	286 898	330 343	323 791	16	317 131	144 457	172 674	119,5%	144 157

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Supporting Table SC7 (1) Monthly Budget Statement – transfers and grant expenditure

WC024 Stellenbosch - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q4 Fourth Quarter

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		168 531	189 399	189 399	8 380	59 843	-	59 843	#DIV/0!	-
Operational Revenue:General Revenue:Equitable Share		157 136	179 634	179 634	4 366	51 340	-	51 340	#DIV/0!	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		5 998	4 928	4 928	976	3 748	-	3 748	#DIV/0!	-
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	1 006	1 468	-	1 468	#DIV/0!	-
Integrated Urban Development Grant		3 847	3 287	3 287	2 031	3 287	-	3 287	#DIV/0!	-
Provincial Government:		20 200	23 481	33 639	1 821	18 286	-	18 286	#DIV/0!	-
Library Services: Conditional Grant		9 336	14 112	14 112	648	8 155	-	8 155	#DIV/0!	-
Municipal Accreditation and Capacity Building Grant		77	256	256	4	256	-	256	#DIV/0!	-
HUMAN SETTLEMENTS DEVELOPMENT GRANT		7 973	6 890	16 748	670	8 819	-	8 819	#DIV/0!	-
Local Government Public Employment Support Grant		1 800	-	-	-	-	-	-	#DIV/0!	-
Financial Management Capacity Building Grant		-	-	-	-	-	-	-	#DIV/0!	-
Maintenance and Construction of Transport Infrastructure		-	495	495	-	487	-	487	#DIV/0!	-
Title deeds Restoration Grant		395	-	-	-	-	-	-	#DIV/0!	-
Financial Management Capability Building Grant		-	-	300	299	299	-	299	#DIV/0!	-
Title deeds Restoration Grant		432	-	-	-	-	-	-	#DIV/0!	-
Community Development Workers Operational Support Grant		38	38	38	-	34	-	34	#DIV/0!	-
Municipal Library Support Grant		150	-	-	-	-	-	-	#DIV/0!	-
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		-	1 690	1 690	200	237	-	237	#DIV/0!	-
District Municipality:		500	115	-	20	20	-	20	#DIV/0!	-
Cape Winelands District Grant 2		500	-	-	-	-	-	-	#DIV/0!	-
Cape Winelands District Grant Community safety		-	115	-	20	20	-	20	#DIV/0!	-
Other grant providers:		41	-	-	33	95	-	95	#DIV/0!	-
Private Enterprises		41	-	-	33	95	-	95	#DIV/0!	-
Total operating expenditure of Transfers and Grants:		189 272	212 995	223 038	10 254	78 244	-	78 244	#DIV/0!	-
Capital expenditure of Transfers and Grants										
National Government:		66 852	90 810	90 810	23 161	84 864	-	84 864	#DIV/0!	-
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		13 758	28 350	28 350	14 871	23 748	-	23 748	#DIV/0!	-
Integrated Urban Development Grant		53 094	62 460	62 460	8 289	61 116	-	61 116	#DIV/0!	-
Provincial Government:		17 552	35 395	12 395	935	4 887	-	4 887	#DIV/0!	-
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		710	-	-	-	-	-	-	#DIV/0!	-
Integrated Transport Planning Grant		600	-	-	-	-	-	-	#DIV/0!	-
Library Services: Conditional Grant		337	-	-	-	-	-	-	#DIV/0!	-
RSEP/ VPUU		2 148	-	-	-	-	-	-	#DIV/0!	-
Development of Sport and Recreational Facilities		600	220	220	-	-	-	-	#DIV/0!	-
Human Settlements Development Grant		7 229	8 150	1 500	202	1 500	-	1 500	#DIV/0!	-
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT		-	6 175	6 175	120	120	-	120	#DIV/0!	-
Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)		5 928	20 850	4 500	613	3 267	-	3 267	#DIV/0!	-
District Municipality:		-	-	-	-	-	-	-	#DIV/0!	-
Specify (Add grant description)		-	-	-	-	-	-	-	#DIV/0!	-
Other grant providers:		307	-	-	-	(4)	-	(4)	#DIV/0!	-
Departmental Agencies and Accounts		307	-	-	-	(4)	-	(4)	#DIV/0!	-
Total capital expenditure of Transfers and Grants		84 711	126 205	103 205	24 095	89 748	-	89 748	#DIV/0!	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		273 983	339 200	326 243	34 349	167 993	-	167 993	#DIV/0!	-

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

Supporting Table SC7 (2) Monthly Budget Statement – expenditure against approved roll-overs

WC024 Stellenbosch - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Q4 Fourth Quarter

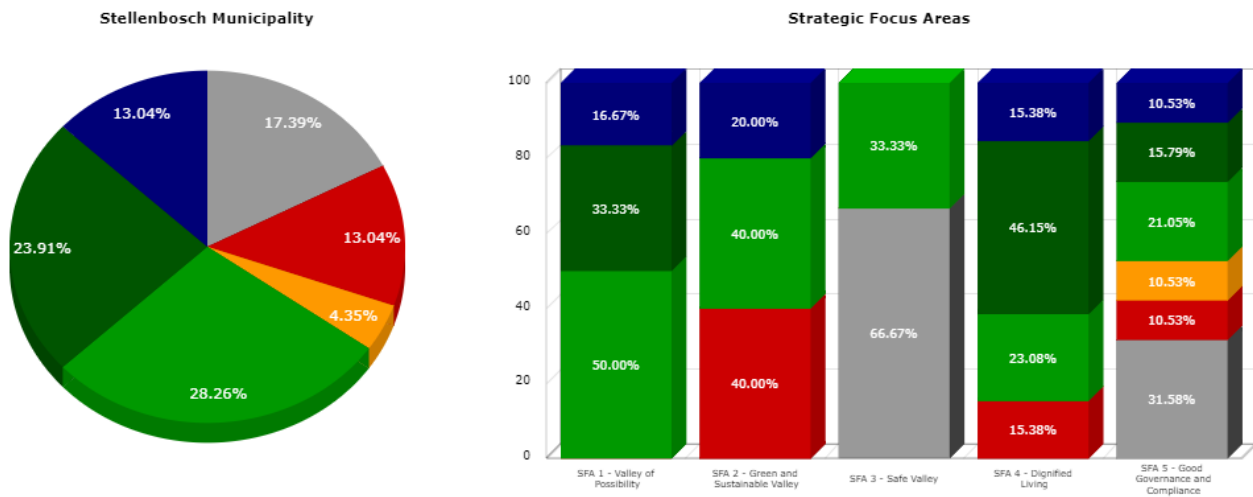
Description	Ref	Budget Year 2022/23				
		Approved Rollover 2021/22	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Operational Revenue:General Revenue:Equitable Share						
Provincial Government:		570	20	570	-	
Financial Management Capacity Building Grant		20	20	20	-	
WC Financial Management Support Grant		550	-	550	-	
District Municipality:		631	-	484	(147)	-23,3%
Cape Winelands District Grant 2		484	-	484	-	
Cape Winelands District Grant		147	-	-	(147)	-100,0%
Other grant providers:		-	-	-	-	
Departmental Agencies and Accounts		-	-	-	-	
Foreign Government and International Organisations		-	-	-	-	
Households		-	-	-	-	
Non-profit Institutions		-	-	-	-	
Private Enterprises		-	-	-	-	
Public Corporations		-	-	-	-	
Higher Educational Institutions		-	-	-	-	
Parent Municipality / Entity		-	-	-	-	
Total operating expenditure of Approved Roll-overs		1 201	20	1 054	(147)	-12,2%
Capital expenditure of Approved Roll-overs						
National Government:		8 382	1 603	2 352	(6 030)	-71,9%
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		8 382	1 603	2 352	(6 030)	-71,9%
Provincial Government:		8 158	797	4 163	(3 994)	-49,0%
HUMAN SETTLEMENTS DEVELOPMENT GRANT		1 766	304	1 576	(190)	-10,8%
Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)		1 518	200	1 518	-	
Regional Socio-Economic Project/violence through urban upgrading (RSEP/VPUU)		1 000	292	1 000	-	
Library Services: Conditional Grant		3 874	-	69	(3 804)	
District Municipality:		-	-	-	-	
Specify (Add grant description)		-	-	-	-	
Other grant providers:		-	-	-	-	
Departmental Agencies and Accounts		-	-	-	-	
Total capital expenditure of Approved Roll-overs		16 540	2 400	6 515	(10 024)	-60,6%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		17 740	2 420	7 569	(10 171)	-57,3%

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

13. QUARTERLY PERFORMANCE ASSESSMENT REPORT 2022/23, Q4 (01 April – 30 June 2023)

12.1 OVERALL PERFORMANCE OF THE MUNICIPALITY

(a) Dashboard summary per Municipal Strategic Focus Area (SFA) for the 4th Quarter (01 April – 30 June 2023) of the 2022/23 financial year.



Stellenbosch Municipality		Municipal Strategic Focus Areas (SFAs)				
		SFA 1 - Valley of Possibility	SFA 2 - Green and Sustainable Valley	SFA 3 - Safe Valley	SFA 4 - Dignified Living	SFA 5 - Good Governance and Compliance
KPI Not Yet Measured	8 (17.39%)	-	-	2 (66.67%)	-	6 (31.58%)
KPI Not Met	6 (13.04%)	-	2 (40%)	-	2 (15.38%)	2 (10.53%)
KPI Almost Met	2 (4.35%)	-	-	-	-	2 (10.53%)
KPI Met	13 (28.26%)	3 (50%)	2 (40%)	1 (33.33%)	3 (23.08%)	4 (21.05%)
KPI Well Met	11 (23.91%)	2 (33.33%)	-	-	6 (46.15%)	3 (15.79%)
KPI Extremely Well Met	6 (13.04%)	1 (16.67%)	1 (20%)	-	2 (15.38%)	2 (10.53%)
Total:	46	6	5	3	13	19
	100%	13.04%	10.87%	6.52%	28.26%	41.30%

Table: 1 Overall performance for Quarter 4 per SFA- 01 April – 30 June 2023

13. ACTUAL PERFORMANCE AND CORRECTIVE MEASURES TO BE IMPLEMENTED

KPI Not Yet Measured	0
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13.1 SFA 1 - Valley of Possibility

SFA 1 - Valley of Possibility										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 April – 30 June 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL6	KPI001	Submission of the Economic Development Strategy to the MayCo	Number of Economic Development Strategies submitted to the MayCo by 31 May	1	1	1	1	G		
TL7	KPI003	The number of jobs created through the municipality's local economic development initiatives including capital projects (NKPI Proxy - MSA, Reg. S10(d))	Number of job opportunities created through the municipality's local economic development initiatives including capital projects by 30 June	1 400	1 400	1 400	1 449	G2		
TL8	KPI004	Submission of Land-use applications to the Municipal Planning Tribunal (MPT) within 120 days from the conclusion of the administrative processing of the application	Percentage of Land-use applications submitted to the MPT within 120 days from the conclusion of the administrative processing of the application	80%	75%	75%	100%	G2	4 / 4 x 100 = 100%	
TL9	KPI005	Provide training opportunities to entrepreneurs and Small, Medium and Micro Enterprises (SMMEs)	Number of quarterly training opportunities provided to entrepreneurs and SMMEs	4	4	1	10	B		
TL10	KPI006	Submission of the revised Spatial Development Framework (SDF) submitted to the Council	Number of revised SDFs submitted to the Council by 30 June	1	1	1	1	G		
TL11	KPI007	Submission of the revised Housing Pipeline (document) to the MayCo	Number of revised Housing Pipelines (document) submitted to the MayCo by 31 May	1	1	1	1	G		

Summary of Results: SFA 1 - Valley of Possibility

KPI Not Met	0
KPI Almost Met	0
KPI Met	3
KPI Well Met	2
KPI Extremely Well Met	1
Total KPIs	6

13.2 SFA 2 - Green and Sustainable Valley

SFA 2 - Green and Sustainable Valley										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 April – 30 June 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL14	KPI020	Conduct an External Audit of the Stellenbosch Municipal Waste Disposal Facilities	Number of external audits of the Stellenbosch Municipal Waste Disposal Facilities conducted by 30 June	1	1	1	1	G		
TL15	KPI021	Implementation of identified waste minimisation projects	Number of identified waste minimisation projects implemented by 30 June	2	2	1	1	G		
TL16	KPI014	Process building plan applications of <500sqm within 30 days after the date of receipt	Percentage of building plan applications of <500sqm processed within 30 days after the date of receipt	75%	70%	70%	51.70%	R	<p>242 / 468 x 100 = 51.70%</p> <p>A Building Plan Process Investigation was completed and submitted to the Municipal Manager in March 2023. A BDM Action Plan to address the outcomes of the independent building plan process investigation was completed and submitted in June 2023 for implementation as of 01 July 2023.</p> <p>A new BDM Policy, operational guidelines, and procedures were developed. A new draft BDM Bylaw has been developed and is to be submitted to the Council for approval before the public can participate.</p>	<p>BDM staff capacity constraints have been addressed with the appointment of an additional plans examiner, who will assume duty on 01 August 2023. A request for additional BDM capacity will be submitted to the Municipal Manager and CFO. Micro-organogram changes to the BDM organogram are being completed and will be submitted to the MM for consideration. Staff capacity constraints within internal commenting Directorates (specifically Infrastructure Services) need to be addressed.</p> <p>Funding has been secured from the WCG for the upgrade of the Building Plan Application Management System (BPAM), which is to be initiated in July 2023.</p>
TL17	KP022	Wastewater quality measured to the Department of Water and Sanitation's License Conditions for physical and micro parameters	Percentage of wastewater quality compliance as per the analysis certificate, measured quarterly	70%	70%	70%	36.83%	R	<p>Stage 6 loadshedding had an impact on the Stellenbosch Waste Water Treatment Plant, necessitating ongoing</p>	<p>A number of upgrades and repairs have been instituted at the various plants, such as the renewal of pumps and</p>

SFA 2 - Green and Sustainable Valley

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 April – 30 June 2023					
						Target	Actual	R	Performance Comment	Corrective Measures	
TL19	KPI016	Reduce organic waste	Percentage of organic waste reduced by 30 June	20%	20%	20%	51.30%	B	Total Waste = 962 m3 / Total Waste Entering landfill = 1 875 m3 x 100 = 51.30%		inlet screens, the ordering of a standby generator for the dewatering facility, etc.

Summary of Results: SFA 2 - Green and Sustainable Valley

KPI Not Yet Measured	0
KPI Not Met	2
KPI Almost Met	0
KPI Met	2
KPI Well Met	0
KPI Extremely Well Met	1
Total KPIs	5

13.3 SFA 3 - Safe Valley

SFA 3 - Safe Valley										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 April – 30 June 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL20	KPI024	Submission of the revised Disaster Management Plan to the Municipal Manager	Number of revised Disaster Management Plans submitted to the Municipal Manager by 31 March	1	1	0	0	N/A		
TL21	KPI025	Submission of the revised Safety and Security Strategy to the Municipal Manager	Number of revised Safety and Security Strategies submitted to the Municipal Manager by 30 April	1	1	1	1	G		
TL22	KPI026	Submission of the revised Traffic Management Plan to the Municipal Manager	Number of revised Traffic Management Plans submitted to the Municipal Manager by 31 March	1	1	0	0	N/A		

Summary of Results: SFA 3 - Safe Valley

KPI Not Yet Measured	2
KPI Not Met	0
KPI Almost Met	0
KPI Met	1
KPI Well Met	0
KPI Extremely Well Met	0
Total KPIs	3

13.4 SFA 4 - Dignified Living

SFA 4 - Dignified Living										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 April – 30 June 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL23	KPI027	Installation of new standpipes	Number of new standpipes installed by 30 June	50	50	50	26	R	Funding for standpipes is to be secured by the Informal Settlements Department via the Informal Settlements Upgrade Partnership Grant. Some instances require development rights, and some instances require facilitation with communities.	A new SOP is being developed so that the Informal Settlements Department can apply for funding promptly. The final SOP will be submitted to the Municipal Manager by 31 July 2023.
TL24	KPI028	Provision of waterborne toilet facilities in informal settlements as identified by the Department: Integrated Human Settlements	Number of waterborne toilet facilities provided in Informal settlements as identified by the Department: Integrated Human Settlements by 30 June	50	50	50	56	G2		
TL25	KPI032	Registered indigent formal households with access to free basic water (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic water, measured quarterly	100%	100%	100%	100%	G	5 741 / 5 741 x 100 = 100%	
TL26	KPI029	Limit unaccounted electricity to less than 9% annually {(Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold (incl. Free basic electricity)) / Number of Electricity Units Purchased and/or Generated} x 100}	Percentage of average electricity losses, measured by 30 June	<9%	<9%	<9%	8.87%	B	[(Total Energy Purchased – Total Energy Sold) / Total Energy Purchased] x 100 = [(341 801 577kWh – 311 487 296kWh) / 341 801 577kWh] x 100 = 8.87% (Period: 01 June 2022 – 31 May 2023)	The final electricity losses calculation for the period 01 July 2022 – 30 June 2023 will be finalised for the Annual Performance Report 2022/23 to be submitted to the Auditor General of South Africa by 31 August 2023.
TL27	KPI030	Water quality measured quarterly to the SANS 241 physical and micro parameters	Percentage of water quality level as per the analysis certificate, measured quarterly	90%	90%	90%	94.80%	G2		
TL28	KPI031	Limit unaccounted water to less than 25%	Percentage of average unaccounted water, measured by 30 June	<25%	<25%	<25%	26.31%	R	2 842 597kl / 10 805 404kl x 100 = 26.31% During the most recent flooding, the bulk water main	The municipality is implementing the pipe replacement programme. Additional funding was also made available in the 2023/24 financial year to

SFA 4 - Dignified Living										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 April – 30 June 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
										supply to the Dwarsriver area was damaged. This resulted in significant water losses. replace fittings, valves, etc. The performance indicator was also revised for the 2023/24 financial year to measure non-revenue water losses as opposed to water losses.
TL29	KPI033	Registered indigent formal households with access to free basic electricity provided by the municipality (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic electricity provided by the municipality, measured quarterly	65%	65%	65%	100%	B	5 741 / 5 741 x 100 = 100%	
TL30	KPI034	Registered indigent formal households with access to free basic refuse removal (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic refuse removal, measured quarterly	100%	100%	100%	100%	G	5 741 / 5 741 x 100 = 100%	
TL31	KPI035	Registered indigent formal households with access to free basic sanitation (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic sanitation, measured quarterly	100%	100%	100%	100%	G	5 741 / 5 741 x 100 = 100%	
TL32	KPI036	Formal households with access to water (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to water, measured quarterly	26 000	26 000	26 000	26 895	G2		
TL33	KPI037	Formal households with access to electricity (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to electricity, measured quarterly	26 000	26 000	26 000	26 895	G2		
TL34	KPI038	Formal households with access to refuse removal (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to refuse removal, measured quarterly	26 000	26 000	26 000	26 895	G2		
TL35	KPI039	Formal households with access to sanitation (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to sanitation, measured quarterly	26 000	26 000	26 000	26 895	G2		

Summary of Results: SFA 4 - Dignified Living

KPI Not Yet Measured	0
KPI Not Met	2
KPI Almost Met	0
KPI Met	3
KPI Well Met	6
KPI Extremely Well Met	2
Total KPIs	13

13.5 SFA 5 - Good Governance and Compliance

SFA 5 - Good Governance and Compliance										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 April – 30 June 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL1	KPI059	Submission of the revised Communication Policy to the MayCo	Number of revised Communication Policies submitted to the MayCo by 30 June	1	1	1	1	G		
TL2	KPI044	Employment equity appointments made within the financial year in the three highest levels of management	Percentage of employment equity appointments made within the financial year in the three highest levels of management, measured by 30 June	50%	50%	50%	37.50%	O	3 / 8 x 100 = 37.50% At each shortlisting panel meeting, the statistics and underrepresented target groups are indicated to the panel. In some instances, there are no qualifying candidates from the underrepresented groups. It also happens in some instances that candidates on the shortlist from underrepresented groups do not perform well enough in the interview to be appointed.	Critical vacancies had to be filled thereby appointing qualifying candidates. Measures are in place on the criteria to be followed when shortlisting is done on candidates within the EE target groups.
TL3	KPI049	Submission of the Auditor General of South Africa (AGSA) Audit Action Plan (AAP) to the APAC	Number of AGSA Audit Action Plans submitted to the APAC by 28 February	1	1	0	0	N/A		
TL4	KPI053	Submission of the draft Integrated Development Plan (IDP) to the Council	Number of draft IDPs submitted to the Council by 31 March	1	1	0	0	N/A		
TL5	KPI041	Submission of the revised Integrated Zoning Scheme to the MayCo	Number of revised Integrated Zoning Schemes submitted to the MayCo by 30 June	1	1	1	2	B	The ATC Overlay Zone as an amendment to the IZS was submitted and approved by the Council on 24 May 2023. Furthermore, the request to undertake the PPP for the Draft Outdoor Dining and Events Overlay Zone served at the Special Council Meeting in June 2023.	

SFA 5 - Good Governance and Compliance										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 April – 30 June 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL12	KPI055	Submission of the revised Wastewater Master Plan to the Municipal Manager	Number of revised Wastewater Master Plans submitted to the Municipal Manager by 30 June	1	1	1	0	R	The Manager: Planning post has been vacant for the whole financial year. The Wastewater Master Plan is nearly complete but not ready for submission to the Municipal Manager.	A consultant was appointed. It is projected that the Wastewater Master Plan will be completed and submitted to the Municipal Manager by 31 August 2023.
TL13	KPI060	Submission of the revised Comprehensive Integrated Transport Plan (CITP) to the Municipal Manager	Number of revised CITPs submitted to the Municipal Manager by 30 June	1	1	1	1	G		
TL18	KPI058	Submission of an Integrated Property Maintenance Plan to the Municipal Manager	Number of Integrated Property Maintenance Plans submitted to the Municipal Manager by 30 June	1	1	1	1	G		
TL36	KPI042	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MSA, Reg. S10(g)(iii))	Cost coverage as at 30 June annually [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation)	4	4	4	4.21	G2	The municipality is preparing the Annual Financial Statements 2022/23 in terms of S126(1)(a) of the MFMA. The actual performance, as at 30 June 2023, will be provided in the Annual Performance Report 2022/23 to be submitted to the AGSA by 31 August 2023.	The municipality is preparing the Annual Financial Statements 2022/23 in terms of S126(1)(a) of the MFMA. The actual performance, as at 30 June 2023, will be provided in the Annual Performance Report 2022/23 to be submitted to the AGSA by 31 August 2023.
TL37	KPI043	Achieve an average payment percentage of 96% by 30 June (Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	96%	96%	96%	99.89%	G2	Debtors Opening Balance - R394 866 379,00 Billed Revenue - R 1 587 798 604,04 Gross Debtors Closing Balance - R 387 673 389,00 Bad debts written off - R 8 966 198,53 Billed revenue - R 1 587 798 604,04	The municipality is preparing the Annual Financial Statements 2022/23 in terms of S126(1)(a) of the MFMA. The actual performance, as at 30 June 2023, will be provided in the Annual Performance Report 2022/23 to be submitted to the AGSA by 31 August 2023.
TL38	KPI040	Actual expenditure on the approved Capital Budget for the municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of the approved Capital Budget for the municipality actually spent by 30 June	90%	90%	90%	76.79%	O	R290 794 140,10 / R378 709 141 x 100 = 79.79%	The municipality is preparing the Annual Financial Statements 2022/23 in terms of S126(1)(a) of the MFMA. The final ratio, as at 30 June

SFA 5 - Good Governance and Compliance										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 April – 30 June 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
										2023, will be provided in the Annual Performance Report 2022/23 to be submitted to the AGSA by 31 August 2023.
TL39	KPI045	The percentage of the actual payroll budget spent on implementing the Municipal Workplace Skills Plan (NKPI Proxy- MSA, Reg. S10(f))	Percentage of the municipality's payroll budget actually spent on implementing its Workplace Skills Plan ((Total Actual Training Expenditure / Total Annual payroll Budget) x100), measured by 30 June	0.20%	0.20%	0.20%	0.86%	B	R5 283 998 / R611 731 735 x 100 = 0.86% (as at 29 June 2023)	
TL40	KPI046	Financial viability measured in terms of the municipality's ability to meet its service debt obligations (NKPI Proxy - MSA, Reg. S10(g)(i))	Debt coverage ratio ((Total operating revenue - operating grants received) / (Debt service payments due within the year)) measured by 30 June	15%	15%	15%	4.54%	R	Total operating revenue - R2 094 755 590,9 operating grants received - R203 836 711 Debt service payments due within the year - R416 424 551	The municipality is preparing the Annual Financial Statements 2022/23 in terms of S126(1)(a) of the MFMA. The actual performance, as at 30 June 2023, will be provided in the Annual Performance Report 2022/23 to be submitted to the AGSA by 31 August 2023.
TL41	KPI047	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MSA, Reg. S10(g)(ii))	Service debtors to revenue ratio - (Total outstanding service debtors / revenue received for services) measured by 30 June	27%	27%	27%	29%	G2	Total outstanding service debtors - R328 819 256 revenue received for services - R1 135 779 581,9	The municipality is preparing the Annual Financial Statements 2022/23 in terms of S126(1)(a) of the MFMA. The actual performance, as at 30 June 2023, will be provided in the Annual Performance Report 2022/23 to be submitted to the AGSA by 31 August 2023.
TL42	KPI054	Submission of the IDP / Budget / SDF time schedule (process plan) to the Council	Number of IDP / Budget / SDF time schedules (process plan) submitted to the Council by 31 August	1	1	0	0	N/A		
TL43	KPI051	Submission of the revised Information and Communication Technology (ICT) Backup Disaster Recovery Plan to the ICT	Number of revised ICT Backup Disaster Recovery Plans submitted to the ICT Steering Committee by 31 March	1	1	0	0	N/A		

SFA 5 - Good Governance and Compliance										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 April – 30 June 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
		Steering Committee								
TL44	KPI052	Submission of the revised Strategic ICT Plan to the ICT Steering Committee	Number of revised Strategic ICT Plans submitted to the ICT Steering Committee by 31 March	1	1	0	0	N/A		
TL45	KPI048	Submission of the revised Risk-Based Audit Plan (RBAP) to the Audit and Performance Audit Committee (APAC)	Number of revised RBAPs submitted to the APAC by 30 June	1	1	0	0	N/A		
TL46	KPI050	Submission of the revised Strategic Risk Register (SRR) to the Risk Management Committee	Number of revised SRRs submitted to the Risk Management Committee by 30 June	1	1	1	1	G		

Summary of Results: SFA 5 - Good Governance and Compliance

	KPI Not Yet Measured	6
	KPI Not Met	2
	KPI Almost Met	2
	KPI Met	4
	KPI Well Met	3
	KPI Extremely Well Met	2
Total KPIs		19

QUARTERLY BUDGET STATEMENT FOR JUNE 2023

14. STRATEGIC PERFORMANCE CONCLUSION

- (a) Out of the 46 Key Performance Indicators (KPIs) listed on the Top layer SDBIP 2022/23 (quarter 4), 08 were not measured, 06 KPIs were not met, 13 were met and 11 were well met.

	KPI Not Yet Measured	8
	KPI Not Met	6
	KPI Almost Met	2
	KPI Met	13
	KPI Well Met	11
	KPI extremely well met	6
	Total KPIs	46

Summary of Results: Strategic Focus Areas 1 - 5

6.2

OVERSIGHT ROLE OF COUNCIL: SUPPLY CHAIN MANAGEMENT POLICY-REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY OF STELLENBOSCH MUNICIPALITY: QUARTER 4 (01 APRIL 2023 – 30 JUNE 2023)

Collaborator No: 752647
 IDP KPA Ref No: Good Governance and Compliance
 Meeting Date: 19 July 2023

1. SUBJECT: OVERSIGHT ROLE OF COUNCIL: SUPPLY CHAIN MANAGEMENT POLICY-REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY OF STELLENBOSCH MUNICIPALITY: QUARTER 4 (01 APRIL 2023 – 30 JUNE 2023)

2. PURPOSE

To submit to Management a report for the period 01 April 2023 – 30 June 2023 on the implementation of Council's Supply Chain Management Policy. The report covers the performance of the various delegated functions and the implementation thereof.

3. FOR DECISION BY MUNICIPAL COUNCIL

Section 6 (3) & 4 of the SCM Policy 2022/2023, determines that the Accounting Officer must within 10 days at the end of each quarter; submit a report on the implementation of the SCM Policy to the Executive Mayor. This report must be made public in accordance with section 21A of the Municipal Systems Act (32 of 2000).

4. EXECUTIVE SUMMARY

On a quarterly basis the Accounting Officer must submit a report on the implementation of the Supply Chain Management Policy to the Executive Mayor. In terms of the SCM Regulations and Council's SCM Policy the SCM unit has been delegated to perform powers and functions that related to the procurement of goods and services, disposal of goods no longer needed, the selection of contractors to aid in the provision of municipal services.

5. RECOMMENDATIONS

- (a) that Council approves this report and **ANNEXURE A** attached to the report, and
- (b) that the report be made public in accordance with section 21A of the Municipal Systems Act.

6 DISCUSSION/CONTENTS**6.1 Background**

SCM must report within 10 days before the end of each quarter on the implementation of the SCM System.

6.2 Constitutional and Policy Implications

Paragraph 2(1) of Council's SCM Policy determines that all officials and other role players in the supply chain management system of the Stellenbosch Municipality must implement the SCM Policy in a way that gives effect to section 217 of the Constitution and Part 1 of Chapter 11 of the Municipal Finance Management Act (56 of 2003) and other applicable provisions of the Act; is fair, equitable, transparent, competitive and cost-effective; complies with the Regulations and any norms and standards that may be prescribed in terms of section 168 of the MFMA; is consistent with other applicable legislation; does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.

Paragraph 6(1) of the Supply Chain Management Policy of Council determines that the Council of Stellenbosch municipality reserves the right to maintain oversight over the implementation of the SCM Policy as approved and amended from time to time. Paragraph 6(3) of the above stated Policy determines that the Accounting Officer must within 10 days of the end of each quarter; submit a report on the implementation of the Supply Chain Management Policy to the Executive Mayor.

6.3 Environmental implications

None.

6.4 Financial Implications

The financial implications are the transactions for the procurement of goods and services that were processed during the 01 April 2023 – 30 June 2023 on the implementation of Council's Supply Chain Management Policy. The report and the payments that will derive from these commitments.

6.5 Legal Implications

The Municipal Finance Management Act (section 112) stipulates that the SCM Policy should comply with a prescribed framework as set out in section 112(1) and section 112(2) that stipulates that the regulatory framework for the municipal supply chain management must be fair, equitable, transparent, competitive, and cost-effective. Reporting back in terms of paragraph 6(3) of the SCM Policy 2022/2023 to the Executive Mayor and Council on the implementation of the supply chain management system and processes enables the Executive Mayor and Council to maintain the oversight role over the implementation of the SCM Policy as approved by Council.

6.6 Staff Implications

None.

6.7 Previous / Relevant Council Resolutions

None.

APPENDICES

ANNEXURE A: Report for the period 01 April 2023 – 30 June 2023 on the implementation of Council's Supply Chain Management Policy. The report on the Implementation of Council's Supply Chain Management Policy

FOR FURTHER DETAILS CONTACT:

NAME	<i>Kevin Carolus</i>
CONTACT NUMBERS	<i>021 808 8528</i>
E-MAIL ADDRESS	<i>Kevin.Carolus@Stellenbosch.gov.za</i>
DIRECTORATE	<i>Financial Services</i>
REPORT DATE	<i>10 July 2023</i>

ANNEXURE A

STELLENBOSCH MUNICIPALITY

IMPLEMENTATION OF SYSTEM – SUPPLY CHAIN MANAGEMENT

SECTION 6 (3) OF SCM REGULATIONS:
OVERSIGHT ROLE OF COUNCIL OVER THE IMPLEMENTATION OF SCM POLICY

PERIOD: 01 APRIL 2023 – 30 JUNE 2023

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE- MENTED	COMMENTS
3(1)(a)	Prepare and submit a draft supply chain management policy complying with regulation 2 to the council of the municipality for adoption.	Accounting Officer	Chief Financial Officer	YES	Done
3(1)(b)	Review at least annually the implementation of the policy.	Accounting Officer	Chief Financial Officer	YES	Done
3(1)(c)	Submit when considered necessary, proposals for amendment of the policy by the Council.	Accounting Officer	Chief Financial Officer	YES	The SCM Policy was sent for amendment in December 2022 to accommodate changes brought forth from the new PPR 2022.
3(2)(a)	Make use of any Treasury guidelines determining standards for municipal supply chain management policies and submit to the council that guidelines standard or modified version therefore, as a draft policy.	Accounting Officer	Chief Financial Officer	YES	All NT guidelines are included in standard documents and the municipalities SCM policy is aligned with the Model SCM policy of NT.
3(2)(b)	Ensure that a draft policy submitted to council that differs from the guideline standard complies with Regulation 2.	Accounting Officer	Chief Financial Officer	YES	Not Applicable
3(1)(c)	Report any deviation from the guideline standard to the National Treasury and relevant provincial treasury	Accounting Officer	Chief Financial Officer	YES	Not Applicable
3(4)	Must, in terms of section 62(1)(f) ((iv) take all reasonable steps to ensure that the municipality has and implements a supply chain management policy as set out in Regulation 2	Accounting Officer	Chief Financial Officer	YES	Done

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
5(2)(a)	Make a final award above R10 million (VAT included).	Accounting Officer (after considering recommendation of Bid Adjudication Committee)		YES	In the fourth quarter, there were seven (7) final awards above R10 million.
5(2)(b)	Make a final award above R200 000(VAT included), but not exceeding R10 million (VAT included).	Accounting Officer	Bid Adjudication Committee	YES	In the fourth quarter, there were thirty (30) final awards above R200 000 but not exceeding R10 million.
5(2)(c)	Make a final award not exceeding R200 000(VAT included) including the appointment of consultants	Accounting Officer	CFO and Senior Manager - SCM and Senior Accountants	YES	Operational Delegations are in place with clear segregation of duties as stipulated in MFMA section 115 (b)
5(3)	Submit to the officials referred to in regulation 5(4) within five days of the end of each month a written report containing particulars of each final award, except procurements made out of petty cash, made during that month, including – (a) the amount of the award; (b) the name of the person to whom the award was made; (c) the reason why the award was made to that person; and (d) the BEE/HDI status of that entity/person.	Bid Adjudication Committee (refer regulation 5(4)(a) Chief Financial Officer – 5(4)(b)	Chief Financial Officer Senior Manager SCM	YES	The awards made were submitted on the following dates within this quarter: 03 May 2023 03 June 2023 03 July 2023
6(1)	Maintain oversight over the implementation of the supply chain management policy	Municipal Council		YES	The Supply Chain Management policy has been submitted to council in the last quarter of the previous financial year as part of the Budget Related policies. Also sent for Amendment in December 2022.

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
6(2)(a)(i)	Submit a report to council within 30 days of the end of each financial year on the implementation of the supply chain management policy of the municipality.	Accounting Officer		YES	Done
6(2)(a)	Immediately submit a report to council whenever there are serious and material; problems in the implementation of the supply chain management policy, including such a report from any municipal entity as envisaged by this Regulation 6(2)(a)(iii)	Accounting Officer		N/A	To date no serious or material problems occurred in implementing the SCM policy.
6(3)	Submit a report to the mayor of the municipality within ten days of each quarter on the implementation of the supply chain management policy.	Accounting Officer	Chief Financial Officer	YES	Done.
7(1)	Establish a supply chain management unit.	Accounting Officer	Chief Financial Officer	YES	Unit operates under direct supervision of CFO
12(1)	<p><u>Direct that:</u></p> <p>a) cash purchases up to transaction value as defined I Council's Petty Cash policy</p> <p>b) one verbal quotation be obtained for any specified procurement of a transaction value lower than R2,000 (VAT included);</p> <p>c) written or verbal quotations for procurement of goods and/or services of a transaction value between R 2, 000.00 and R 10 000.00 (VAT included)</p> <p>d) formal written price quotations for procurement of goods and/or services of a transaction value between R 10,000.00 and R 200,000.00</p> <p>e) a competitive bidding process be followed for any specific procurement of a transaction value higher than R200 000.</p>	Accounting Officer	Operational delegations in place	YES	The SCM unit is responsible for procurement within these thresholds. Delegations approved and signed by the relevant officials.

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12(2)(a)	Allow the Accounting Officer to lower, but not to increase, the different threshold values specified in sub regulation(1).	Accounting Officer	Chief Financial Officer	YES	Delegated officials act within delegated thresholds.
14(1)(a)(ii)	Invite prospective providers of goods and services at least once a year through newspaper commonly circulating locally, the website of the municipality	Accounting Officer	Senior : Manager SCM	YES	Done
14(1)(b)	Specify the listing criteria for accredited prospective providers.	Accounting Officer	Chief Financial Officer	YES	Listing criteria is contained within the registration form.
14(1)(c)	Disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.	Accounting Officer		YES	SCM consult National Treasury's database of defaulters before awarding of tenders and quotations
14(2)	Update the list of prospective providers at least quarterly to include any additional prospective providers and any new commodities or types of services.	Municipal Council	Chief Financial Officer	YES	Done
15	Requesting reconciliation's on petty cash purchases on a monthly basis.	Chief Financial Officer	Manager: Expenditure section	YES	Done
16(c)	If it is not possible to obtain at least three written quotations, record and report quarterly to the accounting officer, or another official designated by the accounting officer, the reasons for this.	Accounting Officer	Chief Financial Officer	YES	Reports were submitted on the following dates within this quarter: 03 May 2023 03 June 2023 03 July 2023
16(e)	Record the name of potential providers requested to	Accounting Officer	Chief Financial Officer	YES	Reports were submitted on the

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	provide written quotation with their quoted prices.				following dates within this quarter: 03 May 2023 03 June 2023 03 July 2023
17(1)(c)	Approve the recorded reasons for not obtaining at least three written price quotations.	Chief Financial Officer	Senior Manager SCM & CFO: below R200,000 Accountants: Acquisitions, Contracts and SCM: Accountant Demand and Chief Buyer: below R200,000	YES	
17(1)(d)	Record the names of the potential formal written price quotation providers and their written quotations.	Accounting Officer	Senior Manager: Supply Chain Management	YES	
17(2)	Report to the CFO within three days at the end of the month on any approvals given during that month by that the designed official referred to in sub-regulation (1) (c).	Chief Financial Officer	Senior Manager: Supply Chain Management	YES	
18 (a)	All requirements in excess of R30,000 (VAT included) by means of formal written price quotations should be advertised for at least 7 days on the website and municipal official website.	Chief Financial Officer	Senior Manager: Supply Chain Management	YES	Done
18 (b)	When using the list of accredited prospective providers, it should promote ongoing competition amongst providers by inviting providers to submit quotations on a rotational basis.	Chief Financial Officer	Senior Manager: Supply Chain Management	YES	Done
18(c)	Must take all reasonable steps to ensure that the procurement of goods and services through written quotations or formal written price quotations is not abused.	Accounting Officer	Chief Financial Officer	YES	Quotations and Formal written quotations are placed on the website and only opened on the closing date and time and mitigate the risks during the calling for quotations.

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18(d)	Notify the Accounting Officer or CFO in writing on a monthly basis of all written quotations and formal written price quotations accepted by the official acting in terms of a sub-delegation	Chief Financial Officer	Senior Manager: Supply Chain Management	YES	Reports were submitted on the following dates within this quarter: 03 May 2023 03 June 2023 03 July 2023
22 (b) (i)	The publication notice must contain the closure date for the submission of bids, which may not be less than 3 weeks in case of transactions over R10m (VAT included), or which are of long term nature, or 14 days in any other case, from date on which the advertisement is placed in a newspaper.	Accounting Officer	Bid Specifications Committee	YES	For quarter four, thirty (30) tenders specifications served before the Bid Specifications committee.
22(2)	The Accounting Officer may determine the closure date for the submission of bids which is less than the 30 days or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process	Accounting Officer		YES	None
23(a) (i)(ii)	The handling, opening and recording of bids should be (i) be opened in public (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired;	Accounting Officer	Senior Manager: Supply Chain Management	YES	Done
23 (c)	(ii) make the register available for public inspection (iii) publish the entries in the register and the bid results on the website of the municipality	Accounting Officer	Senior Manager: Supply Chain Management	YES	Done
24(1)	Negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –	Accounting Officer	Relevant user department Head of Department or Director	YES	Provision for the signing of a Form of Tender/Service Level Agreement with successful vendors is being made in

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	<p>(a) does not allow any preferred bidder a second or unfair opportunity;</p> <p>(b) is not to the detriment of any other bidder; and</p> <p>(c) does not lead to a higher price than the bid submitted.</p> <p>Minutes of such negotiations must be kept.</p>				the tender documents
26(1)(b)	Appoint the members of the bid specification, evaluation and adjudication committees, taking into account Section 117 of the MFMA.	Accounting Officer		YES	Done
26(1)(c)	Appoint a neutral or independent observer to a bid specification, evaluation or adjudication committee for an attendance and oversight process when this is appropriate for ensuring fairness and promoting transparency.	Accounting Officer		N/A	Not Applicable
26(3)	Apply the committee system to formal written price quotations.	Accounting Officer		N/A	Committee system is applied for goods/services above R200 000
27(1)	Compile specifications for the procurement of goods and services by the municipality.	Accounting Officer	Bid Specifications Committee, upon advice of the relevant user department	YES	The Director signs for items to serve on Specification committee.
27(2)(g)	Approve specifications compiled by the bid specification committee prior to publication of the invitation for bids.	Accounting Officer	Bid Specifications Committee, upon advice of the relevant user department	YES	The specifications are accompanied with a questionnaire that the relevant department must complete. Meetings are held according to pre-determined schedule.
28(1)(a)	Evaluate bids in accordance with – (i) the specifications for a specific procurement ; and (ii) the points system as must be set out in the supply chain management policy of the municipality in terms of Regulation 27(2)(f)	Accounting Officer	Bid Evaluation Committee upon advice of the relevant user department.	YES	Have regular BEC scheduled meetings.

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	and a prescribed in terms of the Preferential Procurement Policy Framework Act.				
28(1)(b)	Evaluate each bidder's ability to execute the contract.	Accounting Officer	Bid Evaluation Committee, upon advice from SCM	YES	Currently part of the Standard Evaluation Report
28(1)(c)	Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears.	Accounting Officer	Bid Evaluation Committee	YES	Has a screening list that has to be completed
28(1)(d)	Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.	Bid Evaluation Committee		YES	Currently part of the Standard Evaluation Report
29(1)(a)	Consider the report and recommendations of the bid evaluation committee where the award value exceeds R200 000 (VAT incl.) and make the award up to value of R10m (as per delegated authority)	Accounting Officer	Bid Adjudication Committee	YES	In the fourth quarter there were fifteen (15) BAC meetings
29(1)(b)(i)	For bids above R10 million, the SCM BAC will make recommendation to the Municipal Manager to make the final award.	Accounting Officer		YES	In the four quarter there were seven (7) final awards above R10 million.
29(1)(b)(ii)	Make another recommendation to the accounting officer on how to proceed with the relevant procurement.	Accounting Officer		YES	None.
29(3)	Appoint the chairperson of the bid adjudication committee.	Accounting Officer		YES	Delegations given is kept for record purposes
29(5)(a)	If a bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid – (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and (ii) notify the accounting officer.	Bid Adjudication Committee		YES	None

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29(5)(b)	<p>(i) After due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in Regulation 29(5)(a); and</p> <p>(ii) If the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.</p>	Accounting Officer		YES	None
29(6)	Refer any recommendation made by the evaluation committee or adjudication committee back to that committee for reconsideration of the recommendation.	Accounting Officer		YES	No items were referred back to the BEC in the fourth quarter
29(7)	Comply with Section 114 of the MFMA within ten working days.	Accounting Officer		YES	Not applicable
31(1)	Request the State Information Technology Agency (SITA) to assist the municipality with the acquisition of IT related goods or services through a competitive bidding process.	Accounting Officer	Bid Adjudication Committee	YES	Not Applicable
31(2)	Enter into a written agreement to regulate the services rendered by, and the payments made to, SITA.	Accounting Officer		YES	Not Applicable
31(3)	<p>Notify SITA together with a motivation of the IT needs of the municipality if –</p> <p>(a) the transaction value of IT related goods or services required by the municipality in any financial year will exceed R50 million (VAT incl); or</p> <p>(b) the transaction value of a contract to be procured by the municipality whether for one</p>	Accounting Officer		YES	Not Applicable

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	or more years exceeds R50 million.				
31(4)	Submit to the Council, the National Treasury, the relevant provincial treasury and the Auditor General the SITA comments and the reasons for rejecting or not following such comments if the municipality disagrees with SITA's comments.	Accounting Officer	Senior Manager: Supply Chain Management	YES	Not Applicable
32(1)	To procure goods or services for the municipality under a contract secured by another organ of state, but only if – (a) the contract has been secured by that organ of state by means of a competitive bidding process applicable to that organ of state; (b) the municipality has no reason to believe that such contract was not validly procured; (c) there are demonstrable discounts or benefits for the municipality; and that other organ of state and the provider have consented to such procurement in writing.	Accounting Officer	Bid Adjudication Committee	YES	None
35(1)	Procure consulting services above the value of R200 000 (VAT incl.) provided that any Treasury guidelines in respect of consulting services or CIDB guidelines in respect of services related to the build environment and construction works are taken into account when such procurements are made.	Accounting Officer	Bid Adjudication Committee	YES	New tender has been advertised
35(4)	Ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.	Municipal Council	Relevant user Department	YES	Not Applicable

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36(1)(a)	<p>Dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –</p> <ul style="list-style-type: none"> (i) in an emergency; (ii) if such goods or services are produced or available from a single provider only; (iii) for the acquisition of special worker of art or historical objects where specifications are difficult to compile; (iv) acquisition of animals or zoos; or (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes (vi) any contract relating to the publication of notices and advertisements by or on behalf of the municipality (vii) any purchase on behalf of the municipality at a public auction (viii) any contract with an organ of state, local authority or a public utility corporation or company (ix) any contract in respect of which compliance therein would not be in the public interest or interest of Council (x) ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids (xi) workshop strip & quote 	Accounting Officer	BAC considers deviations and recommend to the Accounting Officer.	YES	Delegations are in place for BAC to recommend deviations to the Accounting Officer. Records and recordings are kept of all meetings. Departments draft memorandums and table items at BEC for consideration and recommendation to the BAC. The BAC upon approval will recommend deviation to the Accounting –Officer.
36(1)(b)	Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a	Accounting Officer		YES	Done

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	technical nature.				
36(2)	Record the reasons for any deviations in terms of Regulations 36(1)(a) and (b); and Report them to the next meeting of the Council and include as a note to the annual financial statements.	Municipal Council	Accounting Officer	YES	Done
37(2)	Decide to consider an unsolicited bid but only if – (a) the product or service offered is a demonstrably or proven unique innovative concept; (b) the product or service will be exceptionally beneficially to, or have exceptional cost advantages for, the municipality; (c) the person who made the bid is the sole provider of the product or service; and (d) the reasons for not going through the normal bidding processes are found to be sound by the accounting officer.	Accounting Officer		NO	None
37(4)	Submit written comments received pursuant to Regulation 37(3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.	Accounting Officer		NO	None
37(5)	Consider and may award the bid or make recommendations to the accounting officer depending on the delegations to the adjudication committee.	Accounting Officer	Bid Adjudication Committee	YES	None
37(7)	When considering an unsolicited bid, take into account where considering an unsolicited bid –	Accounting Officer		NO	None

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	(i) any comments submitted by the public; and any written comments and recommendations of the National Treasury or the relevant provincial treasury.				
37(8)	Submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following any recommendations of the National Treasury or provincial treasury in regard to the unsolicited bid.	Accounting Officer	Senior Manager: Supply Chain Management	NO	None
38(1)(a)	Take all reasonable steps to prevent abuse of the supply chain management system.	Accounting Officer	Chief Financial Officer	YES	The National Treasury Code of Conduct has been circulated and communicated to municipal staff at various formal and informal meetings.
38(1)(b)	Investigate any allegations against an official or other role player of fraud, corruption, favoritism, unfair or irregular practices or failure to comply with the supply chain management policy, and when justified – (i) take appropriate steps against such official or other role player; or (ii) report any alleged criminal conduct to the South African Police Service.	Accounting Officer	Internal Audit	YES	None
38(1)(c)	Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector.	Accounting Officer	Senior Manager: Supply Chain Management	YES	The National Treasury website information of the List of Defaulters is currently used to verify.
38(1)(d)	Reject any bid from a bidder – (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any directors to the municipality are in arrears for	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place

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	<p>more than three months.</p> <p>(ii) who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory.</p>				
38(1)(e)	Reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract.	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place
38(1)(f)	<p>Cancel a contract awarded to a person if – the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or</p> <p>(i) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person.</p>	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place
38(1)(g)	<p>Reject the bid of any bidder if that bidder or any of its directors –</p> <p>(i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;</p> <p>(ii) has been convicted for fraud or corruption during the last five years;</p> <p>(iii) has willfully neglected or reneged on or failed to comply with any government, municipal or</p>	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place

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	<p>other public sector contract during the past five years; or</p> <p>(iv) has been listed in the Register for Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).</p>				
38(2)	Inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of Regulation 38(1)(b)(ii), (e)	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place
40(1)	The Supply chain policy must provide for an effective system of disposal management for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14&90 of MFMA	Municipal Council	Chief Financial Officer	YES	Delegations are in place
40(2) a	<p>A Supply Chain management policy must specify the ways in which assets may be disposed of, including by –</p> <p>(i) Transferring the asset to another organ of state in terms of a provision of the MFMA enabling the transfer of assets</p> <p>(ii) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge</p> <p>(iii) Selling the asset</p> <p>(iv) Destroying the asset</p>	Municipal Council	Chief Financial Officer	YES	As per delegations
40(2) (b)	Stipulate that –	Municipal Council		YES	Not Applicable

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	Immoveable property may be sold only at market related prices except when public interest or the plight of the poor demands otherwise				
40(2)(b)(ii)	Movable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous to the municipality	Accounting Officer	Chief Financial Officer	YES	As per delegations
40(2)(b)(iii)	In the case of the free disposal of computer equipment, the Provincial Department of Education must first be approached to indicate within 30 days whether any of the local schools are interested in the equipment.	Accounting Officer	Chief Financial Officer	N/A	Not Applicable
40(2)(b)(iv)	In the case of the disposal of firearms, the National Conventional Arms Control Committee has approved any sale or donation of firearms to any person or institution within or outside the Republic	Accounting Officer		N/A	Not Applicable
40(2)(c)(ii)	All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed	Municipal Council		YES	Not Applicable
40(2)(d)	Ensure that where assets are traded in for other assets, the highest possible trade-in is negotiated	Municipal Council		N/A	None
40(2)(b)(iii)	In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.			N/A	Not Applicable
41(1)	A Supply chain management policy must provide for	Accounting Officer	Internal Audit	YES	Busy implementing a system for risk

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	an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system				management
42	Establish and implement an internal monitoring system in order to determine, on a retrospective analysis, whether the authorized supply chain management processes were followed and whether the objectives of this policy were achieved.	Accounting Officer	Chief Financial Officer	YES	Implemented a system for performance management in SCM
43(2)	Check with SARS whether a person's tax matters are in order before making an award to such person.	Municipal Council	Senior Manager: Supply Chain Management	YES	The Tax Clearance of vendors registered on the Central Supplier Database are checked before any awards are made.
45	Disclose in the notes to the annual financial statements of the municipality particulars of any award of more than R2,000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including – (a) the name of that person; (b) the capacity in which that person is in the service of the state; and (c) the amount of the award.	Municipal Council	Chief Financial Officer	YES	This information gets disclosed within financial statements of the municipality.
46(3)(a)	Keep a register of all declarations in terms of Regulation 46(2)(d) and (e).	Accounting Officer	Senior Manager: Supply Chain Management	YES	SCM keep record of it.
46(3)(b)	Declarations must be made to the mayor of the municipality who must ensure that such declarations are recorded in the register.	Accounting Officer	Chief Financial Officer	YES	Declarations are kept at SCM section and hard copy on file.

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46(4)	Adopt the National Treasury's code of conduct and Schedule 2 of the Systems Act for supply chain management practitioners and other role players involved in supply chain management.	Accounting Officer	Senior Manager: Supply Chain Management Council's Speaker	YES	Code of conduct are circulated annually to all officials
47(2)	Report any alleged contravention of Regulation 47(1) to the National Treasury for considering whether the offending person, and any representative or intermediate through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.	Accounting Officer	Chief Financial Officer	YES	Not Applicable
48	Disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted to the municipality whether directly or through a representative or intermediate, by any person who is – (a) a provider or prospective provider of goods or services to the municipality; or (b) a recipient or prospective recipient of goods disposed or to be disposed, of by the municipality.	Accounting Officer	Senior Manager: Supply Chain Management	YES	None.
49	Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.	Accounting Officer		YES	Have an administrative process in place.
50(1)	Appoint an independent and impartial person to assist in the resolution of disputes between the municipality and other persons and to deal with objections, complaints or queries as described more fully in Regulation 49.	Accounting Officer		YES	Done.
50(1)(a)	Responsible to assist the person appointed in terms	Accounting Officer		YES	Done

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	of Regulation 50(1) to perform his or her functions effectively.				
50(4)(b)	Appointed must submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.	Accounting Officer		YES	The appointed official is responsible for the submission of the monthly report to the Municipal Manager.
51	Service provider that acts on behalf of municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to service provider, contract must stipulate a cap on compensation payable to the service provider; that such compensation must be performance based.	Accounting Officer		YES	Done

6.3	OVERSIGHT ROLE OF COUNCIL: SUPPLY CHAIN MANAGEMENT POLICY-REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY OF STELLENBOSCH MUNICIPALITY: ANNUAL IMPLEMENTATION REPORT (01 JULY 2022 - 30 JUNE 2023)
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Collaborator No: 752647
 IDP KPA Ref No: Good Governance and Compliance
 Meeting Date: 19 July 2023

1. SUBJECT: OVERSIGHT ROLE OF COUNCIL: SUPPLY CHAIN MANAGEMENT POLICY-REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY OF STELLENBOSCH MUNICIPALITY: ANNUAL IMPLEMENTATION REPORT (01 JULY 2022 - 30 JUNE 2023)

2. PURPOSE

To submit to Management a report for the period 01 July 2022 - 30 June 2023 on the implementation of Council's Supply Chain Management Policy. The report covers the performance of the various delegated functions and the implementation thereof.

3. FOR DECISION BY MUNICIPAL COUNCIL

Section 6 (2) (i) & 4 of the SCM Policy 2022/2023 determines that the Accounting Officer must, within 30 days of the end of each financial year; submit a report on the implementation of the SCM Policy to the Executive Mayor. This report must be made public in accordance with section 21A of the Municipal Systems Act (32 of 2000).

4. EXECUTIVE SUMMARY

Within 30 days of the end of each financial year the Accounting Officer must submit a report on the implementation of the Supply Chain Management Policy to the Executive Mayor. In terms of the SCM Regulations and Council's SCM Policy the SCM unit has been delegated to perform powers and functions that related to the procurement of goods and services, disposal of goods no longer needed, the selection of contractors to provide assistance in the provision of municipal services.

5. RECOMMENDATIONS

- (a) that Council approves report and **ANNEXURE A** attached to the report, and
- (b) that the report be made public in accordance with section 21A of the Municipal Systems Act.

6. DISCUSSION/CONTENTS

6.1 Background

SCM must report within 30 days of the end of each financial year on the implementation of the SCM System.

6.2 Constitutional and Policy Implications

Paragraph 2(1) of Council's SCM Policy determines that all officials and other role players in the supply chain management system of the Stellenbosch Municipality must implement the SCM Policy in a way that gives effect to section 217 of the Constitution and Part 1 of Chapter 11 of the Municipal Finance Management Act (56 of 2003) and other applicable provisions of the Act; is fair, equitable, transparent, competitive and cost-effective; complies with the Regulations and any norms and standards that may be prescribed in terms of section 168 of the MFMA; is consistent with other applicable legislation; does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.

Paragraph 6(1) of the Supply Chain Management Policy of Council determines that the Council of Stellenbosch municipality reserves the right to maintain oversight over the implementation of the SCM Policy as approved and amended from time to time. Paragraph 6 (2) (i) of the above stated Policy determines that the Accounting Officer must within 30 days of the end of each financial year; submit a report on the implementation of the SCM Policy to the Executive Mayor.

6.3 Environmental implications

None.

6.4 Financial Implications

The financial implications are the transactions for the procurement of goods and services that were processed during the 01 July 2022 - 30 June 2023 and the payments that will derive from these commitments.

6.5 Legal Implications

The Municipal Finance Management Act (section 112) stipulates that the SCM Policy should comply with a prescribed framework as set out in section 112(1) and section 112(2) that stipulates that the regulatory framework for the municipal supply chain management must be fair, equitable, transparent, competitive and cost-effective. Reporting back in terms of paragraph 6 (2) (i) of the SCM Policy 2022/2023 to the Executive Mayor and Council on the implementation of the supply chain management system and processes enables the Executive Mayor and Council to maintain the oversight role over the implementation of the SCM Policy as approved by Council.

6.6 Staff Implications

None.

6.7 Previous / Relevant Council Resolutions

None.

APPENDICES

ANNEXURE A: Report for the period 01 July 2022 - 30 June 2023 on the Implementation of Council's Supply Chain Management Policy

FOR FURTHER DETAILS CONTACT:

NAME	<i>Kevin Carolus</i>
CONTACT NUMBERS	<i>021 808 8528</i>
E-MAIL ADDRESS	<i>Kevin.Carolus@stellenbosch.gov.za</i>
DIRECTORATE	<i>Financial Services</i>
REPORT DATE	

ANNEXURE A

STELLENBOSCH MUNICIPALITY

IMPLEMENTATION OF SYSTEM – SUPPLY CHAIN MANAGEMENT

**SECTION 6 (2)(a)(i) OF SCM REGULATIONS:
OVERSIGHT ROLE OF COUNCIL OVER THE IMPLEMENTATION OF SCM POLICY**

PERIOD: 01 JULY 2022 – 30 JUNE 2023

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE- MENTED	COMMENTS
3(1)(a)	Prepare and submit a draft supply chain management policy complying with regulation 2 to the council of the municipality for adoption.	Accounting Officer	Chief Financial Officer	YES	Done
3(1)(b)	Review at least annually the implementation of the policy.	Accounting Officer	Chief Financial Officer	YES	Done
3(1)(c)	Submit when considered necessary, proposals for amendment of the policy by the Council.	Accounting Officer	Chief Financial Officer	YES	The SCM Policy was sent for amendment in December 2022 to accommodate changes brought forth from the new PPR 2022.
3(2)(a)	Make use of any Treasury guidelines determining standards for municipal supply chain management policies and submit to the council that guidelines standard or modified version therefore, as a draft policy.	Accounting Officer	Chief Financial Officer	YES	All NT guidelines are included in standard documents and the municipalities SCM policy is aligned with the Model SCM policy of NT.
3(2)(b)	Ensure that a draft policy submitted to council that differs from the guideline standard complies with Regulation 2.	Accounting Officer	Chief Financial Officer	YES	Not Applicable
3(1)(c)	Report any deviation from the guideline standard to the National Treasury and relevant provincial treasury	Accounting Officer	Chief Financial Officer	YES	Not Applicable
3(4)	Must, in terms of section 62(1)(f) ((iv) take all reasonable steps to ensure that the municipality has and implements a supply chain management policy as set out in Regulation 2	Accounting Officer	Chief Financial Officer	YES	Done

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
5(2)(a)	Make a final award above R10 million (VAT included).	Accounting Officer (after considering recommendation of Bid Adjudication Committee)		YES	In financial year 2022/20203, there were sixteen (16) final awards above R10 million.
5(2)(b)	Make a final award above R200 000(VAT included), but not exceeding R10 million (VAT included).	Accounting Officer	Bid Adjudication Committee	YES	In financial year 2022/20203, there were thirty (30) final awards above R200 000 but not exceeding R10 million.
5(2)(c)	Make a final award not exceeding R200 000(VAT included) including the appointment of consultants	Accounting Officer	CFO and Senior Manager - SCM and Senior Accountants	YES	Operational Delegations are in place with clear segregation of duties as stipulated in MFMA section 115 (b)
5(3)	Submit to the officials referred to in regulation 5(4) within five days of the end of each month a written report containing particulars of each final award, except procurements made out of petty cash, made during that month, including – (a) the amount of the award; (b) the name of the person to whom the award was made; (c) the reason why the award was made to that person; and (d) the BEE/HDI status of that entity/person.	Bid Adjudication Committee (refer regulation 5(4)(a) Chief Financial Officer – 5(4)(b)	Chief Financial Officer Senior Manager SCM	YES	The awards made were submitted on the following dates within this financial year: 03 August 2022 03 September 2022 03 October 2022 03 November 2022 02 December 2022 03 January 2023 03 February 2023 03 March 2023 03 April 2023 03 May 2023 03 June 2023 03 July 2023
6(1)	Maintain oversight over the implementation of the supply chain management policy	Municipal Council		YES	The Supply Chain Management policy has been submitted to council in the last quarter of the previous financial

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
					year as part of the Budget Related policies. Also sent for Amendment in December 2022.
6(2)(a)(i)	Submit a report to council within 30 days of the end of each financial year on the implementation of the supply chain management policy of the municipality.	Accounting Officer		YES	Done
6(2)(a)	Immediately submit a report to council whenever there are serious and material; problems in the implementation of the supply chain management policy, including such a report from any municipal entity as envisaged by this Regulation 6(2)(a)(iii)	Accounting Officer		N/A	To date no serious or material problems occurred in implementing the SCM policy.
6(3)	Submit a report to the mayor of the municipality within ten days of each quarter on the implementation of the supply chain management policy.	Accounting Officer	Chief Financial Officer	YES	Done.
7(1)	Establish a supply chain management unit.	Accounting Officer	Chief Financial Officer	YES	Unit operates under direct supervision of CFO
12(1)	<u>Direct that:</u> a) cash purchases up to transaction value as defined I Council's Petty Cash policy b) one verbal quotation be obtained for any specified procurement of a transaction value lower than R2,000 (VAT included); c) written or verbal quotations for procurement of goods and/or services of a transaction value between R 2, 000.00 and R 10 000.00 (VAT included) d) formal written price quotations for procurement of goods and/or services of a transaction value between R 10,000.00 and R 200,000.00	Accounting Officer	Operational delegations in place	YES	The SCM unit is responsible for procurement within these thresholds. Delegations approved and signed by the relevant officials.

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	e) a competitive bidding process be followed for any specific procurement of a transaction value higher than R200 000.				
12(2)(a)	Allow the Accounting Officer to lower, but not to increase, the different threshold values specified in sub regulation(1).	Accounting Officer	Chief Financial Officer	YES	Delegated officials act within delegated thresholds.
14(1)(a)(ii)	Invite prospective providers of goods and services at least once a year through newspaper commonly circulating locally, the website of the municipality	Accounting Officer	Senior : Manager SCM	YES	Done
14(1)(b)	Specify the listing criteria for accredited prospective providers.	Accounting Officer	Chief Financial Officer	YES	Listing criteria is contained within the registration form.
14(1)(c)	Disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.	Accounting Officer		YES	SCM consult National Treasury's database of defaulters before awarding of tenders and quotations
14(2)	Update the list of prospective providers at least quarterly to include any additional prospective providers and any new commodities or types of services.	Municipal Council	Chief Financial Officer	YES	Done
15	Requesting reconciliation's on petty cash purchases on a monthly basis.	Chief Financial Officer	Manager: Expenditure section	YES	Done
16(c)	If it is not possible to obtain at least three written quotations, record and report quarterly to the accounting officer, or another official designated by the accounting officer, the reasons for this.	Accounting Officer	Chief Financial Officer	YES	Reports were submitted on the following dates within this financial year: 03 August 2022 03 September 2022 03 October 2022 03 November 2022 02 December 2022

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
					03 January 2023 03 February 2023 03 March 2023 03 April 2023 03 May 2023 03 June 2023 03 July 2023
16(e)	Record the name of potential providers requested to provide written quotation with their quoted prices.	Accounting Officer	Chief Financial Officer	YES	Reports were submitted on the following dates within this financial year: 03 August 2022 03 September 2022 03 October 2022 03 November 2022 02 December 2022 03 January 2023 03 February 2023 03 March 2023 03 April 2023 03 May 2023 03 June 2023 03 July 2023
17(1)(c)	Approve the recorded reasons for not obtaining at least three written price quotations.	Chief Financial Officer	Senior Manager SCM & CFO: below R200,000 Accountants: Acquisitions, Contracts and SCM: Accountant Demand and Chief Buyer: below R200,000	YES	
17(1)(d)	Record the names of the potential formal written price quotation providers and their written quotations.	Accounting Officer	Senior Manager: Supply Chain Management	YES	
17(2)	Report to the CFO within three days at the end of the month on any approvals given during that month by that the designed official referred to in sub-regulation (1) (c).	Chief Financial Officer	Senior Manager: Supply Chain Management	YES	

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
18 (a)	All requirements in excess of R30,000 (VAT included) by means of formal written price quotations should be advertised for at least 7 days on the website and municipal official website.	Chief Financial Officer	Senior Manager: Supply Chain Management	YES	Done
18 (b)	When using the list of accredited prospective providers, it should promote ongoing competition amongst providers by inviting providers to submit quotations on a rotational basis.	Chief Financial Officer	Senior Manager: Supply Chain Management	YES	Done
18(c)	Must take all reasonable steps to ensure that the procurement of goods and services through written quotations or formal written price quotations is not abused.	Accounting Officer	Chief Financial Officer	YES	Quotations and Formal written quotations are placed on the website and only opened on the closing date and time and mitigate the risks during the calling for quotations.
18(d)	Notify the Accounting Officer or CFO in writing on a monthly basis of all written quotations and formal written price quotations accepted by the official acting in terms of a sub-delegation	Chief Financial Officer	Senior Manager: Supply Chain Management	YES	Reports were submitted on the following dates within this financial year: 03 August 2022 03 September 2022 03 October 2022 03 November 2022 02 December 2022 03 January 2023 03 February 2023 03 March 2023 03 April 2023 03 May 2023 03 June 2023 03 July 2023
22 (b) (i)	The publication notice must contain the closure date	Accounting Officer	Bid Specifications Committee	YES	For financial year 2022/2023, one-

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	for the submission of bids, which may not be less than 3 weeks in case of transactions over R10m (VAT included), or which are of long term nature, or 14 days in any other case, from date on which the advertisement is placed in a newspaper.				hundred-and-fifty-one (151) tenders specifications served before the Bid Specifications committee.
22(2)	The Accounting Officer may determine the closure date for the submission of bids which is less than the 30 days or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process	Accounting Officer		YES	None
23(a) (i)(ii)	The handling, opening and recording of bids should be (i) be opened in public (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired;	Accounting Officer	Senior Manager: Supply Chain Management	YES	Done
23 (c)	(ii) make the register available for public inspection (iii) publish the entries in the register and the bid results on the website of the municipality	Accounting Officer	Senior Manager: Supply Chain Management	YES	Done
24(1)	Negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation – (a) does not allow any preferred bidder a second or unfair opportunity; (b) is not to the detriment of any other bidder; and (c) does not lead to a higher price than the bid	Accounting Officer	Relevant user department Head of Department or Director	YES	Provision for the signing of a Form of Tender/Service Level Agreement with successful vendors is being made in the tender documents

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	submitted. Minutes of such negotiations must be kept.				
26(1)(b)	Appoint the members of the bid specification, evaluation and adjudication committees, taking into account Section 117 of the MFMA.	Accounting Officer		YES	Done
26(1)(c)	Appoint a neutral or independent observer to a bid specification, evaluation or adjudication committee for an attendance and oversight process when this is appropriate for ensuring fairness and promoting transparency.	Accounting Officer		N/A	Not Applicable
26(3)	Apply the committee system to formal written price quotations.	Accounting Officer		N/A	Committee system is applied for goods/services above R200 000
27(1)	Compile specifications for the procurement of goods and services by the municipality.	Accounting Officer	Bid Specifications Committee, upon advice of the relevant user department	YES	The Director signs for items to serve on Specification committee.
27(2)(g)	Approve specifications compiled by the bid specification committee prior to publication of the invitation for bids.	Accounting Officer	Bid Specifications Committee, upon advice of the relevant user department	YES	The specifications are accompanied with a questionnaire that the relevant department must complete. Meetings are held according to pre-determined schedule.
28(1)(a)	Evaluate bids in accordance with – (i) the specifications for a specific procurement ; and (ii) the points system as must be set out in the supply chain management policy of the municipality in terms of Regulation 27(2)(f) and a prescribed in terms of the Preferential Procurement Policy Framework Act.	Accounting Officer	Bid Evaluation Committee upon advice of the relevant user department.	YES	Have regular BEC scheduled meetings.
28(1)(b)	Evaluate each bidder's ability to execute the contract.	Accounting Officer	Bid Evaluation Committee, upon advice from SCM	YES	Currently part of the Standard Evaluation Report
28(1)(c)	Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears.	Accounting Officer	Bid Evaluation Committee	YES	Has a screening list that has to be completed

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
28(1)(d)	Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.	Bid Evaluation Committee		YES	Currently part of the Standard Evaluation Report
29(1)(a)	Consider the report and recommendations of the bid evaluation committee where the award value exceeds R200 000 (VAT incl.) and make the award up to value of R10m (as per delegated authority)	Accounting Officer	Bid Adjudication Committee	YES	In financial year 2022/2023 there were forty-six (46) BAC meetings
29(1)(b)(i)	For bids above R10 million, the SCM BAC will make recommendation to the Municipal Manager to make the final award.	Accounting Officer		YES	In financial year 2022/2023 there were sixteen (16) final awards above R10 million.
29(1)(b)(ii)	Make another recommendation to the accounting officer on how to proceed with the relevant procurement.	Accounting Officer		YES	None.
29(3)	Appoint the chairperson of the bid adjudication committee.	Accounting Officer		YES	Delegations given is kept for record purposes
29(5)(a)	If a bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid – (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and (ii) notify the accounting officer.	Bid Adjudication Committee		YES	None

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
29(5)(b)	<p>(i) After due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in Regulation 29(5)(a); and</p> <p>(ii) If the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.</p>	Accounting Officer		YES	None
29(6)	Refer any recommendation made by the evaluation committee or adjudication committee back to that committee for reconsideration of the recommendation.	Accounting Officer		YES	One (1) tender was referred back to the BEC in this financial year
29(7)	Comply with Section 114 of the MFMA within ten working days.	Accounting Officer		YES	Not applicable
31(1)	Request the State Information Technology Agency (SITA) to assist the municipality with the acquisition of IT related goods or services through a competitive bidding process.	Accounting Officer	Bid Adjudication Committee	YES	Not Applicable
31(2)	Enter into a written agreement to regulate the services rendered by, and the payments made to, SITA.	Accounting Officer		YES	Not Applicable
31(3)	<p>Notify SITA together with a motivation of the IT needs of the municipality if –</p> <p>(a) the transaction value of IT related goods or services required by the municipality in any financial year will exceed R50 million (VAT incl); or</p> <p>(b) the transaction value of a contract to be procured by the municipality whether for one</p>	Accounting Officer		YES	Not Applicable

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	or more years exceeds R50 million.				
31(4)	Submit to the Council, the National Treasury, the relevant provincial treasury and the Auditor General the SITA comments and the reasons for rejecting or not following such comments if the municipality disagrees with SITA's comments.	Accounting Officer	Senior Manager: Supply Chain Management	YES	Not Applicable
32(1)	To procure goods or services for the municipality under a contract secured by another organ of state, but only if – (a) the contract has been secured by that organ of state by means of a competitive bidding process applicable to that organ of state; (b) the municipality has no reason to believe that such contract was not validly procured; (c) there are demonstrable discounts or benefits for the municipality; and that other organ of state and the provider have consented to such procurement in writing.	Accounting Officer	Bid Adjudication Committee	YES	None
35(1)	Procure consulting services above the value of R200 000 (VAT incl.) provided that any Treasury guidelines in respect of consulting services or CIDB guidelines in respect of services related to the build environment and construction works are taken into account when such procurements are made.	Accounting Officer	Bid Adjudication Committee	YES	New tender has been advertised
35(4)	Ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.	Municipal Council	Relevant user Department	YES	Not Applicable

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE- MENTED	COMMENTS
36(1)(a)	<p>Dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –</p> <ul style="list-style-type: none"> (i) in an emergency; (ii) if such goods or services are produced or available from a single provider only; (iii) for the acquisition of special worker of art or historical objects where specifications are difficult to compile; (iv) acquisition of animals or zoos; or (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes (vi) any contract relating to the publication of notices and advertisements by or on behalf of the municipality (vii) any purchase on behalf of the municipality at a public auction (viii) any contract with an organ of state, local authority or a public utility corporation or company (ix) any contract in respect of which compliance therein would not be in the public interest or interest of Council (x) ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids (xi) workshop strip & quote 	Accounting Officer	BAC considers deviations and recommend to the Accounting Officer.	YES	Delegations are in place for BAC to recommend deviations to the Accounting Officer. Records and recordings are kept of all meetings. Departments draft memorandums and table items at BEC for consideration and recommendation to the BAC. The BAC upon approval will recommend deviation to the Accounting –Officer.
36(1)(b)	Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a	Accounting Officer		YES	Done

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	technical nature.				
36(2)	Record the reasons for any deviations in terms of Regulations 36(1)(a) and (b); and Report them to the next meeting of the Council and include as a note to the annual financial statements.	Municipal Council	Accounting Officer	YES	Done
37(2)	Decide to consider an unsolicited bid but only if – (a) the product or service offered is a demonstrably or proven unique innovative concept; (b) the product or service will be exceptionally beneficially to, or have exceptional cost advantages for, the municipality; (c) the person who made the bid is the sole provider of the product or service; and (d) the reasons for not going through the normal bidding processes are found to be sound by the accounting officer.	Accounting Officer		NO	None
37(4)	Submit written comments received pursuant to Regulation 37(3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.	Accounting Officer		NO	None
37(5)	Consider and may award the bid or make recommendations to the accounting officer depending on the delegations to the adjudication committee.	Accounting Officer	Bid Adjudication Committee	YES	None
37(7)	When considering an unsolicited bid, take into account where considering an unsolicited bid –	Accounting Officer		NO	None

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	(i) any comments submitted by the public; and any written comments and recommendations of the National Treasury or the relevant provincial treasury.				
37(8)	Submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following any recommendations of the National Treasury or provincial treasury in regard to the unsolicited bid.	Accounting Officer	Senior Manager: Supply Chain Management	NO	None
38(1)(a)	Take all reasonable steps to prevent abuse of the supply chain management system.	Accounting Officer	Chief Financial Officer	YES	The National Treasury Code of Conduct has been circulated and communicated to municipal staff at various formal and informal meetings.
38(1)(b)	Investigate any allegations against an official or other role player of fraud, corruption, favoritism, unfair or irregular practices or failure to comply with the supply chain management policy, and when justified – (i) take appropriate steps against such official or other role player; or (ii) report any alleged criminal conduct to the South African Police Service.	Accounting Officer	Internal Audit	YES	None
38(1)(c)	Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector.	Accounting Officer	Senior Manager: Supply Chain Management	YES	The National Treasury website information of the List of Defaulters is currently used to verify.
38(1)(d)	Reject any bid from a bidder – (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any directors to the municipality are in arrears for	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	<p>more than three months.</p> <p>(ii) who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory.</p>				
38(1)(e)	Reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract.	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place
38(1)(f)	<p>Cancel a contract awarded to a person if – the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or</p> <p>(i) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person.</p>	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place
38(1)(g)	<p>Reject the bid of any bidder if that bidder or any of its directors –</p> <p>(i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;</p> <p>(ii) has been convicted for fraud or corruption during the last five years;</p> <p>(iii) has willfully neglected or reneged on or failed to comply with any government, municipal or</p>	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	<p>other public sector contract during the past five years; or</p> <p>(iv) has been listed in the Register for Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).</p>				
38(2)	Inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of Regulation 38(1)(b)(ii), (e)	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place
40(1)	The Supply chain policy must provide for an effective system of disposal management for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14&90 of MFMA	Municipal Council	Chief Financial Officer	YES	Delegations are in place
40(2) a	<p>A Supply Chain management policy must specify the ways in which assets may be disposed of, including by –</p> <p>(i) Transferring the asset to another organ of state in terms of a provision of the MFMA enabling the transfer of assets</p> <p>(ii) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge</p> <p>(iii) Selling the asset</p> <p>(iv) Destroying the asset</p>	Municipal Council	Chief Financial Officer	YES	As per delegations
40(2) (b)	Stipulate that –	Municipal Council		YES	Not Applicable

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	Immoveable property may be sold only at market related prices except when public interest or the plight of the poor demands otherwise				
40(2)(b)(ii)	Movable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous to the municipality	Accounting Officer	Chief Financial Officer	YES	As per delegations
40(2)(b)(iii)	In the case of the free disposal of computer equipment, the Provincial Department of Education must first be approached to indicate within 30 days whether any of the local schools are interested in the equipment.	Accounting Officer	Chief Financial Officer	N/A	Not Applicable
40(2)(b)(iv)	In the case of the disposal of firearms, the National Conventional Arms Control Committee has approved any sale or donation of firearms to any person or institution within or outside the Republic	Accounting Officer		N/A	Not Applicable
40(2)(c)(ii)	All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed	Municipal Council		YES	Not Applicable
40(2)(d)	Ensure that where assets are traded in for other assets, the highest possible trade-in is negotiated	Municipal Council		N/A	None
40(2)(b)(iii)	In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.			N/A	Not Applicable
41(1)	A Supply chain management policy must provide for	Accounting Officer	Internal Audit	YES	Busy implementing a system for risk

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system				management
42	Establish and implement an internal monitoring system in order to determine, on a retrospective analysis, whether the authorized supply chain management processes were followed and whether the objectives of this policy were achieved.	Accounting Officer	Chief Financial Officer	YES	Implemented a system for performance management in SCM
43(2)	Check with SARS whether a person's tax matters are in order before making an award to such person.	Municipal Council	Senior Manager: Supply Chain Management	YES	The Tax Clearance of vendors registered on the Central Supplier Database are checked before awards are made.
45	Disclose in the notes to the annual financial statements of the municipality particulars of any award of more than R2,000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including – (a) the name of that person; (b) the capacity in which that person is in the service of the state; and (c) the amount of the award.	Municipal Council	Chief Financial Officer	YES	This information gets disclosed within financial statements of the municipality.
46(3)(a)	Keep a register of all declarations in terms of Regulation 46(2)(d) and (e).	Accounting Officer	Senior Manager: Supply Chain Management	YES	SCM keep record of it.
46(3)(b)	Declarations must be made to the mayor of the municipality who must ensure that such declarations are recorded in the register.	Accounting Officer	Chief Financial Officer	YES	Declarations are kept at SCM section and hard copy on file.

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
46(4)	Adopt the National Treasury's code of conduct and Schedule 2 of the Systems Act for supply chain management practitioners and other role players involved in supply chain management.	Accounting Officer	Senior Manager: Supply Chain Management Council's Speaker	YES	Code of conduct are circulated annually to all officials
47(2)	Report any alleged contravention of Regulation 47(1) to the National Treasury for considering whether the offending person, and any representative or intermediate through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.	Accounting Officer	Chief Financial Officer	YES	Not Applicable
48	Disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted to the municipality whether directly or through a representative or intermediate, by any person who is – (a) a provider or prospective provider of goods or services to the municipality; or (b) a recipient or prospective recipient of goods disposed or to be disposed, of by the municipality.	Accounting Officer	Senior Manager: Supply Chain Management	YES	None.
49	Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.	Accounting Officer		YES	Have an administrative process in place.
50(1)	Appoint an independent and impartial person to assist in the resolution of disputes between the municipality and other persons and to deal with objections, complaints or queries as described more fully in Regulation 49.	Accounting Officer		YES	Done.
50(1)(a)	Responsible to assist the person appointed in terms	Accounting Officer		YES	Done

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	of Regulation 50(1) to perform his or her functions effectively.				
50(4)(b)	Appointed must submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.	Accounting Officer		YES	The appointed official is responsible for the submission of the monthly report to the Municipal Manager.
51	Service provider that acts on behalf of municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to service provider, contract must stipulate a cap on compensation payable to the service provider; that such compensation must be performance based.	Accounting Officer		YES	Done

6.4	MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR NOVEMBER 2022
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Collaborator No: 752649
 IDP KPA Ref No: Good Governance and Compliance
 Meeting Date: 19 July 2023

1. SUBJECT: MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR NOVEMBER 2022

2. PURPOSE

To comply with Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy 2022/2023 to report the deviations to Council.

3. DELEGATED AUTHORITY

Council

FOR NOTING.

4. EXECUTIVE SUMMARY

Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy (2022/2023) stipulate that SCM deviations be reported to Council. In compliance thereto, this report presents to Council the SCM deviations that occurred during November 2022.

5. RECOMMENDATION

that Council notes the deviations as listed for the month of November 2022.

6. DISCUSSION / CONTENTS

6.1 Background/Legislative Framework

The regulation applicable is as follows:

GNR.868 of 30 May 2005: Municipal Supply Chain Management Regulations

Deviation from and ratification of minor breaches of, procurement processes

36. (1) A supply chain management policy may allow the accounting officer—

(a) To **dispense with the official procurement processes** established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only—

(i) in an emergency;

(ii) if such goods or services are produced or available from a single provider only;

(iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;

(iv) acquisition of animals for zoos; or

(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and

(b) to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) The accounting officer must record the reasons for any deviations in terms of sub regulation (1) (a) and (b) and **report them to the next meeting of the council**, or board of directors in the case of a municipal entity and include as a note to the annual financial statements.

6.2 Discussion

Reporting the deviations as approved by the Accounting Officer for November 2022:

The following deviations were approved with the reasons as indicated below:

DEVIATION NUMBER	CONTRACT DATE	NAME OF CONTRACTOR	CONTRACT DESCRIPTION	REASON	SUBSTANTIATION WHY SCM PROCESS COULD NOT BE FOLLOWED	TOTAL CONTRACT PRICE R
D/SM 06/23	01 November 2022	Gibb Environmental (Pty) Ltd	To procure the services of an environmental assessment practitioner to obtain a waste management licence for the expansion for the Stellenbosch landfill	Exceptional case and it is impractical or impossible to follow the official procurement processes	The Stellenbosch Municipality is mandated by law to provide waste disposal of all collected waste. Waste disposal must be at a legally compliant facility. Stellenbosch Municipality operates the Stellenbosch Landfill in accordance with Permit (16/2/7/G203/D16/Z1/P33 1) issued by then Department of Water Affairs and Forestry (DWAF) requirements and the National Environmental Management: Waste Act (Act 59 of 2008), and various amendments issued by the Provincial Department of Environment and Development Planning (DEADP). This facility is now almost full and there is nowhere legally acceptable for the waste from the Stellenbosch Municipal area to be disposed of within Stellenbosch. The only viable alternative at present is to send Stellenbosch Municipality waste to a private facility, Vissershok Waste Management Facility	<u>R113 338.00 (Incl. Vat)</u>

					<p>(VHWMF) situated in Cape Town. The Municipality has embarked on a process to further expand its landfill. The Municipality must obtain environmental authorisation before construction can commence. Gibb (Pty) Ltd was appointed in June 2019 to do a Basic Assessment process to obtain a WML. In April 2021, the DEADP advised the Municipality to follow a shorten process of a WML variation process. The scope of works for Gibb (Pty) Ltd was changed based on the advice received from the DEADP. Gibb (Pty) Ltd submitted a WML variation application in October 2021 and anticipated a varied WML in August 2022. The DEADP sent a letter in August 2022 informing the Municipality that its WML variation application has been rejected and closed. The DEADP required the Municipality to follow a Basic Assessment and this decision contradicts the advice received from the DEADP in April 2021. The DEADP requires the Municipality to restart the WML application process. Gibb (Pty) Ltd has started with the WML application process in 2019 and has all the necessary information and background knowledge to restart the process. A new service provider will require time to gather all the information that was compiled by Gibb (Pty) Ltd which will result in time delays and possible additional cost. Gibb (Pty) Ltd now known as "Gibb Environmental (Pty) Ltd" is familiar with the project and will require less time</p>	
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					to compile this new information. The Municipality require this process to be completed timeously so that the Municipality can commence with construction of its new landfill cell. The new cell will intern save the Municipality with cost of hauling and disposing of its waste at VHWMF and makes this deviation urgent. For this reason, it is impractical to follow the official procurement process to procure the services of Gibb Environmental (Pty) Ltd.	
D/SM 07/23	17 November 2022	SADRA	Appointment of Southern African Development and Reconstruction agency (SADRA)	Exceptional case and it is impractical or impossible to follow the official procurement processes	An eviction order was granted to the then owner of Watergang Farm on 13 Dember 2018 against illegal occupiers on Farm 182 and Portions 1 and 5 of Farm 183, Stellenbosch (Watergang Farm) for the illegal occupiers to be evicted on 3 January 2023. The eviction order was not implemented. The illegal occupiers requested the court for leave to appeal. The Municipality obtained the eviction order when the land was purchased from Mr Smit in October 2019. During July 2022 the municipality brought a section 18 Application to request the court to decide on the request for leave to appeal as the Applicants did not take the matter forward. The court in September 2022 made a final determination not to grant leave to appeal. The Municipality can now unhindered give effect to this eviction order as soon as possible as the property is under constant threat of further invasion. Given the urgency of this matter, the Municipality wishes to commence with putting	<u>R312,000.00 (Incl. Vat)</u>

					<p>measures place from 25 November 2022 to mitigate amongst others the risk of possible new occupiers settling on Watergang Farm. It is envisaged that skilled and experienced mediator/s must be appointed to mediate the process between the Municipality and the Watergang community at large. In order to achieve the commencement date of the 25 November 2022, the normal procurement process of approval of specifications (BSC), advertising, evaluation of bids received (department and BEC) and approval by the BAC will take too long and an abbreviated and swift procurement process must be undertaken. The normal procurement timelines to appoint a service provider on a competitive bidding process is 77 days of which will only be concluded in the 2023 calendar year.</p> <p>This period will also span the festive season which is a prime period for illegal occupation of land in the Stellenbosch area. It is therefore imperative that a deviation from the normal procurement process is undertaken.</p> <p>Complexity of this matter is on a similar level as to the incidents that happened in May 2013 with the farmworkers in the De Doorns, Hexriver Valley area. This incident has shown that there is a particular knowledge, skills and experience required to mediate these complex situations peacefully. South African Development and Reconstruction Agency (SADRA) as specialist</p>	
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					mediators and negotiators in have the requisite knowledge, skills and experience to mediate a complex situation such as the situation that is playing out in Watergang Informal Settlements (WIS). It would therefore be impractical or impossible to follow the official procurement processes and not ensure the skills, knowledge and experience is obtained."
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6.3 Legal Implications

The regulation applicable is:

GNR.868 of 30 May 2005: Municipal Supply Chain Management Regulations: Deviations from and ratification of minor breaches of, procurement processes.

6.4 Staff Implications:

No staff implications

6.5 Previous / Relevant Council Resolutions:

None

6.6 Risk Implications

That the market may not be tested.

The measures in place to deal with deviations mitigate the risk to an acceptable level. The auditor general also audit the deviations during the yearly audit.

6.7 Comments from Senior Management:

The item was not circulated for comment except to Municipal Manager

6.7.1 Municipal Manager

Supports the recommendations.

FOR FURTHER DETAILS CONTACT:

NAME	Kevin Carolus
POSITION	CFO
DIRECTORATE	Finance
CONTACT NUMBERS	021 808 8528
E-MAIL ADDRESS	Kevin.Carolus@stellenbosch.gov.za
REPORT DATE	05 December 2022

6.5	MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR JUNE 2023
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Collaborator No: 752648
 IDP KPA Ref No: Good Governance and Compliance
 Meeting Date: 19 July 2023

1. SUBJECT: MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR JUNE 2023

2. PURPOSE

To comply with Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy 2022/2023 to report the deviations to Council.

3. DELEGATED AUTHORITY

Council

FOR NOTING.

4. EXECUTIVE SUMMARY

Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy (2022/2023) stipulate that SCM deviations be reported to Council. In compliance thereto, this report presents to Council the SCM deviations that occurred during June 2023.

5. RECOMMENDATION

that Council notes the deviations as listed for the month of June 2023.

6. DISCUSSION / CONTENTS

6.1 Background/Legislative Framework

The regulation applicable is as follows:

GNR.868 of 30 May 2005: Municipal Supply Chain Management Regulations

Deviation from and ratification of minor breaches of, procurement processes

36. (1) A supply chain management policy may **allow the accounting officer—**

(a) To **dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only—**

(i) in an emergency;

(ii) if such goods or services are produced or available from a single provider only;

(iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;

(iv) acquisition of animals for zoos; or

(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and

(b) to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) The accounting officer must record the reasons for any deviations in terms of sub regulation (1) (a) and (b) and **report them to the next meeting of the council**, or board of directors in the case of a municipal entity and include as a note to the annual financial statements.

6.2 Discussion

Reporting the deviations as approved by the Accounting Officer for June 2023:

The following deviations were approved with the reasons as indicated below:

DEVIATION NUMBER	CONTRACT DATE	NAME OF CONTRACTOR	CONTRACT DESCRIPTION	REASON	SUBSTANTIATION WHY SCM PROCESS COULD NOT BE FOLLOWED	TOTAL CONTRACT PRICE R
D/SM 13/23	2023/06/06	Adapt IT Holding limited	CaseWare Financial Reporting System	Exceptional case and it is impractical or impossible to follow the official procurement processes	Adapt IT holdings Ltd is the sole distributor of CaseWare software products in Africa. The municipality has used CaseWare as its financial reporting system since April 2010.	<u>R335 942,60</u> <u>(Inc. VAT)</u>
D/SM 14/23	2023/06/21	Resource Innovation Africa	Recyclable waste collection and processing of recyclable material at a licenced material recovery facility	Exceptional case and it is impractical or impossible to follow the official procurement processes	Tender BSM 12/21 for recyclable waste collection and processing of recyclable material at a licenced Materials Recovery Facility (MRF), was awarded to Resource Innovations until 30 June 2023. The tender entails the daily recycling collection and operation of the MRF where the collected recyclables are processed. A new tender to replace tender BSM 12/21, was prepared (BSM 64/23) but could not be advertised until such time the 3-year budget was finalized and budget availability could be confirmed. The budget has now been finalized and the tender was advertised with the closing date being the 10	<u>R 395 682,84</u> <u>Monthly Rate</u>

					July 2023. This has resulted that no service provider will be in place by 1 July 2023 when tender BSM 12/21 ends on 30 June 2023. This is an exceptional case, and it is impractical or impossible to follow the official procurement processes to have a service provider on site by 1 July 2023.	
D/SM15 /23	2023/06/30	Evolution Technology Group	Appointment of Evolution Technology Group (ETG) for printing services on a month-to-month basis	Exceptional case and it is impractical or impossible to follow the official procurement processes	This is a critical service to the Municipality and as such the Municipality cannot be without the printing service for any space of time. This deviation will ensure that there is no interruption in this critical service that supports the service delivery services within the Municipality. The Municipality appointed Evolution Technology Group (ETG) for printing services on a deviation on 1 December 2022 for a maximum period of 6 months whilst the municipality ensures it's participation on the RT3-2022 Transversal tender for printing services. The municipality decided to participate for a period longer than 3 years in the tender. Before than can be done the section 33 process in the MFMA must be followed including a contract that must be published with the information statement. The municipality went through the process of selecting a tenderer on the transversal tender and requested from the preferred bidder on the transversal tender a contract for the section 33 process. They have not been able to provide a acceptable contract and the period for the deviation that was entered	<u>R1 080 012.2</u> <u>2 (Incl. VAT)</u>

					into on 1 December 2022 has now lapsed. The municipality has now resolved not to proceed with a contract not exceeding three financial years. The service provider needs about 4 months to implement the printers we require (136 printers across the WC024). It will be impractical to go out on another tender process given that the transversal tender is in place, and we have followed all the processes to form part of the transversal tender.	
D/SM 16/23	2023/06/30	Fidelity ADT Security	Appointment of armed security	Exceptional case and it is impractical or impossible to follow the official procurement processes	Tender 14/21 Appointment of Private Armed Security Service for The Greater WC024, will lapse on 30 June 2023. Tender 85/23 is still in process and was by the BSC for approval on 15 June 2023. The reason for the deviation is to provide a critical and specialized service that the municipality does not have capacity to render therefore all municipal site, property and asset needs to be protected by using armed security service as from the 01 July 2023 until 31 October 2023.	R4 178 708,64
D/SM 17/23	2023/06/30	Red Ant Security	Appointment of the prevention and illegal occupation on municipal land and the demolition of illegal structures	Exceptional case and it is impractical or impossible to follow the official procurement processes	Tender BSM 94/20 The Prevention of Illegal Occupation on Municipal Land and The Demolition of Illegal Structures, will lapse on 30 June 2023. Tender 84/23 has been advertised, clarification meeting held, bids were received, and the technical report have been submitted for evaluation. The reason for the deviation is to provide services for the protection of municipal open land. The municipality does not have capacity to render this service therefore all	R2 904 613,70

					municipal open land, needs to be protected by using service provider as from the 01 July 2023 until 31 August 2023.	
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6.3 Legal Implications

The regulation applicable is:

GNR.868 of 30 May 2005: Municipal Supply Chain Management Regulations: Deviations from and ratification of minor breaches of, procurement processes.

6.4 Staff Implications:

No staff implications.

6.5 Previous / Relevant Council Resolutions:

None

6.6 Risk Implications

That the market may not be tested. The measures in place to deal with deviations mitigate the risk to an acceptable level. The auditor general also audit the deviations during the yearly audit.

6.7 Comments from Senior Management:

The item was not circulated for comment except to Municipal Manager

6.7.1 Municipal Manager

Supports the recommendations.

FOR FURTHER DETAILS CONTACT:

NAME	Kevin Carolus
POSITION	CFO
DIRECTORATE	Finance
CONTACT NUMBERS	021 808 8528
E-MAIL ADDRESS	Kevin.Carolus@stellenbosch.gov.za
REPORT DATE	05 June 2023

7.	CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: [ALD G VAN DEVENTER]
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7.1	PROTECTION SERVICES: (PC: CLLR R PHEIFFER)
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NONE

7.2	SPORTS, YOUTH AND CULTURE: [PC: CLLR JC ANTHONY]
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NONE

7.3	CORPORATE SERVICES: (PC: CLLR L NKAMISA)
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7.3.1	WORK FROM HOME POLICY
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

19 July 2023

1. SUBJECT: WORK FROM HOME POLICY

2. PURPOSE

To request approval of the Work from Home Policy after consultation with the Labour Unions.

3. DELEGATED AUTHORITY

The delegated authority for approval of policies is Council.

4. EXECUTIVE SUMMARY

The Work from Home Policy was initially at the Local Labour Forum who in turn referred the policy to the Human Resources Development Sub-Committee for consultation. The policy was devised during 2020/2021 as a method of minimising COVID-19 exposure within the workplace by allowing staff to work from home. However, with the latest developments in terms of COVID-19 the need for the policy decreased and the Employer did not want to proceed with the implementation of the policy based on Covid requirements.

Management however believes that although Covid does not require the policy anymore it can be used as an alternative manner to do business. The policy is now being submitted with the inputs from the respective parties after consultation in the LLF and sub-committee.

5. RECOMMENDATION

(a) that the consultations with the unions be noted; and

(b) that the Policy be approved by council.

6. DISCUSSION / CONTENTS

6.1 Background and discussions

The draft Work from Home Policy was discussed at the Human Resources Development Sub-Committee meeting held on the 15th of May 2023. Overall there was consensus with most of the policy. Due to some concerns on the practical implementation the policy will be implemented as a pilot for 6 months for a start.

6.2 Financial Implications

As per the approved budget. Employees and the employer may benefit due to employees not having to travel and attend the office on a daily basis. The employees will be responsible to ensure their workplace at home is conducive to productive work at home where they qualify and choose to apply to work from home.

6.3 Legal Implications

The Legal implications have been addressed in the policy.

6.4 Staff Implications

Staff will be required to ensure that their office space are fully equipped and safe to perform optimally.

6.5 Previous / Relevant Council Approval

Not applicable.

6.6 Risk Implications

There are potential risks for Council in terms of monitoring sick and annual leave of staff working from home as well as reaching the outputs required. These risks have been identified and measures put into the policy to monitor the matters identified.

6.7 Comments from Senior Management

The item was submitted to Management and the inputs are incorporated in the policy.

APPENDICES

- Appendix 1 - Work from Home Policy as amended and consulted.**
Appendix 2 - Equipment Requirements

FOR FURTHER DETAILS CONTACT:

NAME	<i>Annalene De Beer</i>
POSITION	<i>Director Corporate Services</i>
DIRECTORATE	<i>Corporate Services</i>
CONTACT NUMBERS	<i>021-808 8018</i>
E-MAIL ADDRESS	Annalene.DeBeer@stellenbosch.gov.za
REPORT DATE	<i>10 July 2023</i>

APPENDIX 1



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

**REMOTE WORK/WORKING FROM
HOME POLICY
FOR THE STELLENBOSCH
MUNICIPALITY**

1. Introduction

The content of this policy shall constitute the Policy on Work Arrangements for the Stellenbosch Municipality shall be effective from the 1st of the month following the approval by Council.

2. Purpose

Remote working or working from home will only be permitted if 100 % of the functions can be performed remotely or from home and being at the office will just be for moderation, supervision reasons or because there is a need to meeting in person with a colleague or member of the public or senior management. The policy will enable the employer to utilize office space more effectively where possible.

3. Scope of Application

3.1 The Policy shall apply to all permanent employees of the Stellenbosch Municipality excluding:

- a) Employees in the following services
 - Law Enforcement services
 - Traffic services
 - Fire and Disaster Management Services
 - Water and Wastewater
 - Solid Waste
 - Electrical Services
 - Municipal Court
 - Community Development
- b) General Workers in all directorates
- c) Cleaning Staff/Office Assistants in all directorates
- d) Clerical Staff in all directorates that service the public
- e) Administrative staff that service the public/manage and office
- f) EPWP employees;
- g) Clerical and admin staff in all directorates who are involved in records management/filing/answering of phones (customer care)
- h) Ward administrators

NOTE: All employees that are not able to perform 100% of the functions from home.

3.2 An application for remote/working from home must be submitted to the Director of the Directorate who can approve the application subject to the following;

- 1.1 Application form (attached Annexure A) is completed with detailed motivation and supporting documentation
- 1.2 The relevant line manager supports the application.
- 1.3 The relevant line manager specifies what monitoring and evaluation methods (in addition to/except those mention in 6 hereunder) will be implemented with regards to the job functions and requirements to ensure effective performance appraisal.
- 1.4 The employee confirms that the workstation complies with the checklist attached including OHS requirements.
- 1.5 The Director/Municipal Manager/ Executive Mayor (depending on the level of the application) must address the question of what office space is available

for an employee who works from home as well as what is required regarding equipment – what is the minimum that we require and how to monitor that.

1.6 If a Director or the Municipal manager applies the Municipal Manager or the Executive Mayor will have to make the decision.

3.3 Where an application for remote / working from home has been approved the employer (Directorate) must ensure that there is space available for an employee to periodically work at the employer workplace should the need arise.

4. Definitions

Remote Working	<p>Refers to the utilisation of an employee's home/residence as a workstation for the employee rather than having the employee reporting at the workplace.</p> <p>Working remotely from home is not a right or a benefit and may be discontinued by the Municipality for any operational reason, at any time. Employees who does not meet the goals set per week/month or does not perform on standards set will be given 5 (five) days' notice to stop working from home and return to the office. Employees will be permitted to work remotely at the discretion of the relevant Senior Manager/Director.</p>
Remote-Work-Criteria	<p>Refers to the eligibility to work remotely. Such eligibility will be met if the employee meets the following criteria:</p> <ul style="list-style-type: none"> a) Have portable job duties. b) Have a work site and equipment (i.e. telephone, internet, supplies, etc) suitable for working remotely from home; and c) Is able to work independently and productively d) 100% of the employee's functions can be performed remotely or from home.
EPWP	<p>Refers to employees/workers employed in elementary occupations on an Expanded Public Works Programme (EPWP) as explained in the EPWP Ministerial Determination</p>
Section 56 and 57 employees	<p>Refers to the Municipal Manager and Directors</p>
Senior Manager	<p>Refers to the managers reporting directly to the section 56 managers, and the managers in the Municipal Managers</p>

	office as per the approved on the approved 2017/2019 micro-organisational structure.
Management	Refers to all employees appointed in a supervisory capacity

5. WORKING HOURS

Term	Definition
Core business hours are from 08h00 until 16h30	The operating hours of the Stellenbosch Municipality in terms of customer contact

No flexi hours will apply whilst working from home. Directors / Senior Managers must ensure that employees are available during core hours, providing staff overlaps (shift work) and presence in a fair process and subject to staff consultation, so that service delivery is not disrupted to the customer and that services are adequately staffed during business hours.

6. WORK SCHEDULES

- 6.1 Directors / Senior Managers must compile and review individual work schedules where applicable to ensure alignment and compliance with this policy.
- 6.2 No employees may deviate from an approved work schedule without prior approval from his/her Director/Senior Manager.
- 6.3 Employees must be available during core working hours whether working remotely from home or on-site at a Stellenbosch Municipal facility.
- 6.4 Appropriate supervision and performance management must be available to monitor service delivery, productivity and customer satisfaction.

7. PLACE OF WORK

- 7.1 A municipal facility means the place of work as per the employment contract or otherwise approved by the relevant Director / Senior Manager.
- 7.2 Employee residence means the place where the employee is domiciled (last official home address on PayDay System or an arranged address as accepted by the Municipal Manager or Director) or lived while working for the Stellenbosch Municipality and where he/she worked from whilst on approved remote working in terms of this policy.

8. REMOTE WORK / WORK FROM HOME

- 8.1 Directors / Senior Managers may grant approval in terms of the remote-work criteria (as set out under paragraph 4) for employees to work from home. The approval of remote work is not at the employee's discretion/decision or preference but that of the relevant Director who will consult the applicable Senior Manager.
- 8.2 Employees are reminded that working from home is not a right and that such arrangements shall be determined solely by operational and functional requirements of a particular service.
- 8.3 Working from home can only be applied if the conditions are conducive to operational business continuity, without long delays, disruptions or circumstances that impede service delivery and job function.
- 8.4 While on remote work, the responsibilities of the employee(s) shall be as follows:
- a) Ensure that the workspace provided for working from home is available for inspection by the employer representative to ensure that the employee's workspace is compliant when necessary.
 - b) To be available, contactable (via Cellphone/Home phone and Microsoft TEAMS/, Skype/ Zoom and e-mail). The employee must be engaged with work activities during core business hours (eight working hours).
 - c) To keep their Microsoft OUTLOOK calendar up to date, including indicating approved leave and other times when they will not be available on the calendar.
 - d) To ensure, prior to commencement of remote work/working from home that they are able to access the Municipality's network and necessary applications (Microsoft TEAMS/Skype/Zoom and e-mail) by means of a Wi-Fi device (3G) or alternative internet access. The municipality will not be providing this device additionally.
 - e) To carry out all duties and responsibilities as their positions require. All employees must be engaged in work-related activities during working hours
 - f) Personal activities are not regarded as work-related and appropriate time management is to be applied, i.e. leave.
 - g) To comply with the necessary time and attendance systems and procedures existing at the Municipality. Daily clock in via cell phone Senior Manager/Manager or on ESS or by any other means that the Municipality may require. Employees are reminded to ensure that their contact details are correctly updated and displayed on the Municipality's Payday system, address book and e-mail signature in order to facilitate their accessibility when required.
 - h) Employees on who work remote or from home are further required to be contactable after working hours in urgent or emergency situations.
- 8.5 The responsibilities of Management in the instance of having employees in his/her Department/Directorate performing remote work shall be:
- a) To ensure employees work optimally with resources provided and to monitor performance and service delivery.

- b) To monitor attendance and work from home leave applications.
 - c) To document task and outcome objectives for performance management purposes, related to service delivery and job functions.
 - d) To utilise various reports to confirm off-site attendance, i.e.:
 - I. Log onto the Municipality's computer
 - II. Accessing of secure applications
 - III. IT related reports for work productivity
 - IV. Measurable outcomes/deliverables should be put in place
 - e) To strengthen communication channels to ensure accessibility and continued service delivery.
 - f) Management must ensure that a hot desk is available for those employees come into the office.
- 8.6 Overtime (including time off in lieu of overtime) will be allowed only in cases of emergency and where approved and accompanied by a written memorandum from the Municipal Manager and the Director.
- 8.7 When an employee is required to work, but due to personal reasons or health reasons are unable to, the usual leave provisions will apply such as sick leave, maternity leave, family responsibility leave, annual leave etc must be applied for on the system including the necessary proof.
- 8.8 Employees may at any time be called upon to travel to the Municipality's premises as operationally or functionally required.
- 8.9 Management must ensure that employees, whose applications have been approved, must come into the office at least once a week.
- 8.10 Line managers and employees are accountable to ensure ethical behaviour is enforced especially for employees working remotely/from home.
- 9. DISPUTE RESOLUTION**
- 9.1 Should an employee not be satisfied with a decision taken in terms of this policy the matter must first be addressed internally, though the line manager and Director.
- 9.2 Should the dispute not be resolved within the directorate a grievance process must be launched in terms of the normal grievance procedure.

10. POLICY REVIEW

This policy shall be reviewed depending on the Municipality's operational and functional requirements in terms its operations needs at the appropriate time. The date of implementation is the 1ste of the month following approval of the policy.

DATE APPROVED BY COUNCIL:

ANNEXURE A

REMOTE / WORKING FROM HOME
APPLICATION FORM

EMPLOYEE SURNAME: _____

EMPLOYEE NAME: _____

EMPLOYEE STAFF No.: _____

DEPARTMENT / SECTION: _____

ADDRESS (Where remote/working from home will be performed):

I, the above mentioned employee, hereby apply for permission and approval to be allowed to work remotely or from home for the period _____ (from date) to _____ (to date).

My request is further based on the following motivation.

1. I have read the contents of the policy, understand it and agree to abide by it.
2. I submit that I have provided all the necessary motivation and supporting documentation for Management to make an informed decision on my application submitted.
3. I agree and provide permission for the Municipality to make an in loco inspection of the abovementioned address for compliance.
4. I further confirm that all information provide are true and correct.

5. I undertake to inform the employer if I, for any reason, wants to change the address provided above and will not work from any other address except the one provided above without prior approval.
6. I undertake to inform my employer if I am ill and unable to work and abide by the rules regarding sick leave.
7. I undertake to inform my employer if I need family responsibility leave per the collective agreement.
8. I undertake to take my 16/18 days compulsory leave in consultation with my line manager and not to have the leave run over the 12 months within which it must be taken.
9. I indemnify the municipality against any claims that may follow from an injury during working hours at home.

SIGNED THIS _____ day of _____ 202__ at _____ (place).

EMPLOYEE SIGNATURE: _____

FOR OFFICE USE HR:

LINE MANAGER NAME: _____

SUPPORT

NOT SUPPORT

REASON(S) FOR SUPPORT / NOT SUPPORTING

CHECKLIST RECEIVED AND ATTACHED **YES**

NO

APPROVED BY: _____

DATE: _____

DIRECTOR / ACTING DIRECTOR
/MUNICIPAL MANAGER/EXECUTIVE MAYOR

REASONS:

DRAFT

APPENDIX 2

ANNEXURE B

REMOTE / WORKING FROM HOME
EQUIPMENT REQUIREMENTS:

EQUIPMENT	YES/NO	COMMENT
Computer/Laptop		
Internet connectivity including during loadshedding		
Desk/working station conducive to productivity		
Safe environment to work from		
Ensure no misuse of computer/laptop by other residents in home		
Secure environment when on teams meetings		
Telephone/Cellphone on which can be contacted at all times		
Necessary working program to engage in meetings (Microsoft Teams/Skype/Zoom)		
Ensure on line during working hours unless on approved leave or sick leave actively engaging in work activities.		

7.3.2	ERF 13246, STELLENBOSCH: DUTCH REFORM CHURCH: WELGELEGEN: APPLICATION TO ENFORCE FALL-BACK CLAUSE: WAY FORWARD
-------	---

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

19 July 2023

1. SUBJECT: ERF 13246, STELLENBOSCH: DUTCH REFORM CHURCH: WELGELEGEN: APPLICATION TO ENFORCE FALL-BACK CLAUSE: WAY FORWARD

2. PURPOSE

To inform Council of the outcome of negotiations, following Council's decision on 24 February 2021, *inter alia*, to mandate the Municipal Manager "to negotiate a mutually agreed price to buy back erf 13246, Stellenbosch from the Dutch Reform church: Welgelegen"

3. DELEGATED AUTHORITY

Council must consider the matter.

4. EXECUTIVE SUMMARY

Stellenbosch Municipality and the Dutch Reform Church: Welgelegen concluded an Exchange of Land Agreement in 1995 in terms whereof erf 13246, Stellenbosch (municipal land) was exchanged for two residential erven in Die Boord, being erven 12758 and 12759 (church land) on an equal in value basis. The Agreement, however, has a fall-back clause, indicating that the land must be transferred back to the Municipality should it no longer needed for church purposes. Seeing that the Dutch Reform Church: Welgelegen does not want to use the property for church purposes they have requested that the fall-back clause be enforced, as per the Agreement. Council must agree to the value at which the property is bought back, as per the Agreement.

On 24 February 2021 Council considered the matter and, *inter alia*, decided to mandate the Municipal Manager "to negotiate a mutually agreed price to buy back erf 13246, Stellenbosch from the Dutch Reform Church, Welgelegen" The council resolution *inter alia* mandated the Municipal Manager to negotiate an agreed price with the church.

Following the above decision, a formal offer was made to the Dutch Reform church, based on the current municipal valuation. Following the above offer, the Dutch Reform Church as submitted a counteroffer, based on a valuation obtained by them. In terms of the council resolution the Municipal Manager is now reporting back on the negotiations.

The item served again before Council in May 2021 and was referred back to the administration for further discussion. The Municipal Manager met with the Council of the church on 15 February 2022 where the fall-back clause was discussed and the necessary history pertaining the transaction was obtained. Options, as well as an updated counteroffer, approved by the Church's Council, was submitted after the meeting (**APPENDIX 1**). An agreement that Council should consider the way forward was reached.

At the Mayco meeting on 23 March 2022 the item a was again referred back for further discussion.

We have not been able to reach any consensus with the church. Council should make the church a final offer for the erf, if they do not want to accept it the erf will remain in their possession and the municipality will have to institute legal action should they want to sell it otherwise as the parties were not able to reach an agreement on the re-purchase of the erf. The item served before Mayco in April 2022 and was referred back for legal input. We received a legal opinion (it is not attached due to the confidentiality thereof).

The municipality received a letter from the attorneys of the church requesting a response to indicate whether the municipality is going to buy the erf back. The item is resubmitted for consideration.

5. RECOMMENDATION

For consideration

6. DISCUSSION / CONTENT

6.1 Background

During 1995 Stellenbosch Municipality and the Dutch Reform Church: Welgelegen concluded an Exchange of Land Agreement, in terms whereof erf 13246, Stellenbosch (municipal owned land at the time) was exchanged for two residential erven (church land) in Die Boord on an equal in value basis.

6.2 Application to enforce buy-back clause

During 2019 the Dutch Reform Church: Welgelegen requested the enforcement of the buy-back clause, as provider for in the Exchange of Land Agreement.

6.3 Council Resolution

On 24 February Council considered the matter, and resolved as follows:

- a) *that Council invokes the buy-back clause;*
- b) ***that the Municipal Manager be mandated to negotiate a mutually agreed price to buy back erf 13246, Stellenbosch, from Dutch Reform Church: Welgelegen; and***
- c) ***that the Municipal Manager reports back to Council on the price before a final decision is made and the sale agreement is signed***.

A copy of the agenda item is attached as **APPENDIX 2**.

6.4 Offer to Dutch Reform Church

Following the above Council-resolution, the Municipal Manager formally submitted a written offer to the Dutch Reform Church, based on the current municipal valuation of R2 700 000.00. A copy of the Municipal Manager's offer dated 21 March 2021 is attached as **APPENDIX 3**.

6.5 Counter-offer received from the Dutch Reform Church: Welgelegen

Please find hereto attached as **APPENDIX 4** a counter-offer dated 22 April 2021 received from the Dutch Reform Church, based on a valuation obtained by them.

Following the above, the Municipal Manager has requested that the offer be put to Council for their consideration.

6.6 Discussion

6.6.1 Location and context

Erven 12758 and 12759 is situated in Rhodes-North Road, Die Boord, as indicated on Fig 1 and 2, below.



Fig 1: Location and context: Erven 12758 and 12759



Fig 2: Extent: Erven 12758 and 12759

Erf 13246 is located off Wildebosch Road, Paradyskloof, as indicated on Fig 3 and 4, below.



Fig 3: Location and context: erf 13246



Fig 4: Extent Erf 13246

6.6.2 Property description and Ownership

Erf 13246, measuring 9000m² in extent, is registered in the name of the Dutch Reform Church: Welgelegen, by virtue of Title Deed T4376/2001. Although erf 13246 was rezoned to Religious Purposes, this rezoning has lapsed. The zoning has therefor reverted back to Agricultural Use.

Erven 12758 and 12759 measuring 767m² and 720m² in extent respectively, are registered in the name of Stellenbosch Municipality by virtue of Title Deeds T4375/2001. The properties are zone single residential but is used for an early childhood development centre in term of a Lease Agreement (undetermined period).

6.6.3 Contractual situation

In terms of clause 1 of the Exchange of Land Agreement (Ruilooreenkoms) the parties agreed that the properties which were the subject of the exchange, are equal in value.

In terms of clause 13, should erf 13246 not be used for religious purposes by the church, it will be transported back to the Municipality at an amount to be agreed upon by the parties.

6.6.4 Valuation

In terms of valuations obtained from Pendo Property Valuers and DDP, they valued the property at R5 100 000.00 and R4 500 000, respectively. The weighted average is R4 800 000.00.

6.7 Financial Implications

The financial implications are directly linked to the agreed price. In terms of valuations obtained from Pendo Property Valuers and DDP, they valued the property at R5 100 000.00 and R4 500 000, respectively. The weighted average is R4 800 000.00. The valuation report also formed part of the item that served before council on 24 February 2021. The municipal valuation is R2 700 000.00.

6.8 Staff Implications

No additional staff implications

6.9 Previous / Relevant Council Resolutions

On 24 February Council considered the matter, and resolved as follows:

- a) *that Council invokes the buy-back clause;*
- b) *that the Municipal Manager be mandated to negotiate a mutually agreed price to buy back erf 13246, Stellenbosch, from Dutch Reform Church: Welgelegen; and*
- c) *that the Municipal Manager reports back to Council on the price before a final decision is made and the sale agreement is signed".*

EXECUTIVE MAYORAL COMMITTEE: 2021-05-19: ITEM 9.1

RESOLVED

that this item be referred back to administration for further discussions.

EXECUTIVE MAYORAL COMMITTEE: 2022-03-23: ITEM 7.2.8**RESOLVED**

that the item be referred back to the administration for further refinement and discussion.

EXECUTIVE MAYORAL COMMITTEE: 2022-04-19: ITEM 7.2.1**RESOLVED**

that this matter be referred back to Administration for legal input.

6.10 Risk Implications

The risks are addressed in the item and previous items that served before Council.

6.11 Comments from Senior Management

Seeing that this is a report back from the Municipal Manager no comment was requested from Senior Management.

ANNEXURES:

Appendix 1: Letter from Church

Appendix 2: Copy of Agenda item.

Appendix 3: Copy of Council Minutes

Appendix 4: A copy of the Municipal Manager's offer

Appendix 5: A counteroffer received from the Dutch Reform Church

Appendix 6: Letter from Mr Feenstra

FOR FURTHER DETAILS CONTACT:

NAME	Annalene de Beer
POSITION	Director: Corporate Services
DIRECTORATE	Corporate Services
CONTACT NUMBERS	021-8088750
E-MAIL ADDRESS	Annlene.deBeer@stellenbosch.gov.za
REPORT DATE	10 July 2023

APPENDIX 1



Buitekringweg 6
Dalsig, 7600
021 886 5975
skriba@stelwel.co.za
www.stelwel.co.za

25 Februarie 2022

Die Munisipale Bestuurder
Stellenbosch Munisipaliteit
Posbus 17
STELLENBOSCH
7599

Geagte Me Metler

NGK GROND: ERF 13246, PARADYSKLOOF

Ons verwys na Raadsbesluite in die verlede asook na samesprekings met uself op 15 Februarie 2022.

Soos bespreek, gee ons hiermee verdere toeligting t.o.v die agtergrond asook die Kerk se voorstel oor die finalisering van die aangeleentheid.

1. AGTERGROND T.O.V GRONDTRANSAKSIES

Daar het in die verlede moontlike mispersepsies bestaan oor die voorafgaande transaksies en veral t.o.v of dit op 'n kommersiële basis geskied het al dan nie. Soos hieronder uiteengesit, het alle vorige transaksies streng volgens kommersiële en markwaarde beginsels geskied en het geen skenkings van die munisipaliteit se kant af plaasgevind nie.

- 1.1. Gedurende 1981 koop die Kerk teen markwaarde Erwe 5908 - 5914 in die Boord (sien Liggingsplan aangeheg) vanaf die ontwikkelaar, Libertas Ontwikkelings Edms Beperk (sien Bylaag 1_Aankoop van Erwe). Die doel was om 1 of 2 pastorie wonings asook 'n kerk/saal daar op te rig. Die ligging het later bewys as ongeskik a.g.v. die besware van eienaars van omliggende residensiële eiendomme.
- 1.2. Gedurende 1985, na onderhandelinge met die Munisipaliteit, word die 7 erwe van die Kerk geruil (met beginsel van gelykop waarde) vir 1ha grond (erf 5339) ook in Die Boord geleë (sien Liggingsplan aangeheg asook Bylaag 2_Ruiloooreenkoms 1985).

Die Kerk het hierna erf 5339 in 1994/1995 ontwikkel vir 'n pastorie asook enkelwou erwe wat verkoop is om die pastorie te bou.

- 1.3. Gedurende 1995 en op inisiatief van die Munisipaliteit, het onderhandelinge plaasgevind dat erwe 12758 en 12759 wat binne die gedeelte van die grond van die Kerk geleë was, en waarop 'n bestaande kleuterskool gebou was en wat die Munisipaliteit wou behou, geruil word vir 0,9ha grond (nou erf 13246) in Paradyskloof - ook op 'n gelyke markwaarde grondslag.

Daar was egter 'n terugkoop klousule in die ruilkontrakte opgeneem sou die Kerk die grond nie vir bededoeleindes gebruik nie.

Die ruilkontrak bepaling was dat die Munisipaliteit dan die grond teen 'n prys soos deur beide partye ooreengekom, sou koop. Gegewe die transaksie basis en beginsel soos per par. 1 hierbo uiteengesit, moet dit na die Kerk se opinie op 'n markwaarde beginsel plaasvind.

2. MARKWAARDE EN TERUGKOOP PRYS

Nadat die Stadsraad besluit het dat die kontrakbepaling van die terugkoop, uitgevoer moet word, is die verskeie waardasies gedoen.

2.1. TWEE WAARDASIES WAT MUNISIPALITEIT AANGEVRA HET.

2.1.1. Pendo	: R 5 100 000
2.1.2. DDP	: R 4 500 000

2.2. TWEE EVALUERINGS WAARDASIES DEUR KERK AANGEVRA

2.3. Real Direct (Bylaag 3_Waardasies aangeheg) : R 10 - 12m

2.4. Anna Basson Eiendomme (Bylaag 3_Waardasies aangeheg) : R 7 - 8m

2.5. Aanbod vanaf Munisipaliteit : R 2 700 000
(Munisipale waardasie)

2.6. SONERINGSREGTE AS BASIS VIR WAARDASIE

Na die Kerk se mening het die twee Munisipale waardasies 'n belangrike tekortkoming deurdat die huidige soneringsregte en parameters van erf 13246 nie in berekening geneem is nie.

Erf 13246 is gesoneer vir Landboudoeleindes waarop twee residensiële wonings van 600m² elk gebou kan word. Dit het 'n weselike invloed op die markwaardasie soos in die Kerk se twee waardasies uitgespel word.

Verder is dit belangrik om in ag te neem dat as deel van die Raadsbesluit van 1995, die voorwaarde van die beskikbaarheid van diensteaansluitings vir erf 13246 opgelê is, maar op koste van die Kerk.

2.7. GEWEEGDE GEMIDDELD VAN WAARDASIES (BTW UITGESLUIT)

- Twee Munisipale waardasies : R4,8m
- Twee Kerk Waardasies : R9,0m
- Al vier Waardasies : R8,1m

3. OPSIES VIR OORWEGING DEUR DIE STADSRAAD

3.1 Opsie 1

Gegrand op die kommersiële basis waarop alle transaksies vanaf 1981 geskied het, is ons van mening dat die beginsel van 'n terugval/koop transaksie nie van toepassing behoort te wees nie.

Die Kerk is derhalwe ook bereid om die opsie te aanvaar dat dié klousule deur die Munisipaliteit opgehef word en dat die Kerk dan vry is om na goeddunke met die eiendom te handel, op voorwaarde dat Munisipale dienste aansluitings en toegang vanuit Wildeboschstraat deur die Stadsraad beskikbaar gestel word op koste van die Kerk.

3.2 Opsie 2

Gegrand op al die bostaande inligting, is die Kerk van mening dat 'n terugkoop prys van R8,0m (BTW uitgesluit) 'n billike terugkoop prys sou wees. Hierdie bedrag is die geweegde gemiddelde van die ontvangde waardasies.

Die opsies vir die Stadsraad hierbo uiteengesit, word in die goeie gees van die onderhandelinge gedoen en dank ons u vir die Stadsraad se oorweging.



Ds Monty Sahd

Namens Kerkraad, NG Gemeente Stellenbosch-Welgelegen

GEROEP GEWILLIG GESTUUR

1981: AANKOOP VAN ERWE 5908 - 5914

JDEW/ma
1981.09.16

Die Saakgelastigde
Nederduitse Gereformeerde Kerk
Posbus 144
KAAPSTAD
8000

Meneer

TRANSPORT LIBERTAS ONTWIKKELINGS EDMS BEPERK : N G GEMEENTE
WELGELEGEN
VERBAND N G GEMEENTE WELGELEGEN : SAAKGELASTIGDE VAN DIE
NEDERDUITSE GEREFORMEERDE KERK IN KAAPLAND

Ons verwys graag na die brief van 2 deser aan u gerig deur dr D J Hattingh in sy hoedanigheid as Voorsitter van die Kerkraad van die Nederduitse Gereformeerde Gemeente Welgelegen te Stellenbosch, waarin hy u namens die Kerkraad in kennis gestel het dat hulle die lening van R90 000,00 aanvaar vir die aankoop van die ondergemelde erwe geleë in die Boord, Stellenbosch, naamlik: Nos 5908, 5909, 5910, 5911, 5912, 5913 en 5914.

*
Ons ageer in hierdie aangeleentheid namens ons kliënte, die Kerkraad van die N G Gemeente Welgelegen en aangesien kliënte aanspreeklik sal wees vir betaling van rente teen 11,75% p j op die totale koopprys van R100 000,00 vanaf 1 November 1981 indien registrasie van transport tot na daardie datum deur hulle toedoen verdrag sal word, sal ons dit waardeer as u as 'n saak van dringendheid opdrag sal geenaan u prokureurs, wat ons aanvaar mnre D P de Klerk en van Gend sal wees, vir registrasie van gemelde verbandlening.

Ons verkry graag u bevestiging hieromtrent.

Die uwe
CLUVER & MARKOTTER

PER

J A L DE WAAL

1985 RUILOORENKOMS:
TRANSPORTAKTE

117

VIR ENDOSSEMENTE KYK BLADSY
FOR ENDORSEMENTS SEE PAGE.....5.....ET SEQ.

*20/6/00
Oukonings aken
[Signature]*

CLUVER MARKOTTER INC/ING.
Prokuréurs / Attorney's
Posbus / P.O. Box 12 Tel: 808 5600
Stellenbosch

20/6/00

T 20474/85

TRANSPORTAKTE

JDEW:MA

CLUVER EN MARKOTTER
PROKUREURS
STELLENBOSCH

Opgesê deur my

[Signature]
J A L DE WAAL,

Aktebesorger.

HIERBY WORD BEKEND GEMAAK

DAT JACOBUS ADRIAAN LOUW DE WAAL

Aktebesorger, voor my, Registrateur van Aktes in Kaapstad, verskyn het, behoorlik daartoe gemagtig deur 'n volmag geteken te STELLENBOSCH

van MAART 19 85 en aan hom verteen deur GERHARDUS
MATTHYS STRYDOM in sy hoedanigheid as Stadsklerk van

DIE MUNISIPALITEIT STELLENBOSCH

EN /

A

-2-

NADEMAAL die grond beskrywe as

ERF 5339 (n gedeelte van Erf 5652) STELLENBOSCH in die
Munisipaliteit en Afdeling Stellenbosch

GROOT 1,0000 (EEN) hektaar

op naam van die MUNISIPALITEIT STELLENBOSCH geregistreer is uit
hoofde van Transportakte No T 20472/85

EN NADEMAAL die grond beskrywe as

1. ERF 5908 STELLENBOSCH in die Munisipaliteit en Afdeling
Stellenbosch
GROOT 910 (NEGEHONDERD EN TIEN) vierkante meter
2. ERF 5909 STELLENBOSCH in die Munisipaliteit en Afdeling
Stellenbosch
GROOT 1116 (EENDUISEND EENHONDERD EN SESTIEN) vierkante
meter
3. ERF 5910 STELLENBOSCH in die Munisipaliteit en Afdeling
Stellenbosch
GROOT 1072 (EENDUISEND TWEE EN SEWENTIG) vierkante meter
4. ERF 5911 STELLENBOSCH in die Munisipaliteit en Afdeling
Stellenbosch
GROOT 1123 (EENDUISEND EENHONDERD DRIE EN TWINTIG) vier-
kante meter
5. ERF /

-3-

5. ERF 5912 STELLENBOSCH in die Munisipaliteit en Afdeling Stellenbosch
GROOT 804 (AGTHONDERD EN VIER) vierkante meter
6. ERF 5913 STELLENBOSCH in die Munisipaliteit en Afdeling Stellenbosch
GROOT 966 (NEGEHONDERD SES EN SESTIG) vierkante meter
7. ERF 5914 STELLENBOSCH in die Munisipaliteit en Afdeling Stellenbosch
GROOT 878 (AGTHONDERD AGT EN SEWENTIG) vierkante meter

op naam van die NEDERDUITSE GEREFORMEERDE GEMEENTE WELGELEGEN TE STELLENBOSCH geregistreer is uit hoofde van Transportakte No T47597/1981;

EN NADEMAAL DIE MUNISIPALITEIT STELLENBOSCH en die NEDERDUITSE GEREFORMEERDE GEMEENTE WELGELEGEN TE STELLENBOSCH op 27 Maart 1985 met mekaar ooreengekom het om voormelde stukke grond uit te ruil;

NOU DERHALWE sedeer en transporteer ek in my voormelde hoedanigheid aan en ten gunste van

NEDERDUITSE GEREFORMEERDE GEMEENTE WELGELEGEN TE STELLENBOSCH
of Regverkrygendes
Blanke Groep

*Regimeel 116 kas met 17 gedeeltes
aan (3500m²) tot 1000m²
begroting... en ne ontbiede (me
vanaf 1100.*

... ERF / ...

-4-

ERF 5339 (n gedeelte van Erf 5652) STELLENBOSCH in die
Munisipaliteit en Afdeling Stellenbosch

GROOT 1,0000 (EEN) hektaar

SOOS aangedui op die aangehegte Kaart L.G. No 6106/84 en gehou
kragtens Transportakte No 20472/85

I. Wat betref die figuur a f g e:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Trans-
portakte No 11199/1970.

B. GEREGTIG op die voordeel van die Serwituut waarna verwys word
in die volgende aantekening gedateer 7 Februarie 1905 op
Transportakte No 2582 gedateer 21 Maart 1902, naamlik:

"Registration of Servitude.

By Deed of 30th Novr 1904 the owner of the land hereby conveyed
has been granted a right of way and the right to lay certain
water pipes over the land conveyed by Trfr. 5455 d/d 27 July
1901. As will more fully appear on reference to the copy
annexed hereto."

II. Wat betref die figuur f b c d g:

ONDERHEWIG aan die voorwaardes waarna verwys word in
Transportakte No 11199 gedateer 30 April 1970.

WESHALWE / ...

WESHALWE die Komparant, q.q., afstand doen van al die regte en titel wat die bogenoemde
DIE MUNISIPALITEIT STELLENBOSCH

voorheen op genoemde eiendom gehad het en gevolglik ook erken dat **DIE MUNISIPALITEIT
STELLENBOSCH**
geheel en al van die besit daarvan onthef is en nie meer daarop geregtig is nie, en dat,
krachtens hierdie Akte bogenoemde

NEDERDUITSE GEREFORMEERDE GEMEENTE WELGELEGEN TE STELLENBOSCH
of Regverkrygendes

tans en voortaan daarop geregtig is, ooreenkomstig plaaslike gebruik, behoudens die regte
van die Staat; en ten slotte verklaar hy dat die billike markwaarde van die eiendom
vasgestel is op R210 000,00 (TWEEHONDERD EN TIEN DUISEND RAND).

TEN BEWYSE waarvan ek, die genoemde Registrateur van Aktes, tesame met die
Komparant, q.q., hierdie Akte onderteken en met die Ampseël bekragtig het.

ALDUS GEDOEN en geteken op die Kantoor van die Registrateur
van Aktes in Kaapstad, Provinsie van die Kaap die Goeie Hoop,

op die 10de

dag van die maand Junie

in die jaar van onse Heer Eenduisend
Nogehonderd VYF EN TAGTIG (1985)

In my teenwoordigheid,

Registrateur van Aktes.

Geregistreer in die Register van

Folio

v.d.Stel

Klerk.

ENDORSEMENT IN TERMS OF SECTION 46 OF ACT 47/37 (AS AMENDED)
EN DOSSEMENT KRAGTENS ARTIKEL 46 WET 47/37 (SOOS GEWYSIG)

The land herein described has been subdivided.
Die grond hierin beskryf is onderverdeel.

in accordance with General Plan No.
in ooreenstemming met Algemene Plan Nr. 709/1994

approved by the Surveyor General on
goedgekeur deur die Landmeter-Generaal op 15/3/94


into erven numbers .. 12753 — 12764
in erwe genommer

Public place numbers
Openbare Plekke genommer

and Thoroughfares.
en Strate.

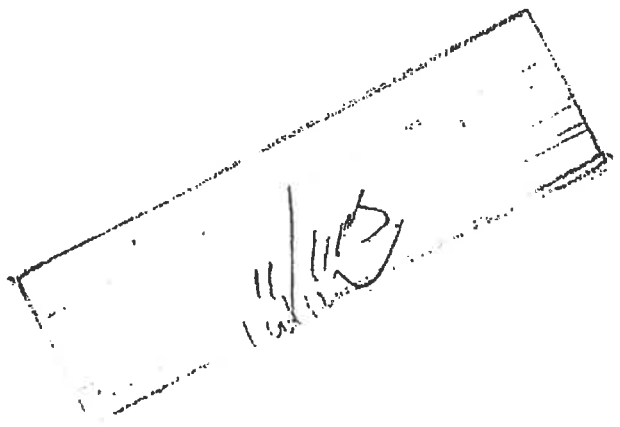
Application filed as BC 66174 94
Aansoek geliasseer by BC

In terms of Ordinance: 15/85
In terme van Ordonnansie:


REGISTRAR OF DEEDS
REGISTRATEUR VAN AKTES

DEEDS OFFICE
AKTEKANTOOR
CAPE TOWN
KAAPSTAD

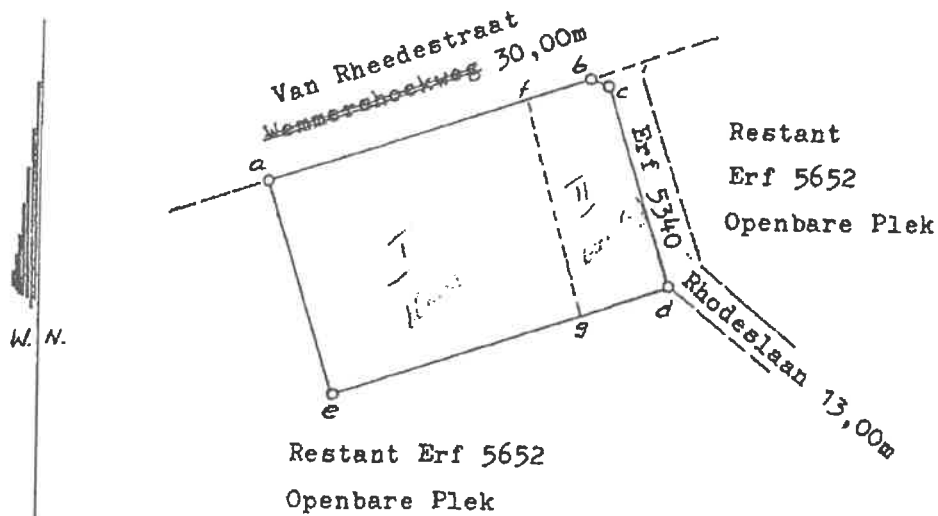
.....19.....



	SYE METER	RIGTINGS- HOEKE	KOÖRDINATE		L.G. No.	
			Y	Stelsel Lo. 19° X		
				0,00	+3700000,00	6106-84 Goedgekeur <i>[Signature]</i> m. Landmeter-generaal 1984-08-24
ab	120,16	251 44 10	a	+ 13 684,88	+ 57 757,17	
bc	7,07	296 44 10	b	+ 13 570,78	+ 57 719,52	
cd	75,00	341 44 10	c	+ 13 564,46	+ 57 722,70	
de	125,16	71 44 10	d	+ 13 540,96	+ 57 793,92	
ea	80,00	161 44 10	e	+ 13 659,81	+ 57 833,14	
		39 Libertas	Δ	+ 14 057,59	+ 58 372,93	
		40 Paradys	Δ	+ 10 120,28	+ 59 264,21	

Bakenbeskrywing:

a, b, c, d, e : 12mm ysterpen



Skaal 1: 2500

Die figuur a b c d e
stel voor 1,0000 hektaar grond, synde

ERF 5339 (m gedeelte van Erf 5652) STELLENBOSCH

geleë in Stellenbosch Dorp Uitbreiding 18 in die Munisipaliteit en

Administratiewe Distrik Stellenbosch

Provinsie Kaap die Goeie Hoop.

Opgemeet in Mei, Junie 1984

deur my,

[Signature]
Landmeter

Hierdie kaart is geheg aan
TRANSPORTAKTE
No. T

gedateer 20474/85
l.g.v. N G GEMEENTE WELGE-
LEGEN TE STELLENBOSCH

[Signature]
Registrateur van Aktes

Die oorspronklike kaart is.

No. 6108/84 geheg aan
Transport/Grondbrief

No. T 20474/85

Lêer No. Stel. 294.

M.S. No. E 1724/84

Komp. BHSZ-1473(M2765)

~~BH-8DC/V53 (1502)~~

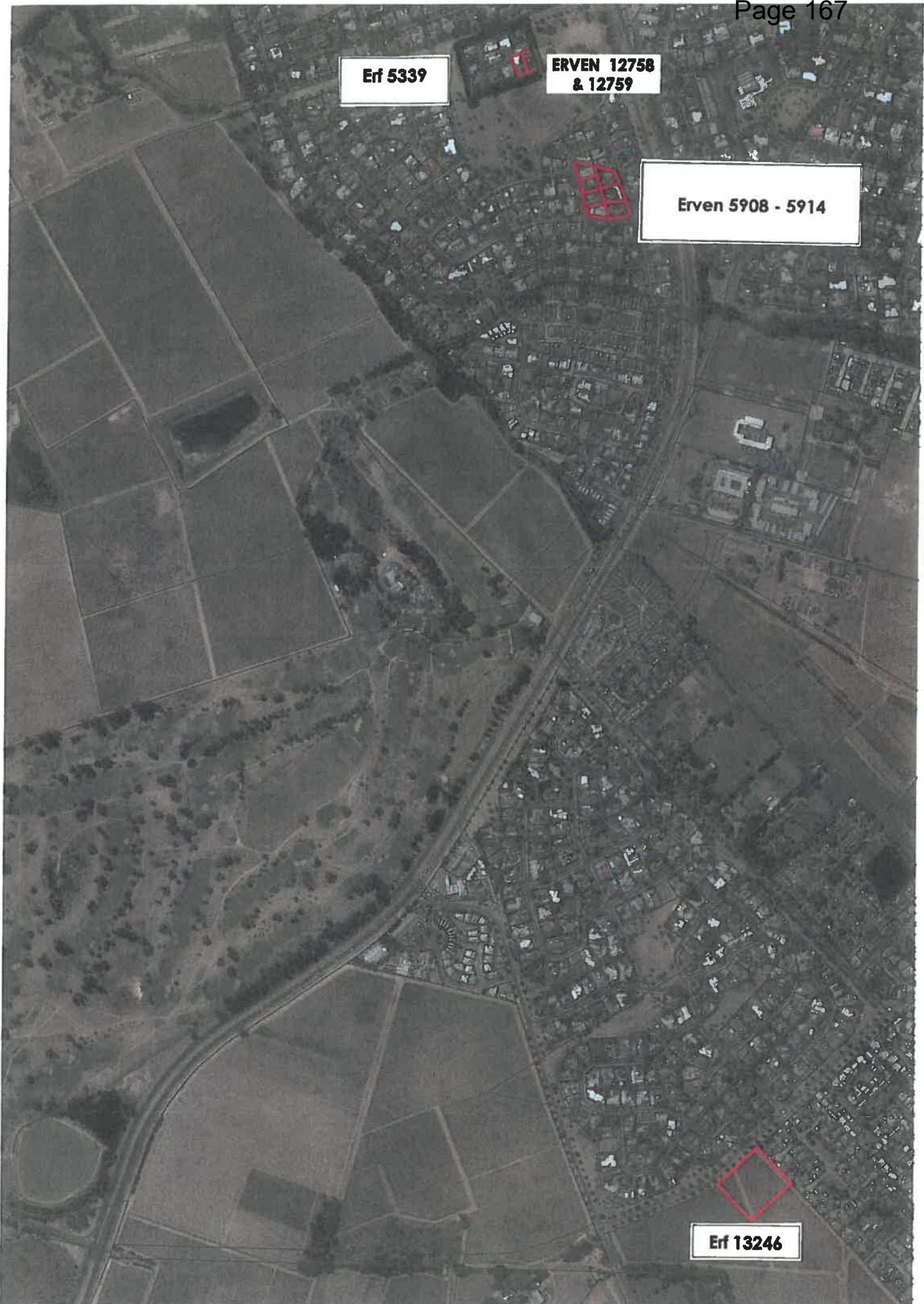
LIGGINGSPLAN

Erf 5339

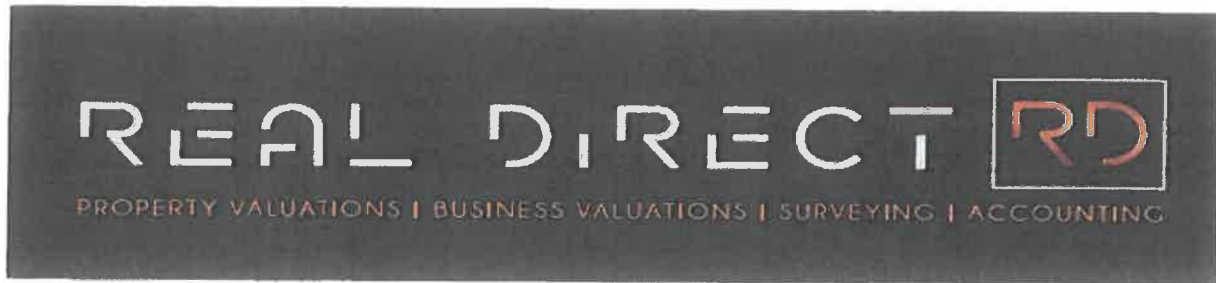
ERVEN 12758
& 12759

Erven 5908 - 5914

Erf 13246



KERK EVALUERINGS WAARDASIES



15 April 2021

CLUVER MARKOTTER PROKUREURS
1ste vloer
Cluver Markotter gebou
Meulstraat
STELLENBOSCH
7600

Ons verwysing:
RD20210407
Aandag
Arend de Waal

AANGAANDE: KRITIESE EVALUERING VAN WAARDASIES VAN ERF 13246, STELLENBOSCH

U opdrag gedateer 29 Maart 2021, verwys

Aangeheg vind die nodige dokumentasie en let asb daarop dat die verslag nie n opemark waardasie van die eiendom is nie en slegs n evaluering van die twee verslae soos aan ons voorsien.

Laat weet gerus indien jul 'n ten volle gemotiveerde verslag verlang om ons bevindinge meer breedvoerig te vervat,

Enige navrae kan gerig word aan my,

Baie dankie en groete

Jean Marais

PROFESSIONELE GEASSOSIEERDE WAARDEERDER

Nasionale Diploma in Eiendomswaardasies
MBA

Geregistreerd met die Suid-Afrikaanse Raad vir die Eiendomswaardasie Professie (SACPVP)

A handwritten signature in blue ink, appearing to read 'Erik Marais', is written over a faint, light blue circular stamp.

Erik Marais

PROFESSIONELE WAARDEERDER

Nasionale Diploma in Eiendomswaardasies

Geregistreerd met die Suid-Afrikaanse Raad vir die Eiendomswaardasie Professie (SACPVP)
Geregistreerd met die Suid-Afrikaanse Raad van Waardeerders (SA)



- 1.1 **Opdrag is ontvang van *Arend de Waal van Cluver Markotter Prokureurs*, namens die *Nederduitse Gereformeerde Kerk, Stellenbosch Welgelegen* om 'n evaluering te doen op vorige opemark waardasies wat op Erf 13246, Stellenbosch gedoen is.**
- 1.2 **Die inligting vervat in hierdie verslag na my wete korrek en is baseer op inligting ontvang van die opdraggewer en/of sy verteenwoordiger asook eksterne bronne.**
- 1.3 **Die menings uitgespreek en gevolgtrekkings gemaak, is gedoen na deeglike verifiëring en oorweging van die inligting.**

REAL DIRECT



PROPERTY VALUATIONS | BUSINESS VALUATIONS | SURVEYING | ACCOUNTING

EVALUERING VAN WAARDASIE VERSLAG



1. Aannames deur waardeerder

Die waardasies is gebaseer op die aanname dat die eiendom is geleë buite die huidige stedelike raamwerk val. Dit is deur ons ondersoek bevestig. Derhalwe word enige moontlike ontwikkelingspotensiaal buite rekening gelaat. Dit is redelik en korrek volgens ons.

2. Metodiek

Die voorgestelde *Vergelykbare Transaksie-metode* is die aanvaarde en mees geskikte metode.

3. Markondersoek

Die 10x transaksies wat gebruik is het die volgende gevolgtrekkings gehad, volgens die verslag, en word soos volg deur ons bespreek:

Transaksies #1, #8, #9 en #10.

Sales 1, 8 and 9 represent small holdings located in the Welgevonden and Jamestown nodes respectively. These sales are considered indicative of similar sized small holdings, but the location of the subject property is deemed superior which suggests an upward adjustment would be justified for the subject property. Sale 10 represents a similar sized tract of agricultural land located in a comparable node. This sale serves as a good indication of the rate to be applied to the subject property, with an upward adjustment justified for the efflux of time.

- Die waardeerder se gevolgtrekking is aanvaarbaar en ons stem saam met die vergelyking dat die onderwerpe eiendom se ligging hom onderskei van hierdie eiendomme. *Transaksie #10*, alhoewel die mees vergelykbare eiendom, is n enkele transaksie in Franschoek en kan nie verteenwoordigend wees van n marknorm mbt die onderwerp perseel nie.

Transaksies #2, #4, #5 en #6.

Sales 2, 4 and 5 represent smaller tracts of residential land located in prime residential estates. These properties are not considered directly comparable, but were included to illustrate the premium paid for prime residential land with concomitant lifestyle appeal. These sales ranged between R 5 460 000 and R 12 000 000 which is considered indicative of the opportunity value of a prime lifestyle opportunity in this node. It must however be borne in mind that these properties as located in secured villages. Sale 6 a vacant residential stand located in the immediate vicinity of the subject property, was included to illustrate the higher prices paid for small holdings (Sales 8 and 9) vis a vis vacant residential land in the same area.

- Ons stem saam dat hierdie persele uit die oogpunt van ligging uitstekend is maar dat weens die grootte die vergelyking volgens n per-vierkante-meter basis nie redelik en vergelykbaar is nie. In hierdie opsig moet dit genoem word dat die onderskeie kooppryse van R 5,460,000 en R5,990,000 vir twee persele van onderskeidelik 901m² en 1,099m² in die aanliggende residuesiële node beslis n aanwyser van die basiswaarde te wees.

Transaksies #3 en #7

"Sales 3 and 7 represent development sites, with development rights in place at the date of sale. The location of these properties is considered inferior, but the sales were included for comparison with larger tracts of land in demand due to the lifestyle appeal".

- Daar word saamgestem met die waardeerder se aanname aangesien hierdie potensiaal reeds in die vroeë stadium van die verslag buite rekening gelaat is.

Addisionele markinligting

Aangesien die onderwerp perseel oor n landbou sonering beskik, behoort dit, uit n potensiele benuttings oogpunt, addisionele waarde te skep. Die onderwerp eiendom kan in terme van die sonering benut word vir twee wooneenhede (daarteenoor laat die sonering van n enkel residuesiële gesoneerde perseel slegs een woonhuis toe).

Hierdie voordeel sal beslis die bemerkbaarheid van die onderwerp eiendom aansienlik verhoog in die opemark, na ons mening.

Die volgende transaksies is goeie markaanwysings van die geleentheidswaarde wat landbou sonering bied:

Gedeelte 1 van Plaas 1480, Stellenbosch

Koopprys: R26,000,000 (18 September 2009) – 4x geleenthede teen R 6,500,000 elk op datum van transaksie (en ongeveer R13,000,000/ geleentheid in 2021)



4. Gevolgtrekking

Alhoewel die waardasie verslag voldoen aan al die vereistes, is ons tog van mening dat in die toepassing van die finale waarde, die geleentheidswaarde wat die landbou sonering van die onderwerpperseel bied, nie beklemtoon word nie.

Gegewe hierdie voordeel tesame die uitstekende en unieke ligging, sal die onderwerpperseel heelwaarskynlik in die **R10,000,000 tot R12,000,000** prysklas tans verhandel, in ons opinie.

REAL DIRECT



PROPERTY VALUATIONS | BUSINESS VALUATIONS | SURVEYING | ACCOUNTING

EVALUERING VAN WAARDASIE VERSLAG



1. Aannames deur waardeerder

Die waardasies is gebasseer op die volgende aannames:

- Die eiendom is geleë buite die huidige stedelike raamwerk val. Dit is deur ons ondersoek en bevestig.
- Derhalwe word enige moontlike ontwikkelingspotensiaal buite rekening gelaat. Dit is redelik en korrek volgens ons.

2. Metodiek

- Die voorgestelde *Vergelykbare Transaksie-metode* is die aanvaarde en mees geskikte metode.

3. Markondersoek

Die 8x transaksies wat gebruik is het die volgende gevolgtrekkings gehad, volgens die verslag, en word soos volg deur ons bespreek:

“By analysing all the comparable transactions, we have concluded that Comparable sale 1 is not necessarily considered as the best comparable due to the larger extent of the property and the agricultural nature of the immediate surroundings. Comparables sales 2 and 3 are smaller in extent compared to the subject property, however considered more comparable to the subject property in terms of the highest and best use of the subject property i.e. a lifestyle opportunity. Comparable sales 4 to 8 comprise of upmarket residential zoned stands that are fully serviced and that fall within the urban edge of Stellenbosch. These comparable sales are far smaller compared to the subject property and range between 975m² and 4 124 m² in extent.

Furthermore, portion 9 of the farm Edgbaston no.104 (1.16ha) was listed earlier this year for R3 250 000 (R2 801 724/ha) as vacant agricultural land. This property forms part of the same small estate where Comparable 3 is situated. However, this property has since been rezoned to offer 45 development opportunities. This listing is currently at R10 950 000, which equates to a rate of R243 333 / opportunity”.

Transaksies #1 en #2.

Hierdie eiendomme verteenwoordig 'n perseel as deel van 'n groter produktiewe landbou entiteit. Eiendomme landelik geleë en nie vergelykbaar nie.

Transaksies #4, #2 en #6

Enkel residuesiële eenhede (met slegs een toelaatbare eenheid), baie kleiner erwe en geleë binne gevestigde buurte met beboude persele reg rondom. Nie vergelykbaar nie.

Transaksies #7 en #8.

Transaksie #7 is "outlier" en waarde heeltemal buitensporig en nie in-lyn met marknorme nie. Klein erf binne gevestigde node.

Koopsom van *R23,510,000* vir *Transaksie #8* verteenwoordig vakante grond binne die hartjie van *Stellenbosch* en die koper sal (as gekyk word na die omliggende eiendomme) heelwaarskynlik waarde toevoeg tot die eiendom deur te onderverdeel/ ontwikkel - gegewe die premie wat betaal is vir daardie potensiaal. Nie vergelykbaar nie na ons mening.

Transaksies #3

Hoogs vergelykbare eiendom. Soos die onderwerpeïendom beskik die perseel oor n Landbou-sonering (2x eenhede)en alhoewel ietwat kleiner, is die eiendom, soos die onderwerp perseel, ook op die rand van die stedelike raamwerk.

Die afskaling van die onderwerpeïendom se waarde met betrekking tot dat die transaksie se ligging binne n sekuriteits ontwikkeling, kan afgespeel word teen die meer eksklusiewe ligging van die onderwerpeïendom (in vergelyking met *Transaksie #3*).

Die aangepaste kwantum van ongeveer *R11,000,000/* hektaar op die datum van waardasie is realisties en direk vergelykbaar met die norm van die onderwerpeïendom.

Vir Aandag: Gys de Klerk

21 Mei 2021

Goeddag Gys,

KRITIESE EVALUERING VAN ERF 13246, STELLENBOSCH

Ek het die waardeerder (Real Direct) se opinie deurgelees en ondersteun die beginsels en besprekings wat hy opper – Ek is egter van mening dat 'n prys van R11m/ha nie tans behaal sal word nie.

Erf 13246 (Die eiendom) is volgens munisipale rekords gesoneer as Landbou. Die munisipale waardasies is dus gebaseer op landbou waarde. Aanpassing sou gemaak word vir ligging ens. Die munisipale waardasie sal dus veel laer wees as potensiële markwaarde in die ope mark. Na my mening is die eiendom 'n "baie" groot erf met Lanbousonering en moet daar na die geleentheidskoste gekyk word.

1. Die eiendom is geleë net langs die stedelike grens, wat beteken hoofdienste is reeds beskikbaar en slegs interne aansluitings hoef gedoen te word.
2. Die huidige sonering (Landbou) laat 2 woonhuise van 600m² toe. Hierdie is dus 'n unieke geleentheid vir 2 families om eiendom op aandeelblokskema te bekom. Daar is ook 'n mark vir eienaars wat leefstyl eiendomme soek maar nie die bedryf van landbou wil doen nie. Die wingerd kan maklik deur 'n wynmaker bestuur word en 'n eie etiket is altyd 'n trekpleister.
3. Die eiendom lê nie in die middel van nêrens en kan maklik aansluit by reeds beskikbare veiligheidsdienste – dit is dus 'n voordeel om langs die ontwikkelde eiendomme geleë te wees (maar tog ook deel van die landelike gebied).

Gegewe die beskikbare markinligting en tendense is my mening dat daar wel vraag sal wees vir die unieke eiendom en die eiendom behoort in die opemark tussen R7,0 en R8m te haal.

Met vriendelike groete



Deon Carstens
072 906 2717

APPENDIX 2



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Collaborator No:
IDP KPA Ref No:
Meeting Date:

(To be filled in by administration)
Good Governance
17 and 24 February 2021

1. SUBJECT

ERF 13246, STELLENBOSCH: DUTCH REFORM CHURCH: WELGELEGEN: APPLICATION TO ENFORCE FALL-BACK CLAUSE

2. PURPOSE

The purpose of this item is to consider the enforcement of the fall-back clause in the Exchange of Land Agreement of 12 May 1995 and to determine the value at which such buy back should take place if approved.

3. DELEGATED AUTHORITY

For decision by Council.

4. EXECUTIVE SUMMARY

Stellenbosch Municipality and the Dutch Reform Church: Welgelegen concluded an Exchange of Land Agreement in 1995 in terms whereof erf 13246, Stellenbosch (municipal land) was exchanged for two residential erven in Die Boord, being erven 12758 and 12759 (church land) on an equal in value basis. The Agreement, however, has a fall-back clause, indicating that the land must be transferred back to the Municipality should it no longer needed for church purposes. Seeing that the Dutch Reform Church: Welgelegen does not want to use the property for church purposes they have requested that the fall-back clause be enforced, as per the Agreement. Council must agree to the value at which the property is bought back, as per the Agreement.

The item served before Mayco in November 2019 and was referred back. We received a update on the Municipal Value for the property on which the rates are based. That information is attached as **Appendix 8**.

It was resubmitted in February 2020, but did not serve on the agenda. It is now resubmitted for consideration. The item served before the Mayco meeting In November 2020, but no decision was taken. It is resubmitted for consideration in January and during the discussions the issue of clause 14.2 of the agreement (Appendix 1) was raised. Clause 14. 2 indicates a special condition requiring rezoning. It was argued that clause 14.2 is a suspensive condition. The Deeds Office did not regard this as a suspensive condition and the erf was transferred to the Municipality. If it was regarded as a suspensive condition it would not have been transferred. The condition in in our view requires that the erf in question must be rezoned before it can be used and build on as a church. There was a rezoning application (see paragraph 2 of appendix 2) which was approved. The rezoning will only vest when building is started within the prescribed 2 years from the date of the approval of the application. The rezoning lapsed as there was never a building built on the land. The special clause cannot now be used to claim that the swapping agreement is invalid especially as it was implemented.

5. RECOMMENDATIONS

5.1 For Council Consideration

6. DISCUSSION / CONTENT

6.1 Background

During 1995 Stellenbosch Municipality and the Dutch Reform Church: Welgelegen concluded an Exchange of Land Agreement, in terms whereof erf 13246, Stellenbosch (municipal owned land at the time) was exchanged for two residential erven (church land) in Die Boord on an equal in value basis. A copy of the Agreement is attached as **APPENDIX 1**.

6.2 Application to enforce buy-back clause

Hereto attached as **APPENDIX 2** a self-explanatory request from the Dutch Reform Church: Welgelegen, requesting Council to buy back erf 13246.

6.3 Discussion

6.3.1 Location and context

Erven 12758 and 12759 is situated in Rhodes- North Road, Die Boord, as indicated on Fig 1 and 2, below.



Fig 1: Location and context: Erven 12758 and 12759



Fig 2: Extent: Erven 12758 and 12759

Erf 13246 is located off Wildebosch Road, Paradyskloof, as indicated on Fig 3 and 4, below.

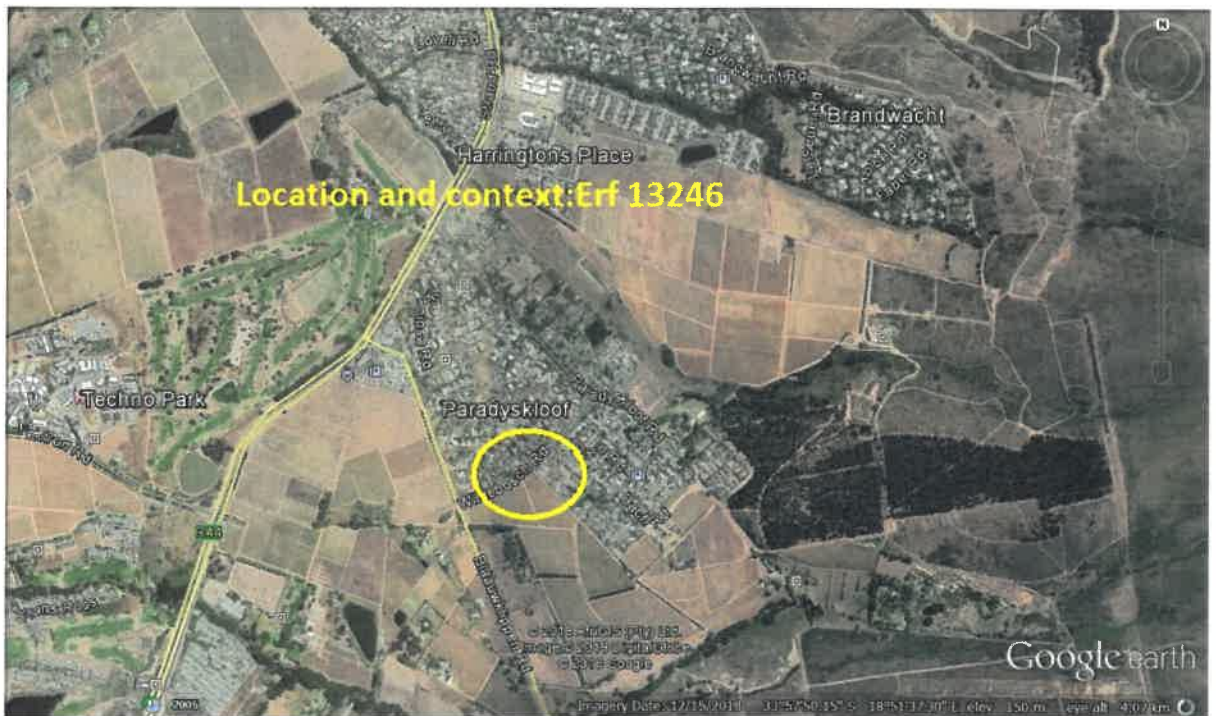


Fig 3: Location and context: erf 13246



Fig 4: Extent Erf 13246

6.3.2 Property description and Ownership

Erf 13246, measuring 9000m² in extent, is registered in the name of the Dutch Reform Church: Welgelegen, by virtue of Title Deed T4376/2001. Although erf 13246 was rezoned to Religious Purposes, this rezoning has lapsed. The zoning has therefor reverted back to Agricultural Use. See Windeed record attached as **APPENDIX 3**.

Erven 12758 and 12759 measuring 767m² and 720m² in extent respectively, are registered in the name of Stellenbosch Municipality by virtue of Title Deeds T4375/2001. See Windeed records attached as **APPENDIX 4** and **5** respectively. The properties are zone single residential but is used for an early childhood development centre in term of a Lease Agreement (undetermined period).

When Council acquire land no need exists in Law to follow a public participation process.

6.3.3 Contractual situation

In terms of clause 1 of the Exchange of Land Agreement (Ruilooreenkoms) the parties agreed that the properties which were the subject of the exchange, are equal in value.

In terms of clause 13, should erf 13246 not be used for religious purposes by the church, it will be transported back to the Municipality at an amount to be agreed upon by the parties.

6.3.4 Valuation

Hereto attached as **APPENDIX 6** and **7** respectively, valuations obtained from Pendo Property Valuers and DDP, valuing the property at R5 100 000.00 and R4 500 000, respectively. The weighted average is R4 800 000.00.

6.3.5 Options available to Council

In terms of clause 13 of the Exchange of Land Agreement, should erf 13246 not be used for religious purposes by the church, it must be transferred back to the Municipality at an amount to be agreed upon between the parties.

6.4 Financial Implications

Should Council resolve to buy-back erf 13246, the initial financial cost will be determined by the amount that Council resolve to pay for the property plus transfer costs, should the parties reach agreement.

6.5 Staff Implications

No additional staff implications.

6.6 Previous / Relevant Council Resolutions

Council has approved the initial Exchange of Land, during 1995, but no detail could be found. The item also served as a Mayoral Committee meeting held on 2019-05-21, where

it was decided to refer the matter back to allow the Administration to obtain additional information.

6.7 Risk Implications

Risks are addressed in the item.

6.8 Comments from Senior Management

6.8.1 Director: Infrastructure Services

No comments received

6.8.2 Director: Planning and Economic Development

Non received

6.8.3 Chief Financial Officer

See Appendix 8.

6.8.4 Director: Community and Protection Services

Non received

6.8.5 Municipal Manager

Notes the recommendations

ANNEXURES:

Appendix 1: Copy of Agreement

Appendix 2: Request from Dutch Reform Church

Appendix 3: Windeed report

Appendix 4 and 5: Windeed records

Appendix 6: Valuation report Pendo

Appendix 7: Valuation report DDP

Appendix 8: Input from the CFO

FOR FURTHER DETAILS CONTACT:

NAME	PIET SMIT
POSITION	Manager: Property Management
DIRECTORATE	Corporate Services
CONTACT NUMBERS	021-8088750
E-MAIL ADDRESS	Piet.smit@stellenbosch.gov.za
REPORT DATE	2020 – 11- 09

APPENDIX 3

8.1.1

**ERF 13246, STELLENBOSCH: DUTCH REFORM CHURCH: WELGELEGEN:
APPLICATION TO ENFORCE FALL-BACK CLAUSE**

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

17 February 2021

**1. SUBJECT: ERF 13246, STELLENBOSCH: DUTCH REFORM CHURCH:
WELGELEGEN: APPLICATION TO ENFORCE FALL-BACK CLAUSE****1. PURPOSE**

To consider the enforcement of the fall-back clause in the Exchange of Land Agreement of 12 May 1995 and to determine the value at which such buy back should take place if approved.

2. DELEGATED AUTHORITY

For decision by Council.

3. EXECUTIVE SUMMARY

Stellenbosch Municipality and the Dutch Reform Church: Welgelegen concluded an Exchange of Land Agreement in 1995 in terms whereof erf 13246, Stellenbosch (municipal land) was exchanged for two residential erven in Die Boord, being erven 12758 and 12759 (church land) on an equal in value basis. The Agreement, however, has a fall-back clause, indicating that the land must be transferred back to the Municipality should it no longer needed for church purposes. Seeing that the Dutch Reform Church: Welgelegen does not want to use the property for church purposes they have requested that the fall-back clause be enforced, as per the Agreement. Council must agree to the value at which the property is bought back, as per the Agreement.

The item served before Mayco in November 2019 and was referred back. We received an update on the Municipal Value for the property on which the rates are base. That information is attached as **APPENDIX 8**.

It was resubmitted in February 2020, but did not serve on the agenda. It is now resubmitted for consideration. The item served before the Mayco meeting in November 2020, but no decision was taken. It is resubmitted for consideration in January and during the discussions the issue of clause 14.2 of the agreement (**APPENDIX 1**) was raised. Clause 14. 2 indicates a special condition requiring rezoning. It was argued that clause 14.2 is a suspensive condition. The Deeds Office did not regard this as a suspensive condition and the erf was transferred to the Municipality. If it was regarded as a suspensive condition it would not have been transferred. The condition in our view requires that the erf in question must be rezoned before it can be used and build on as a church.

There was a rezoning application (see paragraph 2 of **APPENDIX 2**) which was approved. The rezoning will only vest when building is started within the prescribed 2 years from the date of the approval of the application. The rezoning lapsed as there

was never a building built on the land. The special clause cannot now be used to claim that the swopping agreement is invalid especially as it was implemented.

SPECIAL COUNCIL MEETING: 2021-02-24: ITEM 8.1**RESOLVED** (majority vote)

- (a) that Council invokes the buy-back clause;
- (b) that the Municipal Manager be mandated to negotiate a mutually agreed price to buy back erf 13246, Stellenbosch, from the Dutch Reform Church: Welgelegen; and
- (c) that the Municipal Manager reports back to Council on the price before a final decision is made and the sale agreement is signed.

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

Cllr G Cele (Ms); FT Bangani-Menziwe (Ms); N Mananga-Gugushe (Ms); C Moses (Ms); RS Nalumango (Ms); N Sinkinya (Ms); P Sitshoti (Ms) and LL Stander.

FOR FURTHER DETAILS CONTACT:

NAME	PIET SMIT
POSITION	Manager: Property Management
DIRECTORATE	Corporate Services
CONTACT NUMBERS	021-8088750
E-MAIL ADDRESS	<u>Piet.smit@stellenbosch.gov.za</u>
REPORT DATE	2020 – 11- 09

APPENDIX 4



STELLENBOSCH
 STELLENBOSCH • PNIEL • FRANSCHHOEK
 MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

KANTOOR VAN DIE MUNISIPALE BESTUURDER

Ons verw.: Erf 13246 St/Bosch

Navrae: Piet Smith

Epos: piet.smith@stellenbosch.gov.za

Datum: 30 Maart 2021

Die Voorsitter: NG Gemeente Stellenbosch-Welgelegen

Buitekringweg 6

Dalsig

7600

Geagte Ds Monty Sahd

TERUGKOOP KLOUSULE: ERF 13246, STELLENBOSCH

U skrywe gedateer 04 Oktober 2018, verwys.

Neem asseblief kennis dat die Raad op 27 Februarie 2021, hierdie aangeleenthied oorweeg het. Na oorweging, is die volgende besluit geneem:

"RESOLVED (majority vote)

- a) *that Council invokes the buy-back clause;*
- b) *that the Municipal Manager be mandated to negotiate a mutually agreed price to buy back erf 13246, Stellenbosch, from the Dutch Reform Church: Welgelegen; and*
- c) *that the Municipal Manager report backs to Council on the price before a final decision is made and the sale agreement is signed".*

Ek het intussen die agtergrond inligting bestudeer, insluitende die twee kwotasies wat in hierdie verband verkry is.

Na oorweging van al die relevante inligting tot my beskikking, insluitende die huidige munisipale waardasie, is ek van mening dat 'n billike koopsom vir die betrokke eiendom R2 700 000.00 is.

Gemelde prys is gebaseer op die jongste munisipale waardasie (2021).

Om my in staat te stel om terugvoering aan die Raad te gee, verneem ek graag of u genoemde aanbod aanvaar, onderhewig daaraan dat die Munisipale Raad dit so aanvaar.

Ek verneem graag van u.

Die uwe,

Geraldine Mettler
Munisipale Bestuurder

APPENDIX 5

U verw: Erf 13246 Stellenbosch
Datum: 22 April 2021

Die Kantoor van die Munisipale Bestuurder
Stellenbosch Munisipaliteit
Pleinstraat 3
Stellenbosch
7600

Geagte me Mettler

TERUGKOOP KLOUSULE: ERF 13246 STELLENBOSCH

Ons verwys na u skrywe van 30 Maart 2021, waarop ons ontvangs erken het in ons skrywe van 19 April 2021.

Die Kerkraad het hierdie aangeleentheid nou behoorlik oorweeg aan die hand van 'n verslag wat ons laat opstel het deur 'n onafhanklike waardeerder, mnr Jean Marais van Real Direct.

Ons is van mening dat die koopprys van hierdie eiendom slegs bepaal kan word aan die hand van die huidige billike markwaarde daarvan. Ons het dus 'n kundige waardeerder geraadpleeg hieroor, wie van mening is dat die huidige billike markwaarde van hierdie eiendom tussen R10 000 000,00 en R12 000 000,00 is. Sy motivering hiervoor word volledig uiteengesit in die aangehegte verslag.

Ons verskil dus met respek van u mening dat die bedrag van R2 700 000,00 'n billike koopprys vir hierdie eiendom is. Hierdie bedrag is in ieder geval wesenlik minder as die onafhanklike waardasies wat u ten opsigte van die eiendom laat doen het.

U is in terme van u Raad se besluit gemagtig om met ons te onderhandel in 'n poging om ooreen te kom op 'n koopprys wat vir beide partye aanvaarbaar is.

Ons glo dat dit bewerkstellig kan word en sal graag met u wil vergader hieroor.

Ons verneem vriendelik wanneer dit vir u geleë sal wees om ons te woord te staan hieroor.

Vriendelik die uwe



Ds Monty Sahd namens NGK Stellenbosch-Welgelegen

REAL DIRECT



PROPERTY VALUATIONS | BUSINESS VALUATIONS | SURVEYING | ACCOUNTING

15 April 2021

CLUVER MARKOTTER PROKUREURS
1ste vloer
Cluver Markotter gebou
Meulstraat
STELLENBOSCH
7600

Ons verwysing:
RD20210407
Aandag
Arend de Waal

AANGAANDE: KRITIESE EVALUERING VAN WAARDASIES VAN ERF 13246, STELLENBOSCH

U opdrag gedateer 29 Maart 2021, verwys

Aangeheg vind die nodige dokumentasie en let asb daarop dat die verslag nie n opemark waardasie van die eiendom is nie en slegs n evaluering van die twee verslae soos aan ons voorsien.

Laat weet gerus indien jul 'n ten volle gemotiveerde verslag verlang om ons bevindinge meer breedvoerig te vervat,

Enige navrae kan gerig word aan my,

Baie dankie en groete

Jean Marais

PROFESSIONELE GEASSOSIEERDE WAARDEERDER

Nasionale Diploma in Eiendomswaardasies

MBA

Geregistreerd met die Suid-Afrikaanse Raad vir die Eiendomswaardasie Professie (SACPVP)

Erik Marais

PROFESSIONELE WAARDEERDER

Nasionale Diploma in Eiendomswaardasies

Geregistreerd met die Suid-Afrikaanse Raad vir die Eiendomswaardasie Professie (SACPVP)

Geregistreerd met die Suid-Afrikaanse Raad van Waardeerders (SA)

REAL DIRECT



PROPERTY VALUATIONS | BUSINESS VALUATIONS | SURVEYING | ACCOUNTING

- 1.1 Opdrag is ontvang van *Arend de Waal van Cluver Markotter Prokureurs*, namens die *Nederduitse Gereformeerde Kerk, Stellenbosch Welgelegen* om 'n evaluering te doen op vorige opemark waardasies wat op Erf 13246, Stellenbosch gedoen is.
- 1.2 Die inligting vervat in hierdie verslag na my wete korrek en is baseer op inligting ontvang van die opdraggewer en/of sy verteenwoordiger asook eksterne bronne.
- 1.3 Die menings uitgespreek en gevolgtrekkings gemaak, is gedoen na deeglike verifiëring en oorweging van die inligting.

EVALUERING VAN WAARDASIE VERSLAG



1. Aannames deur waardeerder

Die waardasies is gebaseer op die aanname dat die eiendom is geleë buite die huidige stedelike raamwerk val. Dit is deur ons ondersoek bevestig. Derhalwe word enige moontlike ontwikkelingspotensiaal buite rekening gelaat. Dit is redelik en korrek volgens ons.

2. Metodiek

Die voorgestelde *Vergelykbare Transaksie-metode* is die aanvaarde en mees geskikte metode.

3. Markondersoek

Die 10x transaksies wat gebruik is het die volgende gevolgtrekkings gehad, volgens die verslag, en word soos volg deur ons bespreek:

Transaksies #1, #8, #9 en #10.

Sales 1, 8 and 9 represent small holdings located in the Welgevonden and Jamestown nodes respectively. These sales are considered indicative of similar sized small holdings, but the location of the subject property is deemed superior which suggests an upward adjustment would be justified for the subject property. Sale 10 represents a similar sized tract of agricultural land located in a comparable node. This sale serves as a good indication of the rate to be applied to the subject property, with an upward adjustment justified for the efflux of time.

- Die waardeerder se gevolgtrekking is aanvaarbaar en ons stem saam met die vergelyking dat die onderwerpe eiendom se ligging hom onderskei van hierdie eiendomme. *Transaksie #10*, alhoewel die mees vergelykbare eiendom, is n enkele transaksie in Franschoek en kan nie verteenwoordigend wees van n marknorm mbt die onderwerp perseel nie.

Transaksies #2, #4, #5 en #6.

Sales 2, 4 and 5 represent smaller tracts of residential land located in prime residential estates. These properties are not considered directly comparable, but were included to illustrate the premium paid for prime residential land with concomitant lifestyle appeal. These sales ranged between R 5 460 000 and R 12 000 000 which is considered indicative of the opportunity value of a prime lifestyle opportunity in this node. It must however be borne in mind that these properties as located in secured villages. Sale 6, a vacant residential stand located in the immediate vicinity of the subject property, was included to illustrate the higher prices paid for small holdings (Sales 8 and 9) vis a vis vacant residential land in the same area.

- Ons stem saam dat hierdie persele uit die oogpunt van ligging uitstekend is maar dat weens die grootte die vergelyking volgens n per-vierkante-meter basis nie redelik en vergelykbaar is nie. In hierdie opsig moet dit genoem word dat die onderskeie kooppryse van R 5,460,000 en R5,990,000 vir twee persele van onderskeidelik 901m² en 1,099m² in die aanliggende resiesiële node beslis n aanwyser van die basiswaarde te wees.

Transaksies #3 en #7

“Sales 3 and 7 represent development sites, with development rights in place at the date of sale. The location of these properties is considered inferior, but the sales were included for comparison with larger tracts of land in demand due to the lifestyle appeal”.

- Daar word saamgestem met die waardeerder se aanname aangesien hierdie potensiaal reeds in die vroeë stadium van die verslag buite rekening gelaat is.

Addisionele markinligting

Aangesien die onderwerp perseel oor n landbou sonering beskik, behoort dit, uit n potensiele benuttings oogpunt, addisionele waarde te skep. Die onderwerp eiendom kan in terme van die sonering benut word vir twee wooneenhede (daarteenoor laat die sonering van n enkel resiesiële gesoneerde perseel slegs een woonhuis toe).

Hierdie voordeel sal beslis die bemarkbaarheid van die onderwerp eiendom aansienlik verhoog in die opemark, na ons mening.

Die volgende transaksies is goeie markaanwysings van die geleentheidswaarde wat landbou sonering bied:

Gedeelte 1 van Plaas 1480, Stellenbosch

Koopprys: R26,000,000 (18 September 2009) – 4x geleenthede teen R 6,500,000 elk op datum van transaksie (en ongeveer R13,000,000/ geleentheid in 2021)



4. Gevolgtrekking

Alhoewel die waardasie verslag voldoen aan al die vereistes, is ons tog van mening dat in die toepassing van die finale waarde, die geleentheidswaarde wat die landbou sonering van die onderwerpperseel bied, nie beklemtoon word nie.

Gegewe hierdie voordeel tesame die uitstekende en unieke ligging, sal die onderwerpperseel heelwaarskynlik in die **R10,000,000 tot R12,000,000** prysklas tans verhandel, in ons opinie.

REAL DIRECT



PROPERTY VALUATIONS | BUSINESS VALUATIONS | SURVEYING | ACCOUNTING

EVALUERING VAN WAARDASIE VERSLAG



1. Aannames deur waardeerder

Die waardasies is gebaseer op die volgende aannames:

- Die eiendom is geleë buite die huidige stedelike raamwerk val. Dit is deur ons ondersoek en bevestig.
- Derhalwe word enige moontlike ontwikkelingspotensiaal buite rekening gelaat. Dit is redelik en korrek volgens ons.

2. Metodiek

- Die voorgestelde *Vergelykbare Transaksie-metode* is die aanvaarde en mees geskikte metode.

3. Markondersoek

Die 8x transaksies wat gebruik is het die volgende gevolgtrekkings gehad, volgens die verslag, en word soos volg deur ons bespreek:

“By analysing all the comparable transactions, we have concluded that Comparable sale 1 is not necessarily considered as the best comparable due to the larger extent of the property and the agricultural nature of the immediate surroundings. Comparables sales 2 and 3 are smaller in extent compared to the subject property, however considered more comparable to the subject property in terms of the highest and best use of the subject property i.e. a lifestyle opportunity. Comparable sales 4 to 8 comprise of upmarket residential zoned stands that are fully serviced and that fall within the urban edge of Stellenbosch. These comparable sales are far smaller compared to the subject property and range between 975m² and 4 124 m² in extent.

Furthermore, portion 9 of the farm Edgbaston no.104 (1.16ha) was listed earlier this year for R3 250 000 (R2 801 724/ha) as vacant agricultural land. This property forms part of the same small estate where Comparable 3 is situated. However, this property has since been rezoned to offer 45 development opportunities. This listing is currently at R10 950 000, which equates to a rate of R243 333 / opportunity”.

Transaksies #1 en #2.

Hierdie eiendomme verteenwoordig 'n perseel as deel van 'n groter produktiewe landbou entiteit. Eiendomme landelik geleë en nie vergelykbaar nie.

Transaksies #4, #2 en #6

Enkel residuesiële eenhede (met slegs een toelaatbare eenheid), baie kliener erwe en geleë binne gevestigde buurte met beboude persele reg rondom. Nie vergelykbaar nie.

Transaksies #7 en #8.

Transaksie #7 is "outlier" en waarde heeltemal buitensporig en nie in-lyn met marknorme nie. Klein erf binne gevestigde node.

Koopsom van *R23,510,000* vir *Transaksie #8* verteenwoordig vakante grond binne die hartjie van *Stellenbosch* en die koper sal (as gekyk word na die omliggende eiendomme) heelwaarskynlik waarde toevoeg tot die eiendom deur te onderverdeel/ ontwikkel – gegewe die premie wat betaal is vir daardie potensiaal. Nie vergelykbaar nie na ons mening.

Transaksies #3

Hoogs vergelykbare eiendom. Soos die onderwerpeïendom beskik die perseel oor n Landbou-sonering (2x eenhede) en alhoewel ietwat kliener, is die eiendom, soos die onderwerp perseel, ook op die rand van die stedelike raamwerk.

Die afskaling van die onderwerpeïendom se waarde met betrekking tot dat die transaksie se ligging binne n sekuriteits ontwikkeling, kan afgespeel word teen die meer eksklusiewe ligging van die onderwerpeïendom (in vergelyking met *Transaksie #3*).

Die aangepaste kwantum van ongeveer *R11,000,000/* hektaar op die datum van waardasie is realisties en direk vergelykbaar met die norm van die onderwerpeïendom.

APPENDIX 6

Plein Street, Stellenbosch

Ref: Yolande van den Berg

E: yolande.vandenberg@stellenbosch.gov.za

Prokureurs, Transportbesorgers, Notarisse en
Handelsmerk Prokureurs
Attorneys, Conveyancers, Notaries and Trademark
Attorneys

Dorpstraat 6 /6 Dorp Street Stellenbosch 7600
Posbus / PO Box 1029 Stellenbosch 7599

Tel: 021 883 8012
Email / Epos : roelof@feenstrainc.co.za
VAT no / BTW Nr: 4820276055

29 May 2023

Dear Madam

**RE: ERF 13246 STELLENBOSCH: FALL – BACK CLAUSE, MY CLIENT DUTCH REFORM CHURCH
WELGELEGEN**

We refer to previous correspondence between the Municipality and the Church pertaining the above matter and wish to advise that we act on behalf of the the Church on whose instruction this letter is addressed to the Municipality.

1. Clause 13 of the Exchange Agreement dated 12 May 1995 entered into between the said Church and the Municipality reads as follows:

"13 TERUGVALSREG

Indien die Kerk nie meer die EERSTE EIENDOM vir kerk doeleindes benodig nie, sal dit aan die STADSRAAD teruggetranspoteer word teen 'n vergoedingsbedrag soos deur die partye ooreengekom"

2. The Church has informed the Municipality about 2 years ago that it does not want to use the property for Church purposes and we understand that the Municipality has decided that it wants to enforce the aforesaid fall-back clause and requires that the property to be transferred to it.
3. It is common cause that the Church and the Municipality cannot agree on the amount payable to the Church as remuneration as provided in the said clause 13.
4. The Municipality is requested to formally record whether it is prepared to pay a market related price or waive its fall-back rights.
5. We look forward to hearing from you.

Regards

RJ FEENSTRA

7.3.3	REQUEST TO RELEASE ERVEN 622 AND 623, STELLENBOSCH FOR RESTITUTION PURPOSES TO THE REGIONAL LAND CLAIMS COMMISSIONER: WESTERN CAPE
-------	---

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

19 July 2023

1. SUBJECT: REQUEST TO RELEASE ERVEN 622 AND 623, STELLENBOSCH FOR RESTITUTION PURPOSES TO THE REGIONAL LAND CLAIMS COMMISSIONER: WESTERN CAPE

2. PURPOSE

Is to consider a request by the Regional Land Claim Commissioner: Western Cape (RLCC: WC) for the release of erven 622 and 623, Stellenbosch for restitution purposes (now part of erf 9672, Stellenbosch).

3. DELEGATED AUTHORITY

Council must consider the request.

4. EXECUTIVE SUMMARY

The Rynse Sending Gemeente Kerk lodged a claim when the RLCC: WC on 1997-03-25 and has indicated that they would prefer restoration of the properties as preferred method of compensation.

The claim has subsequently been accepted by the RLCC WC as a *prima face* complaint.

They have requested Stellenbosch Municipality, the current owner of erf 9672, Stellenbosch, to release the property to the RLCC WC at a minimal cost or gratis, for restitution purposes. Council must consider the request.

There are also plans in the pipeline on the precinct plan – future development and utilisation of the Rhenish complex flowing from a study requested by council in 2022 – see input from Director Planning and Economic Development in 6.8.1 below.

The item served before Mayco in March 2023 and was referred back for further discussion. The precinct plan for the future development of the Rhenish complex served before Council in March 2023 where a public participation process was approved. The item is resubmitted for consideration of the land claim.

5. RECOMMENDATION

For consideration.

6. DISCUSSION / CONTENT**6.1 Background****6.1.1 Deed of Donation: Erf 9672**

Erf 9672 was donated to Stellenbosch Municipality during 1995 by the Provincial Government of the Western Cape, subject to certain conditions.

Council's attention specifically drawn to the following restrictive conditions, as contained in the Title Deed of erf 9672(See page 9 and 10 of Title Deed) attached as **APPENDIX 1**:

- a) The property may only be used for community purposes, failing which the ownership will revert to the State; and
- b) The State has a right of use servitude in relation to the building marked ABCDEF (currently used by the Youth Trust); The Municipality may only dispose of the property with the approval of the Transferor (Provincial Government: WC).

A copy of the Title Deed (T52595/1995) is attached as **APPENDIX 1**.

Should Council therefore decide to release the land (dispose of it) in question, the Provincial Government: Western Cape will have to consent to the waive the fall-back clause and remove the restriction.

6.1.2 Request to release Erf 622 and 623 for restitution purposed

Hereto attached as **APPENDIX 2** a self-explanatory letter received from the RLCC: WC, requesting Stellenbosch Municipality to release erven 622 and 623 (now part of erf 9672) to them for restitution purposes. In terms hereof the Rynse NG Sending Gemeente Kerk lodged a land claim with them on 1997/03/25. The claimant has indicated that they would prefer restoration of the properties as preferred method of compensation.

Should Council resolve to adhere to the request, it is requested that the Stellenbosch Municipality release them for restitution purposes at a minimal cost or gratis.

6.2. DISCUSSION**6.2.1 Location and context**

Erf 9672 is situated off Mark Street, Stellenbosch, as shown on Fi.1 and Fig.2, below

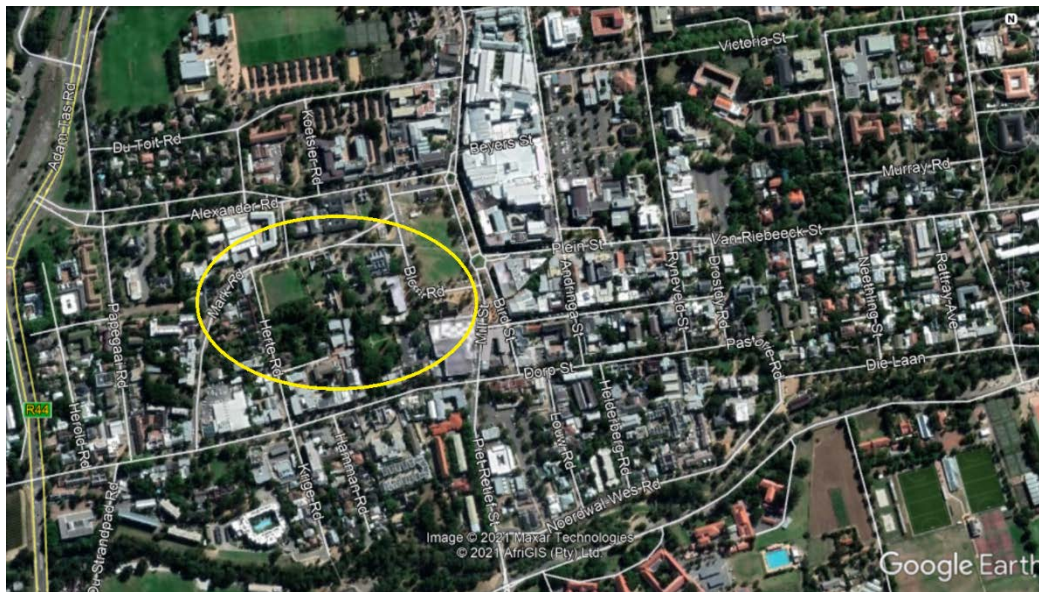


Fig 1: Location and context Erf 9672



Fig 2: The site Erf 9672

6.2.2 Extent of erven 622 and 623

Erven 622 and 623, measuring 8622m² and 8389m² in extent, respectively, forms part of erf 9672, as indicated on Fig 3, below.



Fig 3: Extent of erven 622 and 623

Should Council, therefore, decide to release erven 622 and 623, for restitution purposes, erf 9672 will have to be subdivided.

6.2.3 Ownership

As indicated above, erf 9672 was donated to Stellenbosch Municipality during 1995. Ownership therefore vests with the Stellenbosch Municipality by virtue of Title Deed T5295/1995. See copy of Windeed records attached as **APPENDIX 3**.

6.2.4 Improvements

Various buildings are situated on erf 9672, as shown of Fig 2, above.

6.2.5 Legal requirements

6.2.5.1 Constitution

Although land reform is a National Government Competency, it is expected of local government to “*participate*”, in this program of land reform and “*contribute towards the progressive realization of the objectives contained in Section 25*” of the Constitution (see section 153 of the Constitution).

6.2.5.2 Local Government: Municipal Finance Management Act, No 56/2003

In terms of Section 14(2) 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.

6.2.5.3 Municipal Supply Chain Management Regulations

In terms of Section 40 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.

6.2.5.4 Municipal Asset Transfer Regulations (R878/2008)

In terms of Chapter 3 the transfer of certain assets to another organ of state may be exempted from the provisions of Section 14 of the MFMA.

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

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

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

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

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

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

- (d) Realizable value of the asset.

From the above, 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.

6.3 Financial Implications

Council has money on the budget and a project is planned for maintenance on this property. It is also part of the properties identified as heritage properties not to be sold off as per the Property Framework approved by Council in June 2022. It was also resolved that the MM bring a plan to Council as to how to ensure proper maintenance of these properties and discussions are currently underway to prepare this plan.

6.4 Legal Implications

See paragraph 6.2.5 above.

6.5 Staff Implications

This report has no additional staff implications to the Municipality.

6.6 Previous / Relevant Council Resolutions

6TH COUNCIL MEETING: 2022-07-27: ITEM 11.3.3

RESOLVED (majority vote with abstentions)

(a) that the new list of categories be approved by Council;

(b) that council identify and classify the properties under strategic properties (as discussed under 6.1.2 as strategic properties needed for municipal services and not to be disposed of (kept) unless specifically dealt with per property in future

(APPENDIX 1);

(c) that Corporate Services investigate the possibility of adding this decision on the title deed of these properties;

(d) that the Municipal Manager be requested to investigate how to maintain the heritage portfolio in a sustainable manner and make a proposal to Council;

(e) that the properties identified under Community Benefit be classified as properties to

be used for community benefit and retained for that purpose until otherwise determined by Council **(APPENDIX 2);**

(f) that the properties identified as Rural Properties be referred back for further

refinement in sub-categories and be brought back to the next Mayco meeting for consideration;

(g) that the properties identified under non-core assets be referred back for further refinement, whilst council note the process approved to deal with encroachments during the June 2022 Council meeting; and

(h) that the properties identified under “other properties be referred back for further discussions and refinement.

EXECUTIVE MAYORAL COMMITTEE MEETING: 2023-03-22: ITEM 7.3.2

RESOLVED

that this item be referred back to the Administration for further discussion.

12TH COUNCIL MEETING: 2023-03-29: ITEM 11.8.1

RESOLVED (majority vote)

- (a) that Council takes note of the precinct plan for the Rhenish Complex attached as **APPENDIX 1** to the agenda;
- (b) that Council gives approval for the commencement of a public participation process and advertisement of the precinct plan for the Rhenish Complex for a period of 60 days; and
- (c) that after the process of public participation is concluded, the precinct plan for the Rhenish Complex must be resubmitted to Council together with all comments received for consideration within 2 months.

6.7 Risk Implications

The risks have been addressed in the content of the document.

6.8 Comments from Senior Management

6.8.1 Director Planning and Economic Development:

It should be noted that the land in question is critical for unlocking the unlocking of the tourist economy and to activate the core of the historical precinct for tourist activity and preserving the cultural heritage of town. Being of significant historical value, the development of the property is limited, whilst on the other hand, the maintenance and preservation thereof is necessary and will come at great costs - something that only the municipality or an NGO will be able to afford.

In respect of the above, the Municipal Council at its 38th Council Meeting approved that the Directorate: Planning and Economic Development investigate the development of all the municipal owned landholdings within the Rhenish Complex Study area, that included the properties within the boundaries of Dorp, Herte, Alexander, Market, Bird, and Mill Street.

This investigation was aimed at identifying potential economic opportunities that would kickstart the development of the Rhenish Complex, which included Erf 9672, Stellenbosch as a focal site in kickstarting such proposed development.

The Council decision resulted in the preparation of the final draft "*The Rhenish Complex and Surroundings, Stellenbosch: Unlocking its Potential, November 2021*", compiled by Square One, Piet Louw Architect Urban Designer City Planner, Innovative Transport Solutions on behalf of the Stellenbosch Municipality.

The final draft Precinct Plan clearly identifies Erf 9672, Stellenbosch and its buildings and structures as the main development asset to unlocking the potential economic opportunities and therefore, the property is of utmost importance to be retained in respect of the draft planning policy.

6.8.2 Municipal Manager:

Supports the input by the Director Planning and Economic Development

ANNEXURES: **Appendix 1: Title Deed**

Appendix 2: Self-explanatory letter received from Regional Land Claim Commissioner: Western Cape (RLCC: WC)

Appendix 3: Windeed Records

FOR FURTHER DETAILS CONTACT:

NAME	Annalene de Beer
POSITION	Director Corporate Services
DIRECTORATE	Corporate Services
CONTACT NUMBERS	021-8088018
E-MAIL ADDRESS	Annalene.deBeer@stellenbosch.gov.za
REPORT DATE	10.07.2023

APPENDIX 1



4701/93/A/S
/cib

TRANSPORTAKTE

REPUBLIEK VAN SUID-AFRIKA

ten gunste van

MUNISIPALITEIT VAN STELLENBOSCH

T52595/1995

**STAATSPROKUREUR
KONINGIN VICTORIASTRAAT 38
KAAPSTAD**

over

SEELREG DUTY	R	100
FOOI FEE	R	100

B75-00

REKENAAR VAN VERREKENING VAN DIE OORLOG		
INHOUD	INHOUD	INHOUD
100	100	100

mo

T 52595,95

Ø

Opgestel deur my,

J.E. McGregor
TRANSPORTBESORGER

McGREGOR I.E.

TRANSPORTAKTE

SY DIT HIERBY KENTLIK:

DAT MARIUS STOCKENSTRÖM voor my, REGISTRATEUR VAN AKTES te
KAAPSTAD verskyn het, hy die Komparant, daartoe behoorlik
gemagtig kragtens Volmag aan hom verleen deur die
REPUBLIEK VAN SUID-AFRIKA

gedateer die 24ste OKTOBER 1994 en geteken te KAAPSTAD.

EN die genoemde Komparant het verklaar dat sy genoemde Prinsipaal waarlik en wettiglik geskenk het op 16 JUNIE 1993 en dat hy, in sy voornoemde hoedanigheid, by hierdie Akte sedeer en transporteer, in volle en vrye eiendom, aan en ten behoewe van die

MUNISIPALITEIT VAN STELLENBOSCH

Die se Opvolgers-in-titel of regverkrygendes:

ERF 9672 STELLENBOSCH, in die Munisipaliteit van Stellenbosch, Administratiewe Distrik Stellenbosch, Provinsie van die Wes-Kaap.

GROOT: 1,5052 (Een komma Vyf Nul Vyf Twee)
Hektaar

AANVANKLIK GEREGISTREER EN STEEDS GEHOU KRAGTENS SERTIFIKAAT VAN VERENIGDE TITEL NR. T 525 96/95 MET KAART NR. 9669/93 WAT DAAROP BETREKKING HET.

I. INSOVERRE die figuur B n p f op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27503/1965.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27503/1965 welke endossement soos volg lees:

"Endorsement in terms of Section 13(3) of Act 28 of 1969

In terms of Section 10(1) of Act 28 of 1969, the Historic Rhenish Parsonage Complex at Stellenbosch situate on the withinmentioned properties have been preclaimed a monument by proclamation No. 1374 dated 11.8.1972 published in the Government Gazette of the same date.

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For further particulars refer to said Proclamation from the Director N.M.C. filed with I. 895/75C."

II. INSOVERRE die figuur c1 b1 a1 d1 op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27503/1965.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27503/1965 welke endossement meer volledig uiteengesit is paragraaf I.B. hierbo.

III. INSOVERRE die figuur b1 x y a1 op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27503/1965.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27503/1965 welke endossement meer volledig uiteengesit is paragraaf I.B. hierbo.

IV. INSOVERRE die figuur e f q s op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27504/1965.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27504/1965 welke endossement meer volledig

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uiteengesit is in paragraaf I.B. hierbo.

V. INSOVERRE die figuur x n m z op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27503/1965.

B. ONDERHEWIG VERDER aan die bepalinge van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27503/1965 welke endossement meer volledig uiteengesit is paragraaf I.B. hierbo.

VI. INSOVERRE die figuur a b d l y z m G H g l op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG ten opsigte van die gedeelte gemerk a b c l d l e l en f l z F G H g l op gesege Kaart Nr. 9669/1993, aan die voorwaardes waarna verwys word in Transportakte Nr. T 27503/1965.

B. ONDERHEWIG VERDER aan die serwituut waarna verwys word in die Aantekening op Transportakte No. T 2460/1947, welke Aantekening soos volg lees:

"By Notarial Deed No. 301/1949 dated the 25th July, 1949, the owner of the property held hereby has granted to and in favour of the owners and their successors in title of the property held under Deed of Transfer No. 2459/1947 a Right of Way over the property held hereby, along the line of route as is described in the aforesaid Notarial Deed and together with the right of the owners of the property held under the abovementioned Deed of Transfer No. 2459/1947, to construct a bridge at the place where the abovementioned Right of Way crosses a certain Mill stream, all of which will more fully appear on reference to the said Notarial Deed a copy of which is hereunto annexed."

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C. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1953 gedateer 18 November 1994 soos na verwys in endossement gedateer 19 Desember 1994 op Transportakte Nr. T 27503/1965 welke endossement meer volledig uiteengesit is in paragraaf I.B. hierbo.

D. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1953 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27503/1965 welke endossement soos volg lees:

"Endorsement in terms of Section 13(3) of Act 28 of 1969

In terms of Section 10(1) of Act 28 of 1969, the Historic Rhenish Parsonage Complex at Stellenbosch situate on the withinmentioned properties have been preclaimed a monument by proclamation No. 1374 dated 11.8.1972 published in the Government Gazette of the same date.

For further particulars refer to said Proclamation from the Director N.M.C. filed with I. 895/75C."

VII. INSOVERRE die figuur A a g l J K op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG ten opsigte van die figure A a e l h l en h l f l g l J K op Kaart Nr. 9669/1993 aan die voorwaardes waarna verwys word in Transportakte Nr. T 2459/1947.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1953 gedateer 18 November 1994 soos na verwys in endossement gedateer 19 Desember 1994 op Transportakte Nr. T 2459/1947 welke endossement meer volledig uiteengesit is in paragraaf I.B. hierbo.

C. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972

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soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 2459/1947 welke endossement meer volledig uiteengesit is paragraaf IV.D. hierbo.

VIII. INSOVERRE die figuur C D k h op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27503/1965.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27503/1965 welke endossement meer volledig uiteengesit is paragraaf I.B. hierbo.

IX. INSOVERRE die figuur c d u v w op die gemelde Kaart Nr. 9669/1993 betref:

A. NDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27504/1965.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27503/1965 welke endossement meer volledig uiteengesit is paragraaf I.B. hierbo.

X. INSOVERRE die figuur d e s u op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27504/1965.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op

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Transportakte Nr. T 27503/1965 welke endossement meer volledig uiteengesit is paragraaf I.B. hierbo.

XI. INSOVERRE die figuur t r s q p x op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27503/1965.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27503/1965 welke endossement meer volledig uiteengesit is paragraaf I.B. hierbo.

XII. INSOVERRE die figuur b c w v u x cl op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27503/1965.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27503/1965 welke endossement meer volledig uiteengesit is paragraaf I.B. hierbo.

XIII. INSOVERRE die figuur j k E l op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27503/1965.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27503/1965 welke endossement meer volledig

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uiteengesit is paragraaf I.B. hierbo.

XIV. INSOVERRE die figuur u s r t op die gemelde Kaart Nr. 9669/1993 betref:

A. ONDERHEWIG aan die voorwaardes waarna verwys word in Transportakte Nr. T 27503/1965.

B. ONDERHEWIG VERDER aan die bepalings van Artikel 13(3) van Wet 28 van 1969 kragtens Proklamasie Nr. 1374 gedateer 11 Augustus 1972 soos na verwys in endossement gedateer 21 Maart 1975 op Transportakte Nr. T 27503/1965 welke endossement meer volledig uiteengesit is paragraaf I.B. hierbo.

~~XV. INSOVERRE die figuur B C h g op die gemelde Kaart Nr. 9669/1993 betref:~~

A. ONDERHEWIG aan die volgende voorwaarde vervat in Grondbrief gedateer 8 Januarie 1908 (Stellenbosch Eiendomsbriewe Volume 8 Nr.9) naamlik:

"On condition that the land hereby granted shall be set aside and

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used for the purpose of a Market Square under the control of the Municipality."

B. ONDERHEWIG VERDER aan die bepalings van Artikel 10(1) van Wet 28 van 1969 kragtens Proklamasie Nr. 747 gedateer 10 Mei 1940 soos na verwys in endossement gedateer 6 Mei 1977 op Grondbrief gedateer 8 Januarie 1908 (Stellenbosch Eiendomsbriewe Volume 8 Nr. 9) welke endossemente soos volg lees:

"Endorsement i.t.o. Section 13(3) of Act 28 of 1969

In terms of Section 101) of Act 28 of 1969 the Old Powder Magazine, Stellenbosch, situate on Remainder Erf 624 Stellenbosch, has been proclaimed a National Monument by Proclamation No. 747 dated 10/5/1940, published in the Government Gazette of the same date.

For further particulars refer to said proclamation and minute Ad/1/15 dated 13/11/75 from the Director of Archives, Pretoria, filed in file 24/4/6/16.

Endorsement i.t.o. Section 13(3) of Act 28 of 1969

In terms of Section 101) of Act 28 of 1969 the Braak, Stellenbosch situated on the property herein has been proclaimed a monument by proclamation No. 529 dated 6-4-1936 published in the Government Gazette of the same date. For further particulars refer to said Proclamation and minute no. AD/1/15 dated 5-12-1975 from the Director of Archives, Pretoria, filed in file 24/4/6/16."

XVI. INSOVERRE die eiendom as 'n geheel betref:

ONDERHEWIG aan die volgende voorwaardes opgelê deur en ten gunste van die Republiek van Suid-Afrika, naamlik:

1. Die eiendom moet vir Gemeenskapsdoeleindes deur die TRANSPORT-NEMER aangewend word. Indien dit nie as sulks aangewend word nie, val die eiendom terug aan die Staat. Indien die

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Transportnemer die eiendom verbeter het op enige stadium deur die aanbring van aanbouings en die oprigting van geboue kan die Staat in sy absolute diskresie besluit -

- (a) of hy die Transportnemer sal vergoed vir die aldus bedoelde aanbouings en opgerigte geboue teen die betaling van die dan geldende markwaarde van die aanbouings en opgerigte geboue;
 - (b) of die eiendom verkoop word en die Staat die Transportnemer vergoed vir die bedoelde aanbouings en/of opgerigte geboue en wel teen die dan geldende markwaarde van die aanbouings en geboue.
2. Die Staat n serwitutreg het ten opsigte van die gebou op die area voorgestel deur die figuur A B C D E F op serwitutkaart Nr. 9670/93 op voorwaarde dat sy gemelde reg beperk is tot die gebruik van die gemelde geboue.
 3. Die Transportnemer mag slegs die eiendom vervreem met die skriftelike goedkeuring van die Transportgewer.
 4. Vanaf 12 Maart 1993 is die Transportnemer verplig om op eie koste herstelwerk te doen aan die eiendom en dit in stand te hou ten minste in die toestand waarin die op 12 Maart 1993 was ten einde alle fasiliteite bruikbaar te maak vir die doeleindes van die Gemeenskap. Indien die Transportnemer in gebreke bly om dit te doen, dan is die Transportgewer geregtig maar nie verplig nie om dit namens die Transportnemer te doen of te laat doen en om die aangegane onkoste van die Transportnemer te verhaal. Vir hierdie doeleindes kan n amptenaar of ander persoon wat in die algemeen of spesiaal deur die Transportgewer gemagtig is te enige redelike tyd die eiendom binnegaan of betree om n inspeksie uit te voer of om werk te verrig. n Sertifikaat van die Transportgewer sal as prima facie bewys dien van sodanige instandhoudingsonkoste.

WESHALWE die Komparant, afstand doen van alle regte en aanspraak

|

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wat die

TRANSPORTGEWER

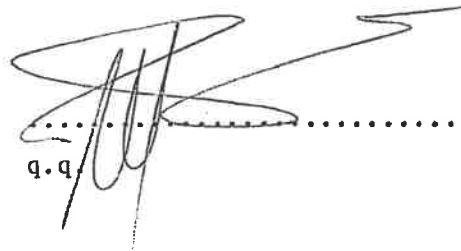
voorheen op genoemde eiendom gehag het en gevolglik ook erken dat dit, geheel en al van die besit daarvan onthef is en nie meer daartoe geregtig is nie en dat kragtens hierdie Akte, die bo genoemde

TRANSPORTNEMER

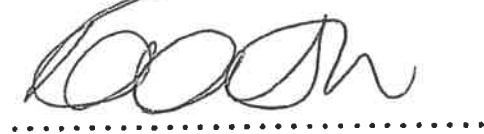
Die se Opvolgers-in-titel of regverkrygendes, nou en voortaan daartoe geregtig sal wees, ooreenkomstig plaaslike gebruik, behoudens die regte van die Staat.

TEN BEWYSE WAARVAN EK, genoemde REGISTRATEUR, tesame met die Komparant hierdie Akte onderteken en dit met die ampseël bekragtig het.

ALDUS GEDOEN EN VERLY op die Kantoor van die REGISTRATEUR VAN AKTES te KAAPSTAD op hede die 17^{de} dag van Julie in die Jaar van Ons Heer Eenduisend Negehoenderd Vyf-en-negentig (1995).

.....
q. q. 

In my teenwoordigheid:


.....

REGISTRATEUR VAN AKTES



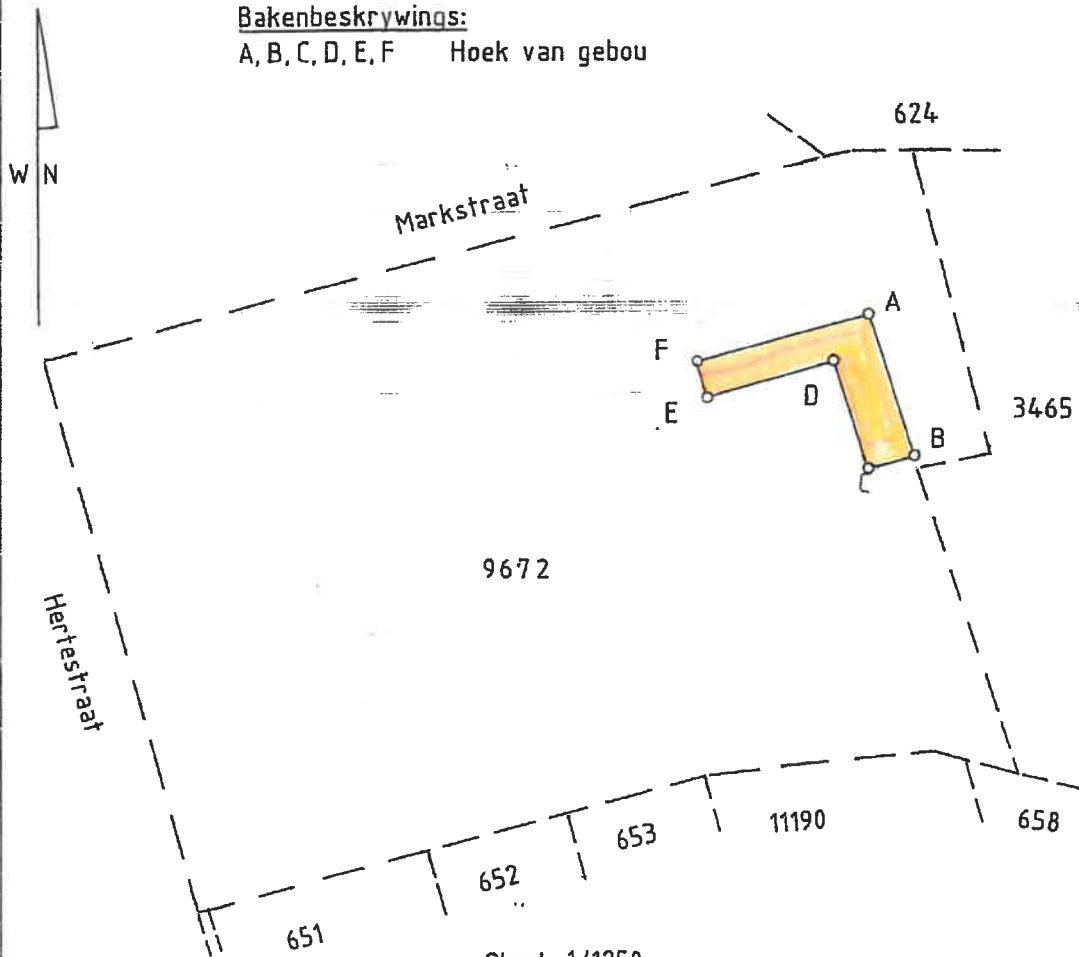
SERWITUUTKAART

SYE Meter	RIGTINGS -HOEKE	KOÖRDINATE Stelsel Lo 19°		L.G. No.	
		Y	X		
	<u>Konstantes</u>		+10 000,00	+3750 000,00	
AB	25,83	342 31 10	A	+ 3 139,03	+ 6 416,84
BC	7,96	73 43 40	B	+ 3 131,27	+ 6 441,48
CD	19,49	162 48 40	C	+ 3 138,91	+ 6 443,71
DE	22,90	74 14 30	D	+ 3 144,67	+ 6 425,09
EF	6,27	162 10 20	E	+ 3 166,71	+ 6 431,31
FA	30,80	253 58 40	F	+ 3 168,63	+ 6 425,34
		N31B	⊕	+ 3 115,38	+ 6 371,96
		N32B	⊕	+3 217,41	+ 6 665,02

L.G. No.
9670-93
Goedgekeur
P. Roussell
Landmeter-generaal
1994-03-09

Bakenbeskrywings:

A, B, C, D, E, F Hoek van gebou



Skaal: 1/1250

Die figuur A B C D E F

stel voor 'n SERWITUUTGEBOU op Erf 9672 Stellenbosch soos aangetoon. grond, synde

geleë in die Munisipaliteit Stellenbosch

Administratiewe Distrik

STELLENBOSCH

Provinsie Kaap die Goeie Hoop.

Opgemeet in Oktober 1993

deur my,

N. Loubser
N Loubser

Landmeter

Hierdie kaart is geheg aan

Die oorspronklike kaart is.

Lêer No. S 2641/17

No. gedateer 52595/95

No. 9669/93 geheg aan
Transport/Grondbrief

M.S. No. 3282/93

t.g.v.

1995-07-17

No.

Komp. BHSZ-1441 (M2756)

Registrateur van Aktes

SERWITUUTKAART 9670/93

11/133

25 29
M 158



Grant under § 10 Act 15 of 1887.

Government Letter No.

dated

In the Name and on behalf of His Majesty EDWARD THE SEVENTH, by the Grace of God, of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas King, Defender of the Faith Emperor of India.

UNDER and by virtue of the provisions contained in the 10th Section of the Act No. 15 of 1887, entitled an "Act for regulating the manner in which the Crown Lands of the Colony shall be disposed of,"

DO HEREBY GRANT, CEDE, AND TRANSFER unto the Commissioners for the time being of the Municipality of Stellenbosch, a certain piece of land containing two hundred and ninety three square rods and ninety nine square feet (293 sq. rds: 99 sq. ft.), being Lot No. LVIII, situated in the Town of Stellenbosch, Division of Stellenbosch, and represented and described in the diagram hereunto attached, on condition that the land hereby granted shall be set aside and used for the purpose of a Market Square under the control of the Municipality; and that a certain triangular shaped portion thereof, in extent about 88 square rods, bounded Northwards by the remainder, Southwards by the grounds of the Rhenish Institute and Westwards by a passage 14 feet wide, shall be transferred, under the provisions of Act 30 of 1893 to the said Rhenish Institute for the purposes of undenominational education.

with full power and authority henceforth to possess the same in perpetuity, subject, however, to all such Duties and Regulations as are either already or shall in future be established with regard to such Lands.

Given under my Hand and the Public Seal of the Colony of the Cape of Good Hope, at Cape Town, this

1908.

Walter Helyar
Governor.

By His Excellency's Command,

[Signature]

W. H. B. [Signature]
Surveyor-General.

Exd. 1902.

I certify that the extent of the piece of land set aside is that which will be used for the use of the Rhenish Institute and that about 88 square rods as stated therein (vide the Co. Memorandum No. 114 of 1908, 27 August 1908, 28 August 1908, 29 August 1908, 30 August 1908, 31 August 1908, 1 September 1908, 2 September 1908, 3 September 1908, 4 September 1908, 5 September 1908, 6 September 1908, 7 September 1908, 8 September 1908, 9 September 1908, 10 September 1908, 11 September 1908, 12 September 1908, 13 September 1908, 14 September 1908, 15 September 1908, 16 September 1908, 17 September 1908, 18 September 1908, 19 September 1908, 20 September 1908, 21 September 1908, 22 September 1908, 23 September 1908, 24 September 1908, 25 September 1908, 26 September 1908, 27 September 1908, 28 September 1908, 29 September 1908, 30 September 1908, 1 October 1908, 2 October 1908, 3 October 1908, 4 October 1908, 5 October 1908, 6 October 1908, 7 October 1908, 8 October 1908, 9 October 1908, 10 October 1908, 11 October 1908, 12 October 1908, 13 October 1908, 14 October 1908, 15 October 1908, 16 October 1908, 17 October 1908, 18 October 1908, 19 October 1908, 20 October 1908, 21 October 1908, 22 October 1908, 23 October 1908, 24 October 1908, 25 October 1908, 26 October 1908, 27 October 1908, 28 October 1908, 29 October 1908, 30 October 1908, 31 October 1908, 1 November 1908, 2 November 1908, 3 November 1908, 4 November 1908, 5 November 1908, 6 November 1908, 7 November 1908, 8 November 1908, 9 November 1908, 10 November 1908, 11 November 1908, 12 November 1908, 13 November 1908, 14 November 1908, 15 November 1908, 16 November 1908, 17 November 1908, 18 November 1908, 19 November 1908, 20 November 1908, 21 November 1908, 22 November 1908, 23 November 1908, 24 November 1908, 25 November 1908, 26 November 1908, 27 November 1908, 28 November 1908, 29 November 1908, 30 November 1908, 1 December 1908, 2 December 1908, 3 December 1908, 4 December 1908, 5 December 1908, 6 December 1908, 7 December 1908, 8 December 1908, 9 December 1908, 10 December 1908, 11 December 1908, 12 December 1908, 13 December 1908, 14 December 1908, 15 December 1908, 16 December 1908, 17 December 1908, 18 December 1908, 19 December 1908, 20 December 1908, 21 December 1908, 22 December 1908, 23 December 1908, 24 December 1908, 25 December 1908, 26 December 1908, 27 December 1908, 28 December 1908, 29 December 1908, 30 December 1908, 31 December 1908.

FOR FURTHER ENQUIRIES USE
THE PUBLIC OFFICE, CAPE TOWN.

Plan 7
1908

22
1

The Rhenish Institute
undenominational

45 Rhenish Institute
1908

BLADSY/PAGE

3

ENDOSSEMENT OP
ENDORSEMENT ON S.F. 9/9/1908

EIENDOM/PROPERTY Erf 624
Stellenbosch

Erf 6194 meas. 213 sq. M.

GETRANSPOORTEER/	6-05-1977	aan	Die Trusteeraad van
TRANSFERREER/O		Toe	die Stellenbosch Museum
T	1.067.2	Restant	3293 sq. M.
		Remainder	
Asst.-Registrar/Asst. Registrar			

The following endorsements dated 8-12-1975 and 12-12-1975 appears on the D10 copy hereof :-

Endorsement i.t.o. Section 13(3) of Act 28 of 1969

In terms of Section 10(1) of Act 28 of 1969 the Old Louder Magazine, Stellenbosch, situate on Remainder Erf 624 Stellenbosch, has been proclaimed a National Monument by Proclamation No. 747 dated 10/5/1940, published in the Government Gazette of the same date.

For further particulars refer to said proclamation and minute Ad/1/15 dated 13/11/75 from the Director of Archives, Pretoria, filed in file 24/4/6/16.

Deeds Registry,
Cape Town

Asst. Registrar of Deeds.

Endorsement i.t.o. Section 13(3) of Act 28 of 1969

In terms of Section 10(1) of Act 28 of 1969 the brick, Stellenbosch situated on the property herein has been proclaimed a monument by proclamation No. 529 dated 6-4-1936 published in the Government Gazette of the same date.

For further particulars refer to said proclamation and minute No. Ad/1/15 dated 5-12-1975 from the Director of Archives, Pretoria, filed in file 24/4/6/16.

Deeds Registry,
Cape Town.

Asst. Registrar of Deeds

6-05-1977

VIR ENDOSSEMENTE KYK BLADSY
FOR ENDORSEMENTS SEE PAGE 4 ET SEQ.

the names
under Deeds
Erf 9889 the
Cape Town
created by
the and
by and
and

3

BLADSY/PAGE
ENDOSSEMENT OP S.F. 8/9/1908
ENDORSEMENT ON
EINDOM/PROPERTY Edf 624
Stella Bosch

4

BLADSY/PAGE
ENDOSSEMENT OP S.F. 8/9/1908
ENDORSEMENT ON
EINDOM/PROPERTY Remainder
Edf 624, Stellenbosch

Endorsement i.to. Sect 2(A)(2) of act 48/1961

By virtue of the consent of the Minister of Agriculture dated 6-4-1977 in terms of the said provision of the State Law Disposal Act the condition on page 1 hereof relating to land set aside and used for the purpose of a Market Square has been cancelled. Consent filed as BC 9004 /77

Deeds Registry,
Cape Town.
76-05-1977

Christ
West. Reg. of Deeds.

Edf 9670 = 92m²

GETRANSPORTEER VAN	TRANSFERRED TO
Republiek van Suid-Afrika	
RESTANT/REMAINDER	
T 4 52593 195	<i>[Signature]</i>
1995-07-18	REGISTRATEUR/REGISTRAR

Stellenbosch
a
1936
date.
d
tor of

Cape Town

[Signature]

29 NOV 67

S.G. folio 2641.

DIE GROND HIERIN BESKRYWE
THE LAND DESCRIBED HEREIN
IS GEREISTREER EN MOET IN DIE TOEKOMS BE-
IS REGISTERED AS, AND MUST IN FUTURE BE
SKRYWE WORD AS
DESCRIBED AS *Rem. Est 624*
Stella bodt.

AKTEKANTOOR,
DEEDS REGISTRY,
KAAPSTAD,
CAPE TOWN.

W. J. J. J.
HOOF-REGISTRASIEAMPTENAAR,
CHIEF REGISTRATION OFFICER.

1-2-77

Reminders
By Notarial Deed No. 685/57 dated 10/12/1957 the Municipality of Stellenbosch as owners of the Remains of the property held hereunder, has given and granted to the owner of Lot B-K held by Certificate of Standard title in Consolidation No. 10341 dated 4 July 1955 a proviso of encroachment 6 Cape feet wide over the remains of the property held hereunder along the Northern boundary marked E.D. on diagram 2159/1107 thereof, subject to conditions and as will more fully appear on reference to the said Notarial Deed.

W. J. J. J.
Chief Registrar of Deeds

Deeds Registry
Cape Town.
28 DEC 1957

Endorsement (Remains)
The within Proviso, inasmuch as it is being deemed to be the owner of Est 3099 (Burgundy) according to 13,986 sq feet more or less of area dated 15/11/1960 No. 200/1960, the said Est 3099 being a portion of Lot G-H held under Certificate of Standard Title in Consolidation No. 10341/1955, the remainder thereof by notarial deed No. 685/1957 and referred to as the encroachment dated 28/12/1957 herein, has been by and in favour of the said Est 3099.

Shawn Ripley
Cape Town. *Ans. Registered*

29 NOV 1960.

GETRANSK	<i>Rep</i>
RESTANT/REI	<i>K</i>

W. J. J. J.

Stellenbosch L_{IV} 372

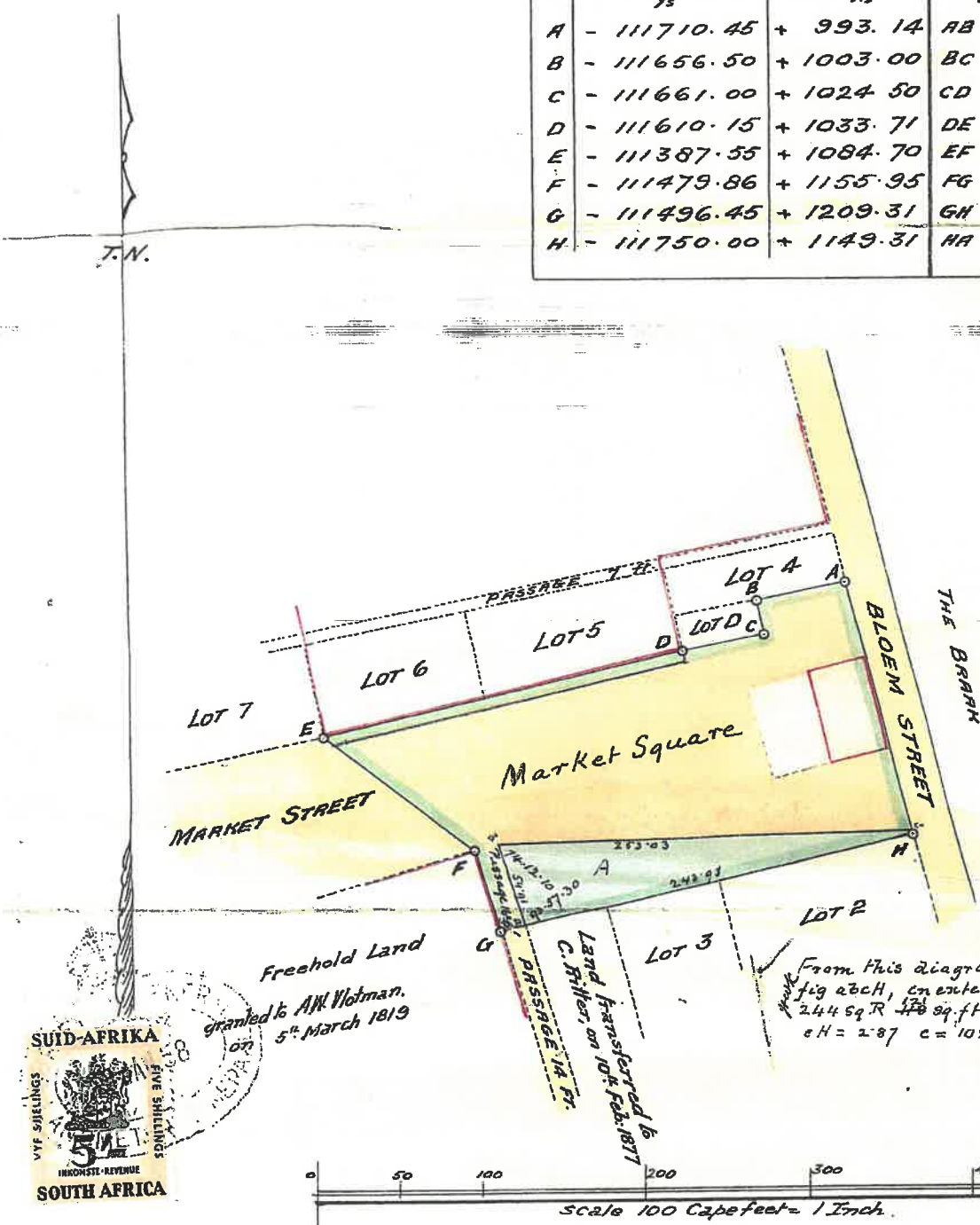
A1/33

The numerical data of this diagram are sufficiently cons

N^o 2159, 1907

M. W. W.
Examiner

Co-ordinates		Sides		Angles	
y_s	x_s		Cape feet	°	'
A - 111710.45	+ 993.14	AB	54.84	A	93 51
B - 111656.50	+ 1003.00	BC	21.97	B	88 32
C - 111661.00	+ 1024.50	CD	51.68	C	271 33
D - 111610.15	+ 1033.71	DE	228.37	D	177 21
E - 111387.55	+ 1084.70	EF	116.61	E	50 34
F - 111479.86	+ 1155.95	FG	55.88	F	215 3
G - 111496.45	+ 1209.31	GH	260.55	G	93 57
H - 111750.00	+ 1149.31	HA	161.10	H	89 6



From this diagram has been deducted, Lot A, c fig abch, an extent 48 sq R 12 $\frac{1}{2}$ sq ft leaving 244 sq R $\frac{1}{2}$ sq ft.
eH = 2.87 c = 102.44.10

The above figure ABCDEFGH, represents 293 square roods 99 square feet of land in the Town of STELLENBOSCH being LOT No LVIII.

C 8

APPENDIX 2



OFFICE OF THE REGIONAL LAND CLAIMS COMMISSIONER: WESTERN CAPE

1st and 2nd floors. 14 Long Street, Cape Town, 8000 | Private Bag X9163, Cape Town, 8000
Tel: (021) 409 0300 | Fax: (021) 418 0205

ROUTE FORM

SUBJECT: LAND REQUEST MEMO

REF NO: D302

RANK/DESIGNATION	SURNAME & INITIALS	TO CLCC INITIAL / DATE
PROJECT OFFICER / AUTHOR	MS PORTIA MAZWAI	<i>PM</i> 3/11/2020
DEPUTY DIRECTOR: PRE- SETTLEMENT	MS KOLEKA MARTINS	<i>KM</i> 06/11/2020
CHIEF RESTITUTION ADVISOR: LEGAL UNIT	MR BEN MARS	<i>BM</i> 06/11/20
DIRECTOR: OPERATIONS	MR DAVID SMIT	<i>DS</i> 06/11/20
DIRECTOR: QUALITY ASSURANCE	MR R. JANSE VAN RENSBURG	<i>RJR</i> 06/11/20
CHIEF DIRECTOR: RESTITUTION SUPPORT	DR WAYNE ALEXANDER	<i>WA</i> 06/11/20

Note: Route form must be filed with completed documentation.



OFFICE OF THE REGIONAL LAND CLAIMS COMMISSIONER: WESTERN CAPE

1st and 2nd floors, 14 Long Street, Cape Town, 8000 | Private Bag X9163, Cape Town, 8000
Tel: (021) 409 0300 | Fax: (021) 418 0205

ENQUIRIES: Ms. Portia Mazwai

Ref No: D302

Mr Piet Smit
The Property Manager
Stellenbosch Municipality
PO Box 17
Stellenbosch
7600

Attention: Mr Smit

RE: REQUEST TO RELEASE ERVEN 622 & 623 STELLENBOSCH MEASURING 8622M² & 8389M², WESTERN CAPE FOR RESTITUTION PURPOSES.

1. PURPOSE

- 1.1 To request the Stellenbosch Municipality to release Erven 622 & 623 in Stellenbosch measuring 8622m² & 8389m² to the Office of the Regional Land Claims Commissioner: Western Cape (RLCC: WC) for restitution purposes.

2. BACKGROUND

- 2.1 The Rynse NG Sendinggemeente Kerk lodged a land claim with the RLCC: WC on 25/03/1997 which was before the cut – off date of 31st December 1998 for two ownership rights which were lost in Stellenbosch due to implementation of Group Areas Act. Research was conducted for this claim and the Commissioner was satisfied that it complies with the provisions of Restitution of Land Rights Act 22 of 1994 as amended. The Group Areas Act of 1957 made provisions on how to control occupation, removal and designation of “disqualified” persons and companies. The Group Areas Development Act of 1957 dictated acquisition, dispossession and compensation of the affected properties within the framework of the Group Areas Development Board. **(See attached as Annexure A the approved Research Report and a Government Gazette Notice)**
- 2.2 The Rynse NG Sendinggemeente Kerk has shown interest for restoration of the properties they lost in Stellenbosch as the preferred method of compensation.
- 2.3 Should the requested properties be available it is requested that the Stellenbosch Municipality release them for Restitution purposes at a minimal cost or gratis.
- 2.5 The RLCC in association with the Department of Agriculture Land Reform and Rural Development promote and support complete integrated development as a social

upliftment strategy and the Stellenbosch Municipality as an organ of State is required to allocate land for restitution purposes.

- 2.6 By releasing the requested properties to the RLCC: WC, it will assist in addressing the skewed patterns of land rights and redress the claimant's needs for the injustices caused by the dispossession.
- 2.7 Finally, it will be highly appreciated if this matter could receive urgent attention as the Commission is under pressure to finalise all claims that were submitted by 31 December 1998 as ordered by the Land Claim Court.

3. SUMMARY

- 3.1 The Land Restitution Programme (LRP) has been introduced in terms of and is governed by the provisions of the Restitution of Land Rights Act, Act No. 22 of 1994, as amended. This programme forms part of a comprehensive land reform strategy.
- 3.2 The key objective of the LRP is that it serves as the Government's instrument to redress the injustices of land dispossession. The injustices, in brief, refer to the dispossession of people of the land they occupied and the resettlement of such individuals at alternative locations. Under the previous legislative dispensation, the majorities of the people were not allowed to own property as this abolished previous legislation was utilized to dispossess and forcefully removed thousands of people to alternative locations.
- 3.3 The LRP thus aims to restore affected persons to their previous situations or to compensate them for their losses. In the case of the Rynse NG Sendinggemeente the Church opted for the restoration of dispossessed properties.

4. RECOMMENDATIONS

It is hereby recommended that the Municipality of Stellenbosch:

- 4.1. Releases Erven 622 and 623 Stellenbosch to the RLCC: WC, for restitution purposes.
- 4.2. Provides the office of the RLCC: WC with any requirements and or conditions pertaining to the possible release of the properties requested.



DR. W. ALEXANDER
CHIEF DIRECTOR: RESTITUTION SUPPORT
WESTERN CAPE

DATE: 06/11/20





OFFICE OF THE REGIONAL LAND CLAIMS COMMISSIONER, WESTERN CAPE
 1st and 2nd floors, 14 Long Street, Cape Town, 8000 | Private Bag X9163, Cape Town, 8000
 Tel: (021) 409 0300 | Fax: (021) 418 0205

ROUTE FORM

SUBJECT: RULE 5 RESEARCH REPORT

REF NO: D302

RANK/DESIGNATION	SURNAME & INITIALS	TO CLCC INITIAL / DATE
PROJECT OFFICER / AUTHOR	MS P.N MAZWAI	28/8/19
DEPUTY DIRECTOR: PRESETTLEMENT	MS K. MARTINS	09/09/2019
CHIEF RESTITUTION ADVISOR: LEGAL UNIT	MR B. MARS	09/09/18
DIRECTOR: OPERATIONS	MR D. SMIT	09/09/19
CHIEF DIRECTOR: RESITUTION SUPPORT	DR W. ALEXANDER	16/11/19
REGIONAL LAND CLAIMS COMMISSIONER	MR H.L. MAPHUTHA	20/11/25

Note: Route form must be filed with completed documentation.



OFFICE OF THE REGIONAL LAND CLAIMS COMMISSIONER WESTERN CAPE
1st and 2nd floors, 14 Long Street, Cape Town, 8000 | Private Bag X9163, Cape Town, 8000
Tel: (021) 409 0300 | Fax: (021) 418 0205

RESEARCH (RULE 5) REPORT

LAND CLAIMS LODGED BY ANDRIES DANIELS AND D STEPHANUS AS MEMBERS OF THE DISPOSSESSED DIE RYNSE NG SENDINGGEMEENTE VAN STELLENBOSCH, ERVEN 622 & 623 CORNER OF MARK AND HERTE STREET, ERVEN 604 & 607 MARK STREET, ERVEN 602, 603, 605, 608 & 612 ALEXANDER STREET SITUATED IN STELLENBOSCH MUNICIPALITY WHICH FORMS PART OF THE CAPE WINELANDS, WESTERN CAPE.

REFERENCE NO: KRK6/2/3/9/77/0/17(D302)

**Compiled by: Ms. Portia Mazwai
RLCC: Pre-Settlement Unit
Date: July 2019**

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4. History of acquisition of property of the claimed land – Rule 5(b)	4
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6. Particulars of legislation or practice used to dispossess the claimants – Rule 5(f)	4
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1. Introduction

- 1.1. This is an investigative research in terms of Section 11 and 2(1) and 2(2) of the Restitution of Land Rights Act 22 of 1994 (as amended) as read with Rules 3 and 5 of the rules regarding the procedure of the Commission on Restitution of Land Rights.
 - 1.2. These claims were lodged in the prescribed manner as stated in the Restitution Act.
 - 1.3. The claims were lodged against H/vof Mark en Hertestraat, Stellenbosch Erfnrns 622 en 623. Markstraat, Stellenbosch Erfnrns 604 en 607. Alexanderstraat, Stellenbosch Erfnrns 602, 603, 605, 608 & 612 situated in the Stellenbosch Municipality which forms part of the Cape Winelands, Western Cape (Annexure A¹: Claim forms)
 - 1.4. **Please Note:** A claim was also submitted for Erven (6589 & 6590) H/V Ryneveldt and Hammanshand Straat, research was approved by the RLCC on 20 February 2013. (Annexure A²: Approved Research Report)
 - 1.5. The office of the Valuer General be requested to make recommendations on the attached valuation reports.
 - 1.6. The purpose of this research is to advise the RLCC on the compliance of these Rights Act 22 of 1994 (as amended) in respect of the application of racially discriminatory laws and practices.
- ## 2. Particulars of claimants
- 2.1 Mr A Daniels and Mr D Stephanus, who are the members of the Rynse NG Sending Gemeente Stellenbosch, lodged the claims with the office of the Regional Land Claims Commission: Western Cape, on the 25/03/1997, which was before the December 31st 1998 cut-off date. (Annexure A¹: Claim Forms) Mr Brian Poole has since been appointed as the representative. (Annexure A³: Power of Attorney)
 - 2.2 The date is within the period for lodgment of claims as provided for in Section 2(1)(e) of the Restitution of Land Rights Act, 1994 (Act 22 of 1994, as amended).

3. **Property description and Locality Research – Rule 5(j)**
 - 3.1 **Property as was and as is**
 - 3.1.1 These claims were lodged against H/vof Mark en Hertestraat, Stellenbosch Erfnrns 622 en 623, Markstraat, Stellenbosch Erfnrns 604 en 607, Alexanderstraat, Stellenbosch Erfnrns 602, 603, 605, 608 & 612. After an in-depth deed search it was established that the claimed properties are indeed Erven 622 & 623 measuring 8622m² & 8389m². Erven 604 & 607 measuring 112m² & 343m² and Erven 602, 603, 605, 608 & 612 Stellenbosch measuring 1069m², 1193m², 706m², 522m² and 659m² respectively. (Annexure A⁴: Erf Registers and calculators)
 - 3.1.2 Erven 622 & 623 were consolidated into Erf 9672, Erven 602, 603, 605, 608 & 612 were consolidated into Erf 613. (Annexure A³: Aktex Reports)
 - 3.2 **Locality Research**
 - 3.2.1. Erven 622 & 623 corner of Mark and Herte Street, Erven 604, 607 Mark Street, Erven 602, 603, 605, 608 & 612 Alexander Street are situated in the Stellenbosch Municipality which forms part of the Cape Winelands, Western Cape. (Annexure A⁴: Erf Registers)
4. **History of acquisition of property of the claimed land – Rule 5(b)**
 - 4.1 The dispossessed properties were acquired by the Rynse Sendinggemeente van Stellenboch, Erven 622 & 623, Erven 604 and 607 on 30/11/1931 through T9153/31, Erven 602, 603, 605, 608 & 612 on 15/08/1946 through 13542/46. (Annexure A⁴: Erf Registers)
5. **Establish the nature of rights in land the claimants were dispossessed of – Rule 5(g)**
 - 5.1 The dispossessed lost ownership rights. (Annexure A⁶: Deeds of Dispossession)
6. **Particulars of legislation or practice used to dispossess the claimants – Rule 5(f)**
 - 6.1 The area where the properties were dispossessed was declared a White area by the Group Areas Act through Proclamation 205 of 1962. (Annexure A⁴: Erf Registers)
7. **Establish which Government Department or Institution dealt with the Dispossession – Rule 5(f)**
 - 7.1 Municipality of Stellenbosch, The Republic of South Africa, The Council of the Municipality of Stellenbosch, The Onderwystrustees and The Government of the Union of South Africa. (Annexure A⁴: Erf Registers)

8. Date and circumstances of the dispossession of the rights in land – Rule 5(d)

8.1 The National Party came in to power in 1948 and their influence in Stellenbosch was substantial especially in education and administrative circles. Although the expropriation of the properties occurred in 1947 the conditions which prevailed politically did not favor non-whites. Although according to the documents the area was proclaimed white in 1962 but the conditions of non-tolerance already existed years before that and that was proven by the fact that pupils and teachers from the were disadvantaged and were forced to move to different other schools long before 1962. The Parishioners who were residing in some of the properties were also left without accommodation. (Annexure A⁷: Background Statement)

Erf no	Government Department or Institution	Date of Dispossession	Proclamation
Portion 1 of Erf 622 which is Erf 623	Onderwystrustees	15/02/1947 T2459/47	205 para a of 1962
Rem of Erf 622	Fritz.Paul Haldenwang	T2460/47	
Erf 604 & 607	The Council of the Municipality of Stellenbosch	13/08/1932 T5007/32	205 para a of 1962
Erven 602, 603,605,608 &612	The Government of the Union of South Africa.	8/05/1952 T6888/52	205 para a of 1962

9 Land use prior to removal and at the time of dispossession

9.1. The properties were used for residential, religious and educational purposes except Erven 604 & 607 they were vacant. (Annexure A⁷: Background Statement)

10 Compensation received – Rule 5(e)

10.1 Compensation was received by the Rhenish Church as given in the table below in lieu of the dispossessions for the nine rights lost. A historical valuation was conducted, See table below for the historical values and the under-compensation amounts. (Annexure A⁸: Valuation Reports)

10.2

Erf no	Dispossession date	Compensation received	Historical value	Under compensation	MVOC
Erf 622	15/02/1947	3000 pounds R6000.00	R6 250.00	R250.00	(CPI of 2016 / CPI of 1947) x R250.00 (122.0 / 0.9) x R250.00 = R33 888.89
Erf 623	15/02/1947	Not indicated on Title Deed	R3 660.00	R3 660.00	(CPI of 2016 / CPI of 1947) x R3 660.00 (122.0 / 0.9) x R3 660.00 R496 133.33
Erven 604 and 607	13/08/1932	50 pounds R100	R120.00	R20.00	(CPI of 2016 / CPI of 1932) x R20.00 (122.0 / 0.6) x R20.00 = R4 066.67
Erven 602,603,6 05,608 and 612	8/5/1952	15 000 pounds R30 000.00	R30 788.00	R788.00	(CPI of 2016 / CPI of 1952) x R788.00 (122.0 / 1.2) x R788.00 R80 113.33

The value of the property as determined through historical valuation falls below the housing subsidy, therefore according to the approved financial policy, the claim qualifies for **R160, 573.00.**

11 Hardship suffered by the claimants

According to the claimant approximately 20 properties known as the Rynse Hoek formed the nucleus of the historic portion of the town. A number of these properties were later legally transferred to the Rhenish Mission Congregation. The Rhenish Congregation during the 30s was affiliated to the NG Church (White) and this church acted as trustees of some of these properties on their behalf.

The church was later greatly disadvantaged mostly due to political pressures from the late 1930s until late 1970s during this time a substantial number of properties of the church were lost, mostly to the state. The Congregation also lost a considerable amount of land with little compensation. (Annexure A7: Background Statement)

12 Current owner(s)

- 12.1 Erven 622 and 623 were both consolidated into Erf 9672 and proclaimed National Monuments which is currently owned by the Republik van Suid Afrika. Erven 604, 607 currently owned by the Municipality of Stellenbosch. Erven 602, 603, 605, 608 & 612 were consolidated into Erf 613 which is currently owned by The Republic of South Africa. (Annexure A⁵: Aktex Reports)

13 Mineral rights, servitudes and bonds

- 13.1. Information relating to mineral rights, servitudes and bonds are stipulated as per the conditions in the deeds of registration nos T2459/47, T2460/47, T5007/32, T6888/1952 and the Aktex reports. (Annexure A⁵: Title Deeds and Annexure A⁵: Aktex Reports)

14 Parties having stake in the restitution of claim**14.1. Claimant Representatives:**

Rynse NG Sendinggemeente C/O Mr Brian Pool
27 Martin Street
Idas Valley
Stellenbosch
Tel: (021) 886 5724
076 7877785

14.2. Department Rural Development and Land Reform

The Minister
Ms. Thoko Didiza
Private Bag X833
Pretoria
0001
Tel: 012 312 9300
Fax: 012 323 3306

14.3. Department Rural Development and Land Reform

~~The Acting Director General~~
~~Ms. Rendani Sadiki~~ *M. S. A. A. A.*
Private Bag X833
Pretoria
0001
Tel: 012 312 8503
Fax: 012 323 6072

14.4. Current Owners:

The Municipality of the Stellenbosch and The Republic of South Africa.


15. Recommendations

Based on the information available, it's recommended that:

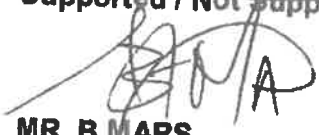
- 15.1. That the claim with **Reference Number D302**, be accepted as **prima facie compliant**, as it meets the Section 2 criteria.
- 15.2. Steps will be taken to Gazette the claim for Erven 622, 623 and Erven 602, 603, 605, 608, 612. The RLCC accepts the Gazette for Erven 604, 607. **(Annexure A⁹: Draft Gazette notice and Gazette Notice)**
- 15.3. The office of the Valuer General be requested to note and make recommendations on the attached valuation reports.
- 15.4. The RLCC signs the financial settlement offers. **(Annexure A¹⁰: Settlement Offers)**
- 15.5. That the claim be processed for settlement

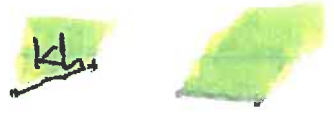

MS P MAZWAI
PROJECT OFFICER: PRE-SETTLEMENT UNIT
DATE: 28/8/2019

Supported / Not-Supported →


MS. K. MARTINS
DEPUTY DIRECTOR: PRE-SETTLEMENT UNIT
DATE: 06/09/2019

Supported / Not-Supported



MR. B MARS
CHIEF RESTITUTION ADVISOR: LEGAL UNIT
DATE: 09/9/2019




15. Recommendations

Based on the information available, it's recommended that:


- 15.1 That the claim with **Reference Number D302**, be accepted as prima facie compliant, as it meets the Section 2 criteria.
- 15.2 Steps will be taken to Gazette this claim for Erven 622, 623 and Erven 602, 603, 605, 608, 612. The RLCC accepts the Gazette for Erven 604, 607. **(Annexure A⁹: Draft Gazette notice and Gazette Notice)**
- 15.3 The office of the Valuer General be requested to note and make recommendations on the attached valuation reports.
- 15.4 The RLCC signs the financial settlement offers. **(Annexure A¹⁰: Settlement Offers)**
- 15.5 That the claim be processed for settlement


MR. D SMIT
DIRECTOR: OPERATIONS
DATE: 09/09/19


Recommended /Not Recommended


DR WAYNE ALEXANDER
CHIEF DIRECTOR: RESTITUTION SUPPORT
DATE: 16/9/19

Approved/ Not Approved


MR. LH MAPHUTHA
REGIONAL LAND CLAIMS COMMISSIONER
DATE: 2019/11/25

S.S Mabeza
The Offers as attached
here to are supported

Acting National Director


16. Bibliography

- 16.1. Restitution of Land Rights Act, 22 of 1994, as amended
- 16.2. Claim form
- 16.3. Constitution of the Republic of South Africa
- 16.4. Deeds office: Aktex report, Erf Registers, Deed of Dispossession.

**DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM
NOTICE 655 OF 2019**

**GENERAL NOTICE IN TERMS OF THE RESTITUTION OF LAND RIGHTS ACT
1994, (ACT No. 22 OF 1994) AS AMENDED.**

Notice is hereby given in terms of Section 11(1) of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994), as amended. This claim for the restitution of land rights have been submitted to the Regional Land Claims Commissioner for the Western Cape. The particulars regarding this claim are as follow:

Claimant : Mr Brian Pool
ODI : Rynse Sendinggemeente van Stellenboch
Date Submitted : 25 March 1997

Ref No	Property description	size
KRK6/2/3/9/77/0/17(D302)	Erven 622 and 623 Stellenbosch, Cape Winelands District, Western Cape	8622m ² & 8389
	Erven 602, 603, 605, 608 and 612 Stellenbosch, Cape Winelands, Western Cape.	1069m ² , 1193m ² , 706m ² , 522m ² , 659m ²

The Regional Land Claims Commission will investigate this claim in terms of provisions of the Act in due course. Any party who has an interest in the above-mentioned land is hereby invited to submit, within 30 days from the publication of this notice, any comments / information to:

The Regional Land Claims Commission: Western Cape
Private Bag X9163
Cape Town
8000

Tel: (021)409-0300

Fax: (021)409-0558

CHECKED.....


DATE..... 09/12/2019

APPROVED.....


DATE..... 16/12/19

APPENDIX 3

WinDeed Database Deeds Office Property

windeed

A LexisNexis® Product

STELLENBOSCH, 9672, 0 (CAPE TOWN)

GENERAL INFORMATION

Date Requested 2021/07/26 08:42
 Deeds Office CAPE TOWN
 Information Source WINDEED DATABASE
 Reference -



PROPERTY INFORMATION

Property Type ERF
 Erf Number 9672
 Portion Number 0
 Township STELLENBOSCH
 Local Authority STELLENBOSCH MUN
 Registration Division STELLENBOSCH RD
 Province WESTERN CAPE
 Diagram Deed T52594/1995
 Extent 1,5052HA
 Previous Description -
 LPI Code C06700220000967200000

OWNER INFORMATION

Owner 1 of 1

Type LOCAL AUTHORITY
 Name MUN STELLENBOSCH
 ID / Reg. Number -
 Title Deed T52595/1995
 Registration Date 1995/07/17
 Purchase Price (R) -
 Purchase Date -
 Share 0.00
 Microfilm 1995 0650 3358
 Multiple Properties NO
 Multiple Owners NO

ENDORSEMENTS (2)

#	Document	Institution	Amount (R)	Microfilm
1	FROM 614,618-623,626	-631,636,9670,	UNKNOWN	-
2	I-8043/2004LG	-	UNKNOWN	0000000*

HISTORIC DOCUMENTS (1)

#	Document	Owner	Amount (R)	Microfilm
1	T52594/1995	REPUBLIEK VAN SUID-AFRIKA	CCT	1995 0650 3334

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SYE METER	RIGTINGS- HOEKE	Y	X
AB	Konstantes	+ 10 000,00	+3750 000,00
BC	255 14 30	+ 3 281,43	+ 6 424,97
CD	259 18 50	+ 3 147,54	+ 6 389,70
DE	268 32 20	+ 3 142,40	+ 6 388,73
EF	346 05 30	+ 3 131,81	+ 6 388,46
FG	77 48 20	+ 3 118,74	+ 6 441,24
GH	342 29 40	+ 3 131,14	+ 6 443,92
HJ	105 52 00	+ 3 113,97	+ 6 498,36
HJ	84 32 20	+ 3 128,29	+ 6 494,29
JK	74 28 50	+ 3 167,82	+ 6 498,07
KA	164 57 30	+ 3 252,26	+ 6 522,35

KOMPONENTE
 1) Die figuur B n p f stel voor Erf 614 Stellenbosch
 Vide Kaart No. 243/1819 G/B Stel.F.1-1

2) Die figuur c1 b1 a1 d1 stel voor Erf 618 Stellenbosch
 Vide Kaart No. 16/1819 T/A 1819. 2. 109

3) Die figuur b1 x y a1 stel voor Erf 619 Stellenbosch
 Vide Kaart No. 15/1819 T/A 1819. 2. 108 die restant van

4) Die figuur e f q s stel voor Erf 620 Stellenbosch
 Vide Kaart No. 48/1820 T/A 1820. 4. 96

5) Die figuur x n m z stel voor Erf 621 Stellenbosch
 Vide Kaart No. 17/1819 T/A 1819. 2. 114 die restant van

6) Die figuur a b d1 y z m G H g1 stel voor Erf 622 Stellenbosch
 Vide Kaart No. 388/1946 T/A 1947.50.2458

7) Die figuur A a g1 J K stel voor Erf 623 Stellenbosch
 Vide Kaart No. 390/1946 T/A 1947.50.2459

8) Die figuur C D k h stel voor Erf 626 Stellenbosch
 Vide Kaart No. 958/1910 T/A 1912. 164. 10561 die restant van

9) Die figuur c d u v w stel voor Erf 627 Stellenbosch
 Vide Kaart No. 54/1820 T/A 1820. 4. 155 die restant van

10) Die figuur d e s u stel voor Erf 628 Stellenbosch
 Vide Kaart No. 455/1880 T/A 1880. 75. 66

11) Die figuur t r s q p x stel voor Erf 629 Stellenbosch
 Vide Kaart No. 2451/1940 T/A 1940. 137. 6767

Die figuur A B C D E F G H J K
 stel voor 1,5052 hektaar

ERF 9672 STELLENBOSCH en bevat 1) - 16) soos hierbo aangehaal
 grond, synde

geleë in die Munisipaliteit Stellenbosch
 Administratiewe Distrik

STELLENBOSCH
 Provinsie Kaap die Gooie Hoop.

Opgemeet in Oktober 1993
 deur my, *N. Loubser*

Hierdie kaart is geheg aan
 soos hierbo aangehaal

No. 52594/95
 gedateer

t.g.v. *N. Loubser*
 Landmeter

Registerateur van Aktes
 No. BHSZ-1441 (M27561)
 BHSZ-1443 (M27591)
 BAKEN G. IS. ERKEN.
 VIR ENDOSSERMENTE
 SIEN KEERSY VAN KAART

L.G. No. 9669-93
 Goedgekeur *P. Bannett*
 Landmeter-generaal
 1994-03-09

komponente vervolg:
 12) Die figuur b c w v u x c1 stel voor Erf 630 Stellenbosch
 Vide Kaart No. 2449/1940 T/A 1940.137.6767 die restant van

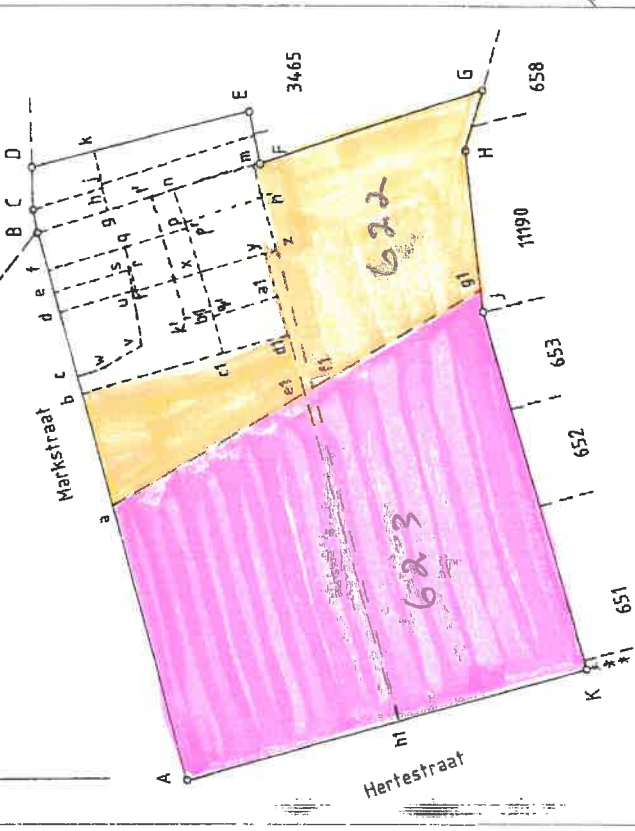
13) Die figuur j k e l stel voor Erf 631 Stellenbosch
 Vide Kaart No. 130/1877 T/A 1877. 7. 141

14) Die figuur u s r t stel voor Erf 636 Stellenbosch
 Vide Kaart No. 2450/1940 T/A 1940.137.6767

15) Die figuur B C h g stel voor Erf 9670 Stellenbosch
 Vide Kaart No. 9667/93 T/A 52593/95

16) Die figuur g l f stel voor Erf 9671 Stellenbosch
 Vide Kaart No. 9668/93 T/A 52592/95

BAKENBESKRYWINGS:
 A, C, D, E, G, K 12mm Ysterpen
 B Hoek van muur
 F 12mm Ysterpen in plaveisel
 H Oostekant van 'n 5x5cms vierkantige ysterhoekpaal
 J Ysterpaalpen 0,5m hoog



Skaal: 1 / 1250

9672

SERWITUTE/HUURKONTRAKCEDIENDE				
MEETSTUKKE	KAARTNO.	BESKRYWING	AKTE	GEPARAFIEER
E3282/92	9669/93	Die figuur k' 'm n' p' q' stel voor h serwitoutgebou.	52595/95	WV

7.4	FINANCIAL SERVICES: (PC: CLLR J FASSER)
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7.4.1	MANAGEMENT OF CONTRACTS OR AGREEMENTS AND CONTRACTOR PERFORMANCE AS AT 01 JANUARY 2023 – 30 JUNE 2023 MFMA S116(2)(d) REPORT
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

19 July 2023

1. SUBJECT: MANAGEMENT OF CONTRACTS OR AGREEMENTS AND CONTRACTOR PERFORMANCE AS AT 01 JANUARY 2023 – 30 JUNE 2023 MFMA S116(2)(d) REPORT

2. PURPOSE

To report in accordance with MFMA, Section 116(2)(d) on the management of contracts or agreements and the performance of contractors.

3. DELEGATED AUTHORITY

(FOR DECISION BY MUNICIPAL COUNCIL, EXECUTIVE MAYOR AND MAYORAL COMMITTEE, PORTFOLIO COMMITTEE, EXECUTIVE MANAGEMENT, ETCETERA)

None

4. EXECUTIVE SUMMARY

The report indicates the performance of service providers who were active on contracts secured by means of a competitive bidding process for the period 01 January 2023 to 30 June 2023.

5. RECOMMENDATION

that the Annual MFMA S116(2)(d) report: Management of contracts or agreements and contractor performance from 01 January 2023 to 30 June 2023 be noted.

6. DISCUSSION / CONTENTS

6.1 Background

6.1.1 Oversight role of council

The Council must maintain oversight over the implementation of the SCM Policy and Chapter 11 of the MFMA. For the purpose of such oversight the accounting officer must regularly submit a report on the management of contracts or agreements and the performance of contractors to the Council of the municipality in terms of MFMA S116(2)(d).

6.1.2 Legislative RequirementMFMA S116(2)(d):

“The accounting officer of a municipality or municipal entity must-

- (d) regularly report to the council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contract.”*

6.2 Discussion

Contract Management Performance Monitoring has been institutionalized within the Supply Chain Management unit for active contracts as per the contract register. Monitoring of contracts includes the monitoring of contracts awarded in previous financial years which are still active. The total active contracts amount to 303.

Active contracts - does not include service providers appointed on a panel tender not used yet. Additionally, it does not include service providers appointed for if and when the preferred service provider cannot deliver.

Based on the contract monitoring tool the table below depicts the details of a satisfactory, average and poor performance rating:

#	Description of Performance Rating	Total
3	Satisfactory: The quality of service or goods delivery is in compliance with the agreement. Where needed, corrective or preventative action has been taken or agreed upon.	287
2	Average: The quality of the service is fair but needs monitoring and improvement to move to satisfactory standard	12
1	Unsatisfactory: Quality of service or goods delivery is unacceptable. Council either has or must consider termination of the agreement and all services if not improved urgently.	4

All contracts in the contract register (available upon request) up to 30 June 2023 were monitored in terms of the contractor’s performance.

When user departments fail to find amicable solutions for contract management issues, it will be referred to our legal services department for assistance and resolution. Comments of Contract Management underneath relating to the unsatisfactory contracts:

#	Contract description	Actions being taken
BSM 080 21 . 2	PROVISION OF ROADS AND STORMWATER CIVIL ENGINEERING INFRASTRUCTURE UP TO 30 JUNE 2024	BUSY WITH TERMINATION
BSM 073 21. 1	APPOINTMENT OF SECURITY SERVICES FOR THE GREATER WCO24: PERIOD ENDING 30 JUNE 2024	BUSY PLACING THE CONTRACTOR ON TERMS
BSM 019 22	SUPPLY AND DELIVERY OF A MULTI-PURPOSE ARMoured PERSONNEL CARRIER VEHICLE (NYALA)	SERVICE PROVIDER LIQUIDATED, COURT CASE IN PROGRESS
BSM 027 22	UPGRADE / MAINTENANCE: DORP STREET FLATS	IN PROCESS WITH THE LEGAL DEPARTMENT

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.

6.5. **Staff Implications**

This report has no staff implications to the Municipality.

6.6. **Previous / Relevant Council Resolutions**

None

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**

No comments requested.

6.8.2 **Director: Planning and Economic Development**

No comments requested.

6.8.3 Director: Community and Protection Services:

No comments requested.

6.8.4 Director: Strategic and Corporate Services:

No comments requested.

6.8.5 Director Human Settlements and Property Management

No comments requested.

6.8.6 Chief Financial Officer:

Agree with the recommendations.

6.8.7 Municipal Manager:

Agree with the recommendations.

FOR FURTHER DETAILS CONTACT:

NAME	Kevin Carolus
POSITION	<i>Chief Financial Officer</i>
DIRECTORATE	<i>Financial services</i>
CONTACT NUMBERS	<i>021 808 8528</i>
E-MAIL ADDRESS	<i>Kevin.carolus@stellenbosch .gov.za</i>
REPORT DATE	<i>07 July 2023</i>

7.5	HUMAN SETTLEMENTS: (PC: CLLR R DU TIOT)
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NONE

7.6	INFRASTRUCTURE SERVICES : (PC : CLLR P JOHNSON)
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NONE

7.7	PARKS, OPEN SPACES AND ENVIRONMENT: (PC: J WILLIAMS)
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NONE

7.8	PLANNING AND LOCAL ECONOMIC DEVELOPMENT AND TOURISM :(PC: CLLR C VAN WYK)
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7.8.1	REQUEST FOR THE APPROVAL TO UNDERTAKE A PUBLIC PARTICIPATION PROCESS (“PPP”) IN ORDER TO AMEND THE STELLENBOSCH MUNICIPALITY ZONING SCHEME BYLAW, 2019 TO INCLUDE THE DRAFT EVENTS AND OUTDOOR DINING OVERLAY ZONE
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Collaborator No: 751448
 IDP KPA Ref No: Good Governance
 Meeting Date: 19 July 2023

1. SUBJECT: REQUEST FOR THE APPROVAL TO UNDERTAKE A PUBLIC PARTICIPATION PROCESS (“PPP”) IN ORDER TO AMEND THE STELLENBOSCH MUNICIPALITY ZONING SCHEME BYLAW, 2019 TO INCLUDE THE DRAFT EVENTS AND OUTDOOR DINING OVERLAY ZONE

2. PURPOSE

To provide Council with the pertinent facts in order to obtain approval to commence with the legislative Public Participation Process (“PPP”) of the Draft Events and Outdoor Dining Overlay Zone that would be included as part of the Stellenbosch Municipality Zoning Scheme Bylaw, 2019.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The Directorate: Planning & Economic Development compiled a Draft Events and Outdoor Dining Overlay Zone, with the assistance of Planning Partners.

The purpose of the abovementioned overlay zone, is specifically to deal with land use rights associated with events and outdoor dining within the Stellenbosch Municipality, whereas the current zoning scheme bylaw only permitted the land use activity of occasional use to one event per year on properties zoned Mixed Use and Agricultural. The problem arose where event organisers and coordinators spent months preparing for an event, and then get by tripped by land use issues at the late stage of planning an event.

Events has become an ever-increasing activity within the Stellenbosch Municipal Area, specifically within the Central Business District Areas and on farms, and the demand has increased significant post the COVID-19 pandemic. It must be noted that the zoning scheme was promulgated during 2019, and at the time the events activities were not as prevalent, and therefore only one event was permitted per annum on a property. Events has however become a frequent activity and therefore the municipality as noticed through request from the industry and the various tourism organisations that we must amend the land use management process, as well as the permitting process as set out in terms of the Stellenbosch Municipality Events Bylaw, 2016. In essence, currently there are two (2) statutory processes, which must be concluded. The proposed overlay zone will remove to a large extent one of the

processes, and therefore only the process as required in terms of the Safety at Sports and Recreational Events, Act 2 of 2010 must be obtained.

The Directorate in compilation of this draft overlay zone has consulted all the municipal departments, as well as events promoters and the tourism organisations prevalent in Stellenbosch Municipal Area, who have all in principle supported the draft format tabled before Council.

5. RECOMMENDATIONS

- (a) that Council take note of the Draft Stellenbosch Municipality Events and Outdoor Dining Overlay Zone. Copy attached as **APPENDIX 1** to this report; and
- (b) that Council **approve** that the draft Stellenbosch Municipality Events and Outdoor Dining Overlay Zone, be subjected to the legislative Public Participation Process in terms of the Local Government Municipal Systems Act No. 32 of 2000 for a period of thirty (30) days, whereafter such comments, if any, will be evaluated and resubmitted to Council for approval, adoption and promulgation of the overlay zone and included in the Stellenbosch Municipality Zoning Scheme Bylaw.

6. DISCUSSION / CONTENTS

6.1 Background

Stellenbosch Municipality submitted a proposal to Western Cape Government's Department of Economic Development & Tourism ("DEDAT") as part of the Ease of Doing Business Programme to assist the municipality in developing an Events and Outdoor Dining Overlay Zone.

DEDAT approved the Municipality's proposal and committed funding for the Compilation of the said bylaw with the intension of improving the economic growth within the Municipal Area by reducing red tape. DEDAT as part of the Ease of Doing Business Fund appointed Planning Partners, a town planning consultancy to assist the municipality with the Compilation of the said overlay zone.

The Project Inception Meeting was held on 21 November 2022, and at this meeting the problem statement was formulated and the programme to engage with the relevant stakeholder were developed. The Consultant Team with the core municipal officials held a number of stakeholder engagements with the statutory approval organisations and departments (include SAPS, Municipal permitting office, relevant internal and external commenting bodies to such applications) and also representatives involved in the events and tourism industries within the municipal area.

On 02 January 2023, Planning Partners drafted an analysis report, copy attached as **APPENDIX 2** to this report. This analysis report was the basis for the compilation of the draft overlay zone.

6.2 Discussion

The draft overlay zone aims to provide additional land use rights to the zoning categories as contained within the Zoning Scheme Bylaw, 2019. These additional rights are specifically as a result of the land use activity of events and outdoor dining, being characteristic to the Stellenbosch Municipal Area and provides the much-needed economic incentives for businesses.

The proposed overlay zone was drafted through obtaining the inputs from a number of stakeholders, which included the statutory approval bodies, and the relevant internal and external departments.

The proposed overlay zone therefore aims to reduce red-tape, by dealing with the applications through a single process, which would be the events permitting process, in the case of events and through the application to lease municipal land, in the case of outdoor dining. This overlay zone only deals with the land use rights as stipulated within the applicable zoning scheme bylaw and does not exempt any applicant from applying to any other legislation applicable to said land use activities.

6.3 Financial Implications

There are no financial implications in respect of the drafting of this report and the compilation of the draft overlay zone was funded by DEDAT as part of the Ease of Doing Business Fund.

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 additional staff implications to the Municipality.

6.6 Previous / Relevant Council Resolutions:

None.

6.7 Risk Implications

The risks are addressed through the content of the report.

APPENDICES

Appendix 1: Final Draft Events and Outdoor Dining Overlay Zone

Appendix 2: Stellenbosch Municipality Economic Overlay Zone (Occasional Uses and Events) Analysis Report, December 2022

APPENDIX 1

CHAPTER 30: EVENTS AND OUTDOOR DINING OVERLAY ZONE

275. Zone name and designation on map

- (1) The Events and Outdoor Dining Overlay zone may be referred to by the code (EODO) and shall cover the entire area of the Stellenbosch Municipality's zoning map.

276. Purpose of the zone

- (1) The purpose of the Events and Outdoor Dining Overlay zone is to facilitate the hosting of events and outdoor dining on public streets in certain circumstances, with the aim of promoting the tourism and leisure sector as a key driver of local economic development, as well as to enhance the cultural and social cohesion of communities, while protecting the amenity on which these activities rely.
- (2) A person may only organise an event with a valid permit issued by the Municipality as regulated in the Stellenbosch Municipality Events Permitting By-Law. "Event" has the same meaning as contemplated in subject By-Law.
- (3) Provide for a clear distinction between "events" and "occasional use" events, as contemplated in section 30.
- (4) Notwithstanding the intention for the overlay zone to be less restrictive with regards to the hosting of events and promoting outdoor dining on public streets, the overlay zone gives the Municipality a mechanism whereby additional measures and conditions can be imposed which can assist to avoid potential adverse impact of events and outdoor dining on the receiving environment and mitigate such impacts where they cannot be avoided.

277. Definitions in this chapter

In this Chapter, unless the context indicates otherwise, the following words shall have the meaning assigned to them below:

"calendar year" (*kalenderjaar*) means a period of twelve months from January 1 to December 31;

"event" (*gebeurtenis*) means sporting, entertainment, recreational, educational, religious, cultural, exhibitional or similar activity, that is accessible to the general public and is hosted either at a specific place (i.e. on a single property) or along a specified route, and which is of a temporary nature, and which can occur on a specific day or on consecutive days for a limited period, and excludes functions such as weddings;

"event organizer" (*gebeurtenisorganiseerder*) has the same meaning contemplated in the Stellenbosch Municipality Events By-law;

"linear event" (*linêre gebeurtenis*) means an event along a route taken from a starting point to a destination during which the event takes the form of either a recreational activity or a procession, and which may traverse a single property or a number of properties, and includes marathon, trail running, cycling and mountain biking (including E-bikes) events, but excludes the use of motorized vehicles;

"outdoor dining" (*buitelug ete*) means dining outdoors on sidewalks or a portion of public street with tables, chairs, and other furnishings for the purpose of selling, offering for sale, and serving food and beverages in an area set up directly outside the confines of a property with land use rights for a business premises (or equivalent);

“place-bound event” (*plekgebonde gebeurtenis*) means an event that takes place at a specific venue, or on a specific property;

“temporary structure” (*tydelike struktuur*) means a non-permanent structure constructed purely on a temporary basis for a specific period, which shall require building plan approval (if applicable) and which shall be demolished on completion of the event for which it was erected.

277. General provisions

- (1) The primary, additional and consent uses, and development parameters set out in the applicable base zone remain applicable to any land unit subject to this overlay zone, unless varied in the provisions provided in this chapter.
- (2) Purpose-built tracks, buildings, and infrastructure to be used for events requires land use approval for the facility or amenity as contemplated in subsection (1).
- (3) Events contemplated in this chapter are exempt from the provisions of section 30(1).
- (4) A maximum of 12 events per calendar year can be hosted on an individual property, irrespective of the event being a linear event or place-bound event as contemplated in this chapter, unless otherwise stipulated in this chapter. A calendar year means a period of twelve months from January 1 to December 31.
- (5) Any event occurring on a property that takes direct access from a proclaimed road shall provide effective traffic control for safe access off such road to the on-site parking area, to the satisfaction of the Municipality.
- (6) Any event contemplated in this chapter may involve the construction of temporary structures to facilitate the hosting of such event. Temporary structures or non-permanent structures constructed purely on a temporary basis for a specific period, shall require building plan approval and shall be demolished on completion of the event for which it was erected.
- (7) Commercial services at the same venue that are not directly associated with the event, and which is not an event-related activity shall require prior land use approval for such activity.
- (8) No event can be both a “linear event” and a “place-bound event”, and the Municipality’s Development Management Department has the sole discretion to determine the specific type of an event as contemplated in this chapter.

278. Linear events

- (1) A linear event means an event along a route taken from a starting point to a destination during which the event takes the form of either a recreational activity or a procession, and which may traverse a single property or a number of properties, and includes marathon, trail running, cycling and mountain biking (including E-bikes) events, but excludes the use of motorized vehicles.
- (2) An unlimited number of linear events shall be permitted in the following zones:
 - (a) Community zone;
 - (b) Transport Facilities zone;
 - (c) Public Road and Parking zone; and
 - (d) Public Open Space zone.
- (3) An unlimited number of linear events shall be permitted in the following zones, provided that the total number of people involved in the event, including any support staff or spectators are limited to the capacity of the venue or do not exceed 1000 people, whichever is the lesser:
 - (a) Education zone;
 - (b) Private Open Space zone;
 - (c) Agriculture and Rural zone; and

- (d) Natural Environment zone.
- (4) For a linear event involving more than 1000 people, including any support staff or spectators associated with such event, a maximum number of 12 events per calendar year shall be permitted on a property with a zoning stipulated in subsection (2).
- (5) A linear event occurring on a property with a zoning stipulated in subsection (2) may not exceed:
 - (a) a maximum of 3 consecutive days; and
 - (b) a cumulative number of 12 days in a calendar year.
- (6) A linear event occurring on a property with a zoning stipulated in subsections (2)(c) and 2(d):
 - (a) must make use of existing routes, farm tracks and infrastructure;
 - (b) must include the provision of sufficient on-site parking for all vehicles associated with the event, or to the satisfaction of the Municipality; and
 - (c) may not involve any motorized vehicles.
- (7) A linear event occurring on a property with a zoning stipulated in subsection 2(a) does not include ancillary events typically associated with the primary uses thereon such as any school related functions.

279. Place-bound events

- (1) A Place-bound event means an event that takes place at a specific venue, or on a specific property.
- (2) An unlimited number of place-bound events shall be permitted in the following zones:
 - (a) Community zone;
 - (b) Transport Facilities zone;
 - (c) Public Road and Parking zone; and
 - (d) Public Open Space zone.
- (3) A maximum of 12 place-bound events per calendar year shall be permitted on a property in the following zones:
 - (a) Education zone;
 - (b) Private Open Space zone; and
 - (c) Agriculture and Rural zone.
- (4) A place-bound event occurring on a property with a zoning stipulated in subsection (2) may not exceed:
 - (a) a maximum of 3 consecutive days; and
 - (b) a cumulative number of 12 days in a calendar year.
- (5) Notwithstanding subsection (2), a place-bound event occurring on a property with a zoning stipulated in subsection (2)(c) that involves any amplified music such as an outdoor music concert, rave or festival, shall not be permitted to extend beyond 18h00.
- (6) A place-bound event occurring on a property with a zoning stipulated in subsections (2)(b) and 2(c):
 - (a) must make use of existing facilities, amenities, and infrastructure; and
 - (b) must include the provision of sufficient on-site parking for all vehicles associated with the event, or to the satisfaction of the Municipality.
- (7) A place-bound event occurring on a property with a zoning stipulated in subsection (2)(a) does not include ancillary events typically associated with the primary uses thereon such as any school related functions.
- (8) All place bound events, regardless of the base zoning of the property on which such event takes place, shall not continue past 22h00 without prior written permission as part of the

event permit.

280. Specific provisions: outdoor dining

- (1) Outdoor dining means dining outdoors on sidewalks or a portion of public street with tables, chairs, and other furnishings for the purpose of selling, offering for sale, and serving food and beverages in an area set up directly outside the confines of a property with land use rights for a business premises (or equivalent)
- (2) Outdoor dining shall be permitted as a primary use right on a property zoned Public Road and Parking zone, subject to the following conditions:
 - (a) The location of the outdoor dining area must be directly abutting the confines of a property with land use rights in place for a business premises or equivalent.
 - (b) The outdoor dining area must be compliant with the technical specifications and guidelines provided in the Policy on Outdoor Dining, Trading and the use of Public Places for Commercial Ventures and Display, or any such subsequent policy or directive as the Municipality may adopt.
 - (c) The owner of a property incorporating an outdoor dining area as contemplated in this chapter must enter into a written agreement with the Municipality.
 - (d) Only temporary structures specified in the written agreement contemplated in paragraph (c) shall be permitted and shall be subject to building plan approval where applicable.
 - (e) Should a written agreement as contemplated in paragraph (c) not be concluded between the relevant parties, the Municipality may institute enforcement proceedings, either –
 - (i) as contemplated in section 273 of this By-law; or
 - (ii) in accordance with the Municipality's Roads and Streets By-law.

APPENDIX 2

**STELLENBOSCH MUNICIPALITY
ECONOMIC OVERLAY ZONE
(OCCASIONAL USES & EVENTS)**

ANALYSIS REPORT

DRAFT FOR COMMENT

**Prepared by
Planning Partners (Pty) Ltd**



**Prepared for
Western Cape Government and Stellenbosch Municipality**



December 2022

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1. INTRODUCTION

1.1 Introduction

Planning Partners has been appointed by the Western Cape Government's Department of Economic Development and Tourism (DEDT) to develop an Economic Overlay Zone for the Stellenbosch Municipality (the Municipality) which will permit occasional uses / events in certain areas as an inherent right, subject to specific development parameters and/or conditions. The Municipality intends to include the Economic Overlay Zone as an annexure to the Stellenbosch Municipality Zoning Scheme By-law.

1.2 Background

The Municipality recognizes that the hosting of events is a significant part of its competitive strategy, and that events have an important role to play in enhancing the cultural and social cohesion of communities, as well as to support urban rejuvenation and economic growth. The Stellenbosch Municipality Events By-law has been enacted to ensure that events are properly managed, which requires an application for an events permit to be issued to host an event.

The Covid-19 pandemic had a huge impact on the local economy and highlighted the vulnerability of the Stellenbosch Municipality community. With the municipality's economy slowly starting to gain momentum following the debilitating impacts of the pandemic, combined with the public's desire to socialize once again in an unrestricted and unfettered manner, the Municipality has experienced a substantial upsurge in permitting applications for events in terms of the Safety at Sports and Recreational Events Act, specifically within the rural- and central business areas of the municipal area.

Events are currently encompassed under the definition of "occasional use" in the Stellenbosch Municipality Zoning Scheme By-law:

"Occasional use" is the use of a property for an event on a temporary basis for a once off, or recurring activity which is ordinarily not permitted in the base zone such as a market, place of assembly, place of worship, sport facility, place of entertainment, business, conference, place of education, community, medical, restaurant, welfare, or an activity which involves the extraordinary gathering of people over and above the normal permitted or approved uses or capacity on the property, either as a once-off, or on an intermittent basis or at regular intervals.

The Stellenbosch Municipality Zoning Scheme By-law currently limits the land use activity of an "occasional use" to one event per year as a primary land use right within the majority of zones, with the dominant zone within central business areas of urban settlements being the "Mixed Use Zone" and the "Agricultural and Rural Zone" being the dominant zone in the rural areas. Therefore, should more than one event per year be hosted on any land unit with these zonings, an application for special consent from Council must be submitted. Typically, a consent use application currently takes a minimum of 6 - 8 months to process. However, given that certain

events are often arranged at short notice, such timeframes for the processing of an application can result in significant delays for hosting events (and in many cases would lead to the termination of an event at its infancy).

The consequence is that the Stellenbosch Municipality currently has an issue of incompatibility: on the one hand, there is a desperate need for economic stimulation through the hosting of events; but on the other hand, the Stellenbosch Municipality Zoning Scheme By-law does not provide the appropriate mechanisms to lawfully facilitate the approval of many events in an efficient and timeous manner.

1.3 Purpose of the Analysis Report

The purpose of the Analysis Report is to:

- Provide a high-level planning and policy context *vis-a-vis* the role the hosting of events in the municipality;
- Set out the legislative framework within which events are managed and regulated in the Stellenbosch Municipality; and
- To explore approaches with respect to the creation of a new Economic Overlay Zone as part of the Stellenbosch Municipality Zoning Scheme By-law in order to facilitate the hosting of events in a less restrictive way than is currently permitted, but in a manner that is still regulated.

2. OVERVIEW OF RELEVANT POLICY

2.1 Stellenbosch Municipality Integrated Development Plan (2022 – 2027)

The Integrated Development Plan (IDP) is the municipality's principal five-year strategic plan that deals with the most critical development needs of the municipal area (external focus) as well as the most critical governance needs of the organisation (internal focus). The IDP *inter alia* guides and informs all planning and development, and all decisions concerning planning, management and development in the Stellenbosch Municipality. Further, the IDP seeks to promote integration by balancing the economic, ecological and social pillars of sustainability without compromising the institutional capacity required in the implementation, and by coordinating actions across sectors and spheres of government

The most relevant aspect of the IDP in the context of the proposed Economic Overlay Zone is that of Local Economic Development (LED). LED is identified in the IDP as the "*systematic identification, development and utilisation of economic opportunity, to benefit local businesses and create opportunities for local communities to improve the lives of residents*".

The following factors are especially pertinent to the notion of LED in the post-Covid economy, and all point towards the importance of creating an Economic Overlay Zone that will facilitate occasional uses / events in certain areas as an inherent right:

- A core function of local government, particularly in its support for economic development, is to enable job opportunities in both the formal and informal economy, while ensuring health and safety, orderly planning and management.
- The growth of the informal economy is considered to be essential to economic sustainability, as it not only reduces the demand for jobs but it also increases the number of entrepreneurs and potential contributors to the private sector.
- The numbers of people relying on the informal economy for work can and will increase if the formal economy continues to struggle to grow.
- LED is a multi-stakeholder effort in support of creating economic opportunities for both the private sector and the local community.

Although the local economy is now slowly beginning to recover after the seismic shock as a result of the Covid-19 pandemic, the IDP does emphasize the need for the municipality to adapt to the “new normal” in post-Covid society¹. The IDP therefore stresses that the municipality will need to think and approach LED differently in respect to the “new normal”, with the following extracts being particularly relevant in relation to the proposed Economic Overlay Zone (emphasis added):

- *“To maximise prospects of sustained economic growth, stakeholders must be permitted to strengthen their competitiveness and collaboration within the local business environment. Networking, local government responsiveness to business needs, effective service delivery and business-oriented organisational structuring will be used to address this aspect”*
- *“New business development or investment and expansion of existing businesses will be actively promoted, as the consequence of increased investment more often than not resulting in new jobs and local economic growth. Spatial development framework planning, the Integrated Zoning Scheme, aligned municipal infrastructure services provision and municipal financial management tools will be used to address this aspect.”*
- *“It appears that the formal economy is rapidly becoming more informal, as seen in the increase in the number of occupational practices and businesses run from residential premises. The informal economy offers diverse opportunities for absorbing those who have lost their jobs, and for new entrants into the economy. The integrated zoning scheme, aligned municipal infrastructure services provision and municipal financial management tools will be used to address this aspect.”*
- *“Create an enabling environment. An enabling environment refers to “a set of policies, institutions, support services and other conditions that collectively improve or create a*

¹ Relevant “new normal” trends in relation to this project include: a new hybrid working model; more emphasis on work-life balance; a shift towards consumers buying more locally-sourced products; and a shift sociopolitical systems that are more attuned to diversity, equity and inclusion.

general business setting where enterprises and business activities can start, develop and thrive.” Spatial Development Framework planning, the integrated zoning scheme, aligned municipal infrastructure services provision and municipal financial management tools will be used to address this aspect.”

To this end, the IDP contains an implementation plan pertaining to LED interventions (refer to Table 37 on pg. 159 of the IDP). **Table 1** provides a summary of the relevant strategies contained in LED implementation plan that speak directly to the objectives of the proposed Economic Overlay Zone.

Table 1: Abridged extract of the LED Implementation Plan contained in the IDP

Strategy	Description
Strategy 3: Proactively identify opportunities for new investment and expansion	Align economic development strategies with the SDF and ensure service standards are maintained to fast track land development approvals and authorisations to reduce turnaround time for investors.
Strategy 4: Manage and develop tourism as one of the key economic sectors	Facilitate the development of tourism attractions, as contained in the Local Economic Development Strategy, in all sectors and at all levels of the local economy.

2.2 Stellenbosch Municipality Spatial Development Framework (2019)

The Stellenbosch Municipality Spatial Development Framework (MSDF) is the approved structure plan for the Stellenbosch Municipality in terms of Section 34 of the Municipal Systems Act (MSA) and is the 'spatial development framework' adopted for the municipality in terms of Section 12(1) of the Spatial Planning and Land Use Management Act (SPLUMA).

The MSDF is a public policy document that seeks to influence the overall spatial distribution of current and future land use within the municipality to give effect to the vision, goals and objectives of the IDP. In more detail, the MSDF aims to:

- Enable a vision for the future of the municipal area based on evidence, local distinctiveness and community derived objectives.
- Translate this vision into a set of policies, priorities, programmes and land allocations, together with the public sector resources to deliver them.
- Create a framework for private investment and regeneration that promotes economic, environmental and social well-being.
- Coordinate and deliver the public-sector components of this vision with other agencies and processes to ensure implementation.

The overall spatial plan contained in the MSDF (refer to **Annexure B**) indicates a municipal area largely set aside as protected and managed areas of nature and high value agricultural land, with settlements (large and small) linked through a system of routes set in this landscape. The areas of nature and agriculture are critical in delivering various ecological and economic services and opportunities in the municipality. As a principle, significant change in land use and land development is not envisaged in the core natural areas, with only non-consumptive activities being permitted (e.g. passive outdoor recreation, tourism and environmental education). In agricultural areas, building structures associated with agriculture are permitted together with dwelling units to support rural tourism. In addition, ancillary rural activities that serves to diversify farm incomes are permitted in terms of the MSDF².

The municipality's extensive agricultural areas, particularly those under vineyards and orchards, are especially valuable owing to the scenic value and character that they attribute to the region, which is treasured by both the local inhabitants and visitors alike. This is a significant contributor to the value of the area as one of South Africa's premier tourist destinations and there is a strong interdependence between tourism and the wine industry in Stellenbosch. Indeed, tourism and the wine industry are the two cornerstones of the municipality's economy and therefore efforts should be made to promote them. However, the promotion of these sectors should not be to their detriment, and caution must therefore be taken to avoid a situation where negative externalities (e.g. undesirable development or activity on wine farms; intolerable traffic; overcrowding; noise and air pollution; etc.) begin to erode the value and character that makes the Stellenbosch Municipality so special.

2.3 Stellenbosch Municipality Policy on Outdoor Dining, Trade and use of Public Places for Commercial Ventures and Display (2013)

Outdoor cafes and restaurants as a form of activity on the street make a significant contribution to the quality of public places and urban life in the towns of the Stellenbosch Municipality. The Policy on Outdoor Dining, Trade and use of Public Places for Commercial Ventures and Display stipulates how and under what circumstances sidewalks and road reserves can be used by cafes, restaurants and traders. In addition, it regulates the temporary use of public places for commercial ventures and displays.

Outdoor dining and trade on sidewalks and road reserves

The policy encourages outdoor cafes, restaurants and traders to encroach into public land (e.g. road reserves, sidewalks, public open spaces) where "local conditions are favorable" to do so. An application for encroachment must be submitted to the Municipality, and the policy stipulates that the most assessment criteria when considering an application will be *"those issues pertaining to pedestrian (including pedestrians who are using wheel chairs, baby prams or are visually*

² While these activities are, in principle, permitted in terms of the MSDF, it must be emphasized that the MSDF does not convey land use rights. Land use rights are conveyed and regulated by the Stellenbosch Municipality Zoning Scheme By-law.

impaired) and vehicular circulation, convenience and safety of patrons and the general public, existing streetscape elements and residential amenity”.

Should an encroachment application be approved, businesses must enter into written lease agreements with the Municipality to use a specific area on any sidewalks or road reserves.

It is noted that the policy contains the following technical specifications in relation to circulation, safety and convenience in respect to encroachments into sidewalks and road reserves:

- *In all locations in the municipal area a clear distance of a minimum of 1.5 metres of hard standing sidewalk must be maintained for pedestrian circulation. The location of this pedestrian clear area zone will vary according to the sidewalk width.*
- *Any outdoor and trading cafes or restaurants situated in an area with more than 1.5 metres of sidewalk available (such as an extended sidewalk or deck dining area provided) must leave at least 1.5 metres and if possible 1.5 metre of pedestrian zone directly along the kerb line in front of the business or to the discretion of the Department Civil Engineering Services.*
- *Only in situations where the sidewalk width is 1.5 metres or less, and existing dining has existed for some years, will Council consider the following:*
 - *The encroachment area will be 3.4 metres from all moving traffic and a minimum of 90 centimetres from the kerb or to the discretion of the Department Civil Engineering Services.*
 - *The sidewalk encroachment area may be located immediately adjacent to, and along the shopfront of the business, however where adjoining businesses wish to utilise the sidewalk area adjacent to their premises for outdoor dining purposes, the minimum 1.3- to- 1.5- metre- wide clear sidewalk areas must link together to provide unrestricted passage to pedestrian traffic.*
- *No outdoor dining will be permitted within 4 metre of moving traffic. Note: Parking lanes will be included within this 4 metre buffer zone. This also provides clear sight lines for vehicles entering from a service lane etc.*
- *At street intersections, a setback of at least 10 metres from the building corner applies.*
- *In otherwise favourable locations minor deviations of the above-mentioned clearances may be appropriate. Each application will be considered on its merits by Council.*

Use of Public Places for Commercial Ventures and Display

The policy stipulates that the temporary closure, leasing and use of the relevant areas for the purposes of commercial ventures and display must be “*undertaken in accordance with the provisions of Local Government Municipal Systems Act, 2000, the Stellenbosch Municipality Land Use Planning Bylaw, the applicable Town Planning Zoning Scheme and any other applicable legislation or by-law*”.

3. ANALYSIS OF RELEVANT LEGISLATION

The following sets out the key legislative instruments that must be taken into consideration by the Municipality in the management and regulation of events within the Stellenbosch Municipality's area of jurisdiction. The focus is on the roles and responsibilities of the Municipality.

3.1 Safety at Sports and Recreational Events Act (Act 2 of 2010)

3.1.1 Overview

The purpose of the Safety at Sports and Recreational Events Act is to *inter alia*:

- Safeguard the physical well-being and safety of persons and property at sports, recreational, religious, cultural, exhibitional, organizational or similar events held at stadiums, venues or along a route;
- Provide for the accountability of event role-players;
- Provide for the establishment of measures to deal with safety and security at events;
- Provide for the control of access of spectators and vehicles at events; and
- Provide for the issuing of safety certificates for planned or existing stadiums or venues.

3.1.2 Analysis

a. Relevant definitions

The following definitions extracted from the Act are relevant to this analysis (emphasis added):
“event” means sporting, entertainment, recreational, religious, cultural, exhibitional, organisational or similar activities hosted at a stadium, venue or along a route or within their respective precincts.

“stadium” means an enclosed or semi-enclosed structure which consists of seating for spectators and a field of play or a permanent or temporary podium or other area within the structure reserved for the purposes of hosting events, which has a safe seated or standing spectator capacity of at least 2 000 persons as certified by a local authority.

“venue” means any area or place, other than a stadium where an event is hosted, that has a seating or standing spectator capacity of at least 2 000 persons as certified by a local authority, within which other permanent or temporary structures may be erected and which may be demarcated by an enclosed or semi-enclosed permanent or temporary structure.

“route” means the way or course taken in getting from a starting point to a destination during an event which takes the form of a race or procession.

“local authority” means a municipality established under section 12 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), within whose jurisdiction a stadium, venue or route is located.

“safety certificate” means a certificate referred to in section 7 regarding the safety of a stadium or venue for holding an event or determining the safe spectator capacity of a stadium or venue and the level of risk of the event that may be hosted at a stadium or venue or issued in respect of a high-risk event.

“safety and security plan” means the safety and security plan referred to in section 16(1)(b) providing for the coordination of the functions of the role-players involved in the provision of safety and security at an event

b. Relevant provisions

The following provisions extracted from the Act are relevant to this analysis:

- Section 7 speaks to the issuing of safety certificates, with the below being pertinent:
 - 7(1) A local authority may issue a safety certificate in respect of—
 - (a) an existing stadium or venue as contemplated in section 8;
 - (b) the design of a new stadium or venue, as contemplated in section 9;
 - ...
 - (2) A local authority may issue a grading certificate as contemplated in section 8(4).
- Section 8 speaks to a safety certificate issued in respect to an existing stadium or venue, with the below being particularly pertinent:
 - 8(1)(a) A stadium or venue owner, as the case may be, must annually and at least 30 days before the expiry of an existing safety certificate in respect of a stadium or venue apply in the prescribed manner to a local authority for a safety certificate in respect of that stadium or venue.
 - ...
 - (4)(a) The certificate contemplated in subsection (1) must be accompanied by a grading certificate issued by a local authority.
 - (b) The grading certificate must state the determined safe spectator capacity of the stadium or venue and the level of risk of the event that may be hosted at a stadium or venue.
 - (c) A local authority may issue a high-risk event grading certificate only after consultation with the relevant authorised member.
- Section 9 speaks to a safety certificate issued in respect to a new stadium or venue, with the below being particularly pertinent:

- 9(1) *A stadium or venue owner, as the case may be, must at least three months before the projected commencement date of construction of a new stadium or venue apply in the prescribed manner to a local authority for a certificate in respect of the safety of the design of the new stadium or venue.*
- (2) *A stadium or venue owner involved in planning and designing a new stadium or venue, must comply with:*
- (a) *prescribed safety and security requirements and any conditions stated in the certificate contemplated in subsection (1);*
 - (b) *applicable building legislation and local authority by-laws and guidelines;*
 - ...
- Section 12 speaks to the contents of safety certificates, with the below being pertinent:

12(1) *A safety certificate may contain such conditions as—*

 - (a) *the local authority, in the case of a safety certificate contemplated in section 8, 9 or 10;*
 - ...
 - considers necessary to ensure safety and security at a stadium or venue when it is used to host the event.*

(2) *A safety certificate must—*

 - (a) *reflect the terms and conditions upon which the decision to issue it is based;*
 - and*
 - (b) *comply with the terms and conditions as may be prescribed.*
 - Section 15 speaks to an event safety and security planning committee, with the below being pertinent:

15(2) *An authorised member must establish the event safety and security planning committee for each event categorised as medium or high-risk.*

(3)(a) *The event safety and security planning committee consists of—*

 - ...
 - a. *a local authority disaster management department or centre;*
 - ...
 - Section 16 outlines the functions of event safety and security planning committee, with the below being pertinent:

16(1) *The event safety and security planning committee must—*

 - ...
 - (1)(b) *Prepare the event-specific written safety and security plan providing for the coordination of the functions of the following persons involved in the provision of safety and security at the event:*
 - ...

(i) *a member of a local authority disaster management department or centre*

...

- Section 23 speaks to event safety and security measures, with the below being pertinent:

23 The event safety and security planning committee, taking into consideration the categorisation of the event, must ensure that prescribed measures relating to—

- (a) safety;*
- (b) health and medical services or facilities as contemplated in the National Health Act;*
- (c) security;*
- (d) the deployment of private security service providers;*
- (e) emergency and essential services; and*
- (f) access and safety for persons with disabilities,*

are in place for that event.

c. Assessment

The focus of the Act is on ensuring that the appropriate safety and security measures are in place for events held at a stadium, venue or along a route, or respective precinct, which may encompass *“an enclosed or clearly defined surrounding area or environs or a specifically designated or sign-posted area immediately adjacent to or on close proximity to a stadium, venue or route which is demarcated in terms of the safety and security plan”*.

From a land use management perspective the following relevant provisions of the Act noted:

- A minimum threshold defined for stadiums and venues is seating or standing capacity of at least 2 000 persons.
- No minimum threshold is prescribed for numbers of persons in the case of a race, tour or procession along a route and the Act applies to all races, tours or processions along routes throughout the municipal area.
- Large stadiums and venues that fall within the ambit of regulation of the Act (i.e. capacities of 2 000 persons or more) are anticipated to be purpose designed and are anticipated to have the correct land use rights in place (e.g. places of assembly, places of worship, place of entertainment, tourist facilities etc.) and should therefore have use rights in place to host events.
- Where an event spills over into a broader defined precinct, for the purposes of the Act, land use rights may not be in place. From a land use management perspective, only one such event may occur per year on any one property where the broader precinct does not have the appropriate land use rights.
- Where a race, tour or procession occurs (e.g. Cape Epic mountain bike race), only one such event may occur per year on any one property as of right

- Where an event is planned to be hosted at a venue that is not purpose designed and is therefore likely not to have the requisite land use rights in place, only one such sporting, entertainment, recreational, religious, cultural, exhibitional, organizational or similar activity can be hosted per year on any one property as of right.

The main objective of the Act is to ensure safety at large sporting and recreational events and to maintain the status of South Africa as a desired destination of choice. However, the provisions of the current Stellenbosch Municipality Zoning Scheme By-law inadvertently impacts on the Stellenbosch Municipality's ability to be competitive and to position itself as a preferred destination in the events space in South Africa.

3.2 Stellenbosch Municipality Events By-law, 2016

3.2.1 Overview

The purpose of the Stellenbosch Municipality Events By-law 2016, is to provide provisions for the management and regulation of events within the municipality's area of jurisdiction, whereas the municipality:

- recognises that the hosting of events is a significant part of its competitiveness;
- acknowledges that events have an important role to play in enhancing cultural and social cohesion in communities, as well as support urban rejuvenation and economic growth;
- aims to regulate the holding of events in a manner that ensures the proper management thereof; and
- aims to ensure that events happen safely and securely in a coordinated manner, within the municipal area.

The scope of events covered by the By-law is much broader than the Safety at Sports and Recreational Events Act in terms of the types of events that it applies to. It also provides for a scaled approach to events in terms of numbers of persons from 50 persons, and events are categorized in terms of small (between 50 to 500 persons), medium (500 to 2 000 persons) and large (2 000 and above). The latter also falls within the ambit of Safety at Sports and Recreational Events Act.

3.2.2 Analysis

a. Relevant definitions

The following definitions extracted from the by-law are relevant to this analysis (emphasis added):

“event” means—

- any sporting, recreational, entertainment, including live entertainment or event acts;*
- any educational, cultural or religious event;*

- (c) *any business event including marketing, public relations and promotional events, or exhibitions, or*
- (d) *any charitable event, including any conference, organizational or community event, or any similar activity hosted at a stadium, venue or along a route or its precinct.*

The By-law is aligned with Act 2 of 2010, and notwithstanding the requirements of the Act, an events permit in terms of the By-law is also required. Notably the minimum time to submit an application the Municipality for a large, also 6 months prior to events accommodating 2000 persons or more.

“venue” means any enclosed or semi-enclosed temporary or permanent structure, whether a private dwelling or not—

- (a) *within which a temporary or permanent structure may be erected, where an event is to be hosted; and*
- (b) *which, for the purposes of any categorization, designation and certification of an event may consist of;*
 - (i) *seating for spectators, attendees or an audience; or*
 - (ii) *a field of play or a permanent or temporary podium or other area within a venue, reserved for the purposes of hosting an event; or*
 - (iii) *purpose- built venue correctly zoned, built and suitable for the holding of specific events.*

“public place” means—

- (a) *any public land, square, public swimming recreation site, zoological, botanical or other public garden, park or hiking trail, including any portion thereof and any facility or apparatus therein or thereon, as well as any public open space, public road, road reserve, reserve street, lake, dam, or river;*
- (b) *any public building, structure, hall, room or office including any part thereof and any facility apparatus therein, which is the property of, or possessed, controlled or leased by Stellenbosch Municipality and to which the general public has access, whether on payment of admission fees or not; and*
- (c) *any nature conservation area including – nature reserves; protected natural areas; nature conservation worthy areas and natural open spaces.*

b. Relevant provisions

The following provisions extracted from the by-law are relevant to this analysis:

- Section 2 speaks to matters of application in respect to the by-law, with the following being relevant:
 - 2(1) *This By-law applies to any event held within the area of jurisdiction of Stellenbosch, including held on both private land and public places, provided that where an event*

is held on private land, subject to any other applicable legislation, it has an impact on resources of the Municipality and the surrounding community.

- (2) *This By-Law does not apply to events of fewer than 50 persons where there is no amplified sound or no temporary structures to be used.*
 - (3) *In the event of a conflict between this By-law and any other by-law or policy of the Local Authority this By-law shall prevail regarding the management and holding of events.*
- Sections 3 and 4 speak to the submission of applications, with the following being relevant:
 - 3(1) *A formal application to stage an event must be made by the event organiser and submitted—*
...
 - (2) *The application must include all information required as indicated in the prescribed form and any additional information as may be requested by the Stellenbosch Municipality.*
 - 4(1) *The Events Permit Officer must, in terms of the Events Policy depending on the nature of the event, ensure that consultation with relevant stakeholders is undertaken.*
 - Section 6 speaks to decision making criteria in respect of applications, with the following being relevant:
 - 6(1) *The Events Permit Officer must ensure that applications for staging an event are considered in accordance with the following criteria—*
 - (a) *the type and size of an event;*
 - (b) *impact of the event in terms of the strategic fit to the Council's Events Policy;*
 - (c) *impact of the event in respect of media, economic, social, traffic, logistical and environmental objectives;*
 - (d) *the safety and security risk management of the event in respect of logistic site design and other threats of the event;*
 - (e) *return on investment of the event.*
 - (2) *The criteria referred to in subsection (1) must be considered in respect of—*
 - (a) *the review and assessment of events;*
 - (b) *the decision process for event applications;*
 - (c) *prioritisation of events;*
 - (d) *the type and level of support to be provided by the Municipality for events; and*
 - (e) *the menu of services to be provided by the Municipality to events.*

c. Assessment

The Events By-law applies to any event held within the area of jurisdiction of the Municipality, including held on both private land and public places, provided that where an event is held on private land, subject to any other applicable legislation, it has an impact on resources of the Municipality and the surrounding community.

The area of application of the By-law therefore does not apply to private events, provided that the hosting of the event does not impact on the resources of the Municipality and the surrounding community.

The key purpose of the Events By-law is to ensure public safety and security controls, appropriate health and safety measures are in place, emergency and contingency plans are adequate, technical requirements are met, indemnity insurance is in place, as well as impact mitigation (e.g. noise nuisance etc.). The community participation plan, as required in terms of item (j) of the Schedule of Events Requirements Listing contained in the By-law, ensures that key stakeholders are informed.

The By-law covers a very broad range of events that can be accommodated in both purpose built (permanent or temporary) structures of both an indoor and outdoor nature, including public places, streets, squares park, hiking trails etc.

The By-law includes a schedule in which events are graded in terms of size (i.e. in accordance with numbers of people expected to attend), viz.:

- small event – between 50 and 500³;
- medium event – between 500 and 2 000; and
- large event – above 2 000.

A range of application assessment timeframes are provided for the difference categories of events, viz.:

- small event – 2 weeks (3 weeks may be required);
- medium event – 4 weeks; and
- large event – 6 months.

From a land use management perspective, notwithstanding the requirements for an events permit, the Events By-law requires that when obtaining an events permit that land use rights for such event must be in place. The “Events Requirements Listing” included as part of the By-law specifically requires the submission of a land-use planning departure application and approval, where necessary.

³ In terms of section 2(2), the By-law does not apply to events of fewer than 50 persons where there is no amplified sound or no temporary structures to be used.

Written authorization from the Venue Owner/Venue Manager to the applicant authorizing the use of the facility/venue to host the event.

The By-law makes provision for an appeals process. Most notably the only parties to an appeal in terms of the Events Permit By-Law are the Appeals Authority (i.e. the Municipality) and the event organizer. Therefore, although stakeholder engagement is ensured through a community participation plan, there is no recourse as far as the broader public is concerned.

3.3 Stellenbosch Municipality Land Use Planning By-law, 2015

3.3.1 Overview

The Stellenbosch Municipality Land Use Planning By-law came into operation on 1 December 2015. The by-law replaced the Land Use Planning Ordinance (LUPO) and laws such as the Removal of Restrictions Act.

The by-law gives effect to the municipal planning function allocated to municipalities in terms of Part B of Schedule 4 of the Constitution. It also gives effect to certain requirements set in the Spatial Planning and Land Use Management Act (SPLUMA) and the Western Cape Land Use Planning Act (LUPA).

In keeping with their Constitutional mandate the Stellenbosch Municipality: Land Use Planning By-law regulates the use and development of land within the area of jurisdiction of the Municipality.

3.3.2 Analysis

a. Relevant definitions and provisions

Compliance with the relevant provisions of the Land Use Planning By-law is required with respect to the use of land and the following provisions are noted:

In terms of Section 15(1) of the Land Use Planning By-law: *“No person may commence, continue, or cause the commencement or continuation of, land development, other than the subdivision or consolidation of land referred to in section 24, without the approval of the Municipality in terms of subsection (2)”*;

In terms of Section 86(1) *“A person is guilty of an offence ... (b) utilises land in a manner other than prescribed by a zoning scheme without the approval of the Municipality”*, and

In terms of Section 85 of the By-law *“(1) The Municipality must comply and enforce compliance with—*

- (a) the provisions of this By-law;*
- (b) the provisions of a zoning scheme;*

- (c) conditions imposed in terms of this By-law or previous planning legislation; and
- (d) title deed conditions.

(2) *The Municipality may not do anything that is in conflict with subsection (1)."*

In order therefore to give expression to and provide for events, as a land use, the Land Use Planning By-Law makes provision for events as an "*occasional use*", and defines it as follows:

"Occasional use", in relation to departure, means a right to utilise land for a purpose granted on a temporary basis for a specific occasion or event.

While the zoning scheme assigns occasional use rights to the different zones in the municipality, the use is limited to an annual event in those zones only where an occasional use is permitted as of right. The Land Use Planning By-law, however, makes provision for obtaining enhanced use rights over and above the occasional use permitted as of right in the primary zone.

The Land Use Planning By-law makes provision to obtain use rights to host a specific occasion or event or multiple events (occasional uses) in terms of the following types of applications to Council.

(i) Application for a departure in terms of Section 15(2)(c)

The definition is specifically linked to a departure which is granted on a temporary basis, which requires application in terms of Section 15(2)(c). In terms of Section 18(1)(b), application may be made to utilize land on a temporary basis for a purpose not permitted in terms of the primary rights of the zoning of the land and for a period of not more than 5 years. In terms of Section 18(3), where a departure has been granted for a period shorter than 5 years it may be extended on application but, the period together with any extension – approved in accordance with Section 67 – may not exceed 5 years.

Of importance is that a temporary land use departure is only relevant with respect to primary use rights in a particular zone. Moreover, terms of Section 15(4), a land use departure may only be granted once for a particular land use.

Application for a departure in terms of Section 15(2)(c), is only available to an applicant in those zones where the "occasional-use" is not permitted as primary use right, being:

- Conventional Residential Zoning;
- Multi-Unit Residential;
- Natural Environment Zone; and
- Limited Use Zone

With respect to the hosting of events, therefore, where the primary use rights of a particular zone do not provide for events, application may be made to the Municipality, who may approve the

application for an “*occasional use*” for a period not exceeding 5 years. Thereafter, Section 15(4) precludes the municipality from granting permission for an occasional use on that particular land unit again.

The scope of the departure application is therefore far narrower than would otherwise be understood in relation to the Events By-law. It appears that the intention of the Land Use Planning By-law in so far as it relates to a departure, is that once 5 years has elapsed, the land owner is required to make an application for either rezoning (to a zone that permits the land use as of right) or for a consent use.

(ii) Application for a consent use in terms of Section 15(2)(o)

The Land Use Planning By-Law makes provision for application for a consent use contemplated in the Zoning Scheme. In terms of Section 19(3) a consent use may be approved permanently or for a period specified in the conditions of approval imposed in terms of Section 66, being:

66(1) *The Municipality may approve an application subject to reasonable conditions that arise from the approval of the proposed utilisation of land.*

66(2) *Conditions imposed in accordance with subsection (1) may include conditions relating to—*

...

(y) *requirements for an occasional use, which must include—*

- (i) *parking and the number of ablution facilities required;*
- (ii) *the maximum duration or occurrence of the occasional use; and*
- (iii) *parameters relating to a consent use in terms of the zoning scheme.*

Where land use rights are required to host more than one occasional use, application for consent is required in the following zones:

- Conventional Residential Zoning;
- Less Formal Residential Zone;
- Multi-Unit Residential Zone;
- Local Business Zone;
- Mixed Use Zone;
- Industrial Zone;
- Education Zone;
- Community Zone;
- Utility Services Zone;
- Transport Facilities Zone;
- Public Roads and Parking;
- Public Open Space;
- Private Open Space;

- Agriculture and Rural Zone; and
- Natural Environment Zone⁴.

It would therefore appear to be the case that, in most cases, more than one event per year requires a consent use application and not a departure application, as specified in the Events By-law.

(iii) Application for an occasional use as a technical approval in terms of Section 15(2)(p)

The Stellenbosch Municipality Zoning Scheme By-law makes provision for “Additional Uses”, which are dealt with in terms of a “technical approval” provided for by the zoning scheme under Section 13 of the Zoning Scheme By-law. Applications for technical approvals are submitted in terms of Section 15(2)(p) of the Land Use Planning By-law. This application applies to obtaining approval for an occasional use as an “additional use” in the following zones:

- Conventional Residential Zoning;
- Less Formal Residential Zone (more than 100 persons at an annual event); and
- Multi-Unit Residential.

b. Conditions of land use approval

The only other specific reference to the “occasional use” of land in the by-law is found under Section 66(2)(y) pertaining to “conditions of approval” relating to an application:

66(1) *The Municipality may approve an application subject to reasonable conditions that arise from the approval of the proposed utilisation of land.*

66(2) *Conditions imposed in accordance with subsection (1) may include conditions relating to—*

...

(y) *requirements for an occasional use, which must include—*

- parking and the number of ablution facilities required;*
- the maximum duration or occurrence of the occasional use; and*
- parameters relating to a consent use in terms of the zoning scheme.*

For the purposes of items (a)(ii) and (a)(iii) above, an occasional use is defined in the Stellenbosch Zoning Scheme as follows:

“occasional use” *is the use of a property for an event on a temporary basis for a once off, or recurring activity which is ordinarily not permitted in the base zone such as a market, place of assembly, place of worship, sport facility, place of entertainment, business, conference, place of education, community, medical, restaurant, welfare, or an activity which involves the*

⁴ It is noted that the definition would indicate occasional use at intermittent or at regular intervals.

extraordinary gathering of people over and above the normal permitted or approved uses or capacity on the property, either as a once-off, or on an intermittent basis or at regular intervals.

f. Assessment

The following observations are made:

- The Land Use Planning By-Law makes provision for Council's for application for an occasional use either as: (a) a temporary departure from the primary rights of the zoning; (b) a consent use in a particular zoning; and (c) a technical approval where an occasional use is as an additional use in the zoning scheme.
- Which application is the most appropriate is dependent on a technical understanding of the Land Use Planning By-Law.
- Application for an occasional use as a temporary use departure to the primary use category in the zoning scheme has a very limited scope of application. It also a clear indication of the intent of the Land Use Planning By-Law, that where a consent use is available in the particular zone, that the appropriate application is for the Municipality's consent in terms of Section 15(2)(o). Where the consent option does not exist in the zone the appropriate application is rezoning in terms of Section 15(2)(a). Only where provision is made for a technical approval can Section 15(2)(p) be relied on.
- Reference in the Events By-law to submitting and obtaining approval of a departure is potentially confusing to events co-ordinator's and any other party wanting to host an event, as the departure application is in most cases not the appropriate mechanism to obtain the required land use rights.
- While application for a temporary departure and a consent use follow the normal procedure for processing applications, the technical approval is envisaged to be a fast-tracked process where public participation may not be required.
- In practice, however, the procedural requirements of an application submitted in terms of the Land Use Planning By-Law requires long lead times to obtaining the required approval of Council. This is proving to be problematic for the Municipality, as the relatively short timeframes for submitting and obtaining an event permit does not take into account a planning application that can take several months to conclude.
- This is hampering the hosting of events in the Stellenbosch Municipality, with the consequence of hindering the Municipality's competitive strategy to promote Stellenbosch as a preferred events destination, as well as stifling the contribution they make to urban rejuvenation and economic growth.

It is noted that the Stellenbosch Municipality is currently conducting a review of the Land Use Planning By-Law, and the Draft Proposed Stellenbosch Municipal Land Use Planning By-law 2022 will be advertised for public comment between 9 January – 8 February 2023.

The following proposed amendments are noteworthy within the context of this report:

- The “occasional use” definition will be deleted.
- The application type “occasional use” will be deleted from Section 15(2), with the rationale being that an “occasional use” is in essence a temporary departure for a specific occasion or event on a specific site.
- “Occasional use” is distinguished from the normal temporary departure in Section 18(4) so that it can be granted more than once on a specific land unit.

3.4 Stellenbosch Municipality Zoning Scheme By-law, 2019

3.4.1 Overview

In terms of Section 24 of SPLUMA, all municipalities in South Africa must adopt a single zoning scheme for its area of jurisdiction within five years of the commencement of the Act. The Stellenbosch Municipality Zoning Scheme By-law was promulgated in September 2019 and is a single zoning scheme which applies to the entire Stellenbosch municipal area.

The Stellenbosch Municipality Zoning Scheme By-law provides for different zones which determine how land may be used (e.g. residential, mixed use, industrial, open space, etc.) and it contains development parameters which determine how land may be developed (e.g. building lines, height, coverage, parking etc.). Zoning schemes may also introduce special areas (such as heritage areas or local areas) commonly referred to as “Overlay Zones” within which alternative development rules apply. Moreover, it sets out which land uses may possibly be allowed once the municipality has evaluated an application for a consent use or a temporary departure, and it allows the municipality to impose conditions to manage the conduct of that particular land use.

The following are important considerations in respect to the Stellenbosch Municipality Zoning Scheme By-law within the context of the proposed Economic Overlay Zone:

- It aims to give certainty to developers, landowners and other stakeholders as to what development and/or activities may take place, and what may not.
- Together with the MSDF, it aims to strategically protect valuable land resources (e.g. agriculture, heritage and natural environment areas) whilst allowing development and/or activities to take place more freely in areas where development / activities will have less impact.

3.4.2 Analysis

a. Relevant definitions

An “occasional use” is defined as follows in terms of the Stellenbosch Municipality Zoning Scheme By-law:

“occasional use” is the use of a property for an event on a temporary basis for a once off, or recurring activity which is ordinarily not permitted in the base zone such as a market, place of assembly, place of worship, sport facility, place of entertainment, business, conference, place of education, community, medical, restaurant, welfare, or an activity which involves the extraordinary gathering of people over and above the normal permitted or approved uses or capacity on the property, either as a once-off, or on an intermittent basis or at regular intervals. The below land uses, as defined the Stellenbosch Municipality Zoning Scheme By-law, are all encompassed under the definition of “occasional use”⁵:

“market” is a place where a variety of goods and/or food such as fresh produce, prepared food, beverages, arts, crafts, clothing, plants, household goods and/or second hand goods are offered for sale to people who gather at the venue during the appointed market hours to purchase said goods, and can take place daily, or more typically take place at regular weekly intervals, but may also be less frequent. The trading area consist of booths, tables and/or stands in an outdoors and/or indoors setting, and may include the use of temporary structures or permanent structures, in the case where shops are permitted in the zone. Outdoor trading of shops and restaurants are also included in this activity. Food and beverages, including alcoholic beverages if the necessary license is obtained, may also be served for on-site consumption. Other leisure and recreational activities such as live performances may accompany the market.

“place of assembly” means any place or activity where large number of people congregate to hold meetings, participate in and spectate or observe performances and may include, for example a community hall, indoor sports arena, public swimming pool, sport events spaces, general purpose halls, sports stadiums or any other similar large congregation spaces and includes ancillary uses.

“place of worship” means a place where religious ceremonies are attended by a congregation on a regular basis, such as a chapel, church, mosque, synagogue, temple or other place utilised primarily for practicing religion, and includes any ancillary uses including a dwelling house for a religious leader on the same land unit and a wall of remembrance.

“place of entertainment” is an indoor and/or outdoor place which is used predominantly for commercial entertainment, performances, music and/or revelry where patrons may participate in the activities or observe performances or gather for entertainment purposes, including the erection of temporary structures such as tents or marquees. The use may be approved as a

⁵ “sport facility”, “business”, “conference”, “community”, “medical” and “welfare” are not directly defined in the Zoning Scheme By-law.

*permanent use on the premises or as a once off or repeating occasional use. The venue may be licensed for on-site consumption of alcohol. Examples of a permanent place of entertainment include night clubs, pubs, cinemas, theatres, function venues and examples of **occasional use** as a place of entertainment include music festivals, circuses, food and wine shows.*

***“place of worship”** means a place where religious ceremonies are attended by a congregation on a regular basis, such as a chapel, church, mosque, synagogue, temple or other place utilised primarily for practicing religion, and includes any ancillary uses including a dwelling house for a religious leader on the same land unit and a wall of remembrance.*

***“place of education”** means a school, college or technical school, whether private or public, attended by learners between grades R and 12 which is registered with the Department of Education in terms of the South African Schools Act, 1996 (Act 84 of 1996) and/or the Further Education and Training Colleges Act, 2006 (Act 16 of 2006), as a basic education institution or a further education institution and may include ancillary uses such as day care centre or early childhood development centre, administration buildings, sports facilities, hostels and/or teacher accommodation associated with the school and also any school related functions, sport days and/or fundraisers, but excludes unregistered training centres or business training centres for financial gain.*

***“restaurant”** is a place where food and refreshments are prepared and served to seated patrons.*

b. Relevant provisions

- Section 30 lists the provisions in relation to occasional use events in respect to all zones:

30(1) *One occasional use event within a 12-month period is permitted on a land unit in any use zone, on condition that:*

- (a) the activity will not involve amplified sound;*
- (b) all vehicles associated with the event shall park on the property;*
- (c) the number of people who attend such an event may not exceed the number of on-site parking bays times four or 500 people, whichever is the lesser;*
- (d) adequate portable ablution facilities are provided on the property;*
- (e) the event will not commence during peak traffic hour, as determined by the Municipality, and the event will not commence before 09:00 or continue past 22:00.*

(2) Occasional use events which do not comply with the conditions in subsection (1), or which occur intermittently or is recurring, shall require a consent use application in any use zone.

(3) When considering an application for a consent use in terms of subsection (2) the Municipality may:

- (a) grant its approval for a series of occasional use events on specified dates or days, or for a specified period or duration, and shall impose conditions which will manage the impact and frequency of occasional uses, including imposing a maximum limit*

- on the number of people who may attend or be involved in such an occasional use;*
or
- (b) may approve a maximum number of events over a specified period which can be held at an owner's later decision; or*
 - (c) approve only one event at a time.*
- (4) The Municipality may grant a consent use for an occasional use without serving notice if it is satisfied that the impacts of such use especially, but not limited to traffic, parking and noise, will not extend beyond the boundary of the land unit.*
 - (5) Where the Municipality believes the occasional use is likely to have an impact beyond the boundaries of the land unit, and in all instances where it involves outdoor amplified sound, an application for a consent use shall be made and will be subject to notification in terms of Planning Law.*
 - (6) All occasional uses require events permits as set out in the Municipality's Events By-law and said events permits shall only be issued in terms of that by-law if the event is a permitted land use in terms of this Zoning Scheme By-law or if the required land use application has been approved.*
 - (7) An application for occasional use shall be accompanied by the necessary information, including a site development plan, as prescribed in the Municipality's application form for occasional use, and the Municipality may request any relevant information, studies and management plans to enable them to decide on the matter.*
 - (8) Recurring occasional uses may not take place for more than 5 days per month. Should this threshold be exceeded the activity is considered a full-time activity and a rezoning to the appropriate base zone should be considered to allow the said use on a permanent basis.*
 - (9) The Municipality may impose any conditions it deems necessary to mitigate the impact of the activity including (but not limited to) conditions relating to the duration and frequency of the occasional use, erection and removal of temporary structures, cleansing, hours of operation, traffic management, and any other matter which may be necessary.*
 - (10) The operator of an event and the owner of the land unit, shall be jointly responsible for adherence to all conditions of approval including also making adequate arrangement for all electrical, ablution, water, safety, health and other facilities which may be required by the activity, as well as to obtain all other permits and permissions which may be required in this regard.*
 - (11) When approving a recurring occasional use, the Municipality shall ensure that such use does not adversely impact on the primary use rights of the property or the owners' ability to continue to exercise the primary uses for which the property shall be used.*

(12) *A land unit, when not used for an occasional use, shall be used for at least one of the primary or consent uses on a permanent basis, and an additional use can never be the only land use on a land unit*

(13) *Making an application in terms of this Scheme does not exempt any owner or event organiser from compliance with any other law.*

- Each land use zone in the Stellenbosch Municipality Zoning Scheme contains a provision which lists the permitted land uses in that specific zone. **Table 2** below summaries the provision for an occasional use in the respective zones, and illustrates where the occasional use is permitted as of right, requires a technical approval and where approval for a consent use is required to host an event.

Table 2: Provision for “occasional use” in the respective zones

Zoning	Primary Use	Additional Use & Technical Approval	Consent Use Application	Scale Limitations
Conventional Residential Zone	-	1 event/year	more than one event/year	100 persons
Less Formal Residential Zone	1 event / year	more than 100 persons	more than one event/year	100 persons
Multi-Unit Residential	-	1 event/year	more than one event/year	100 persons
Local Business Zone	1 event / year	-	more than one event/year	None specified
Mixed Use Zone	1 event / year	-	more than one event/year	None specified
Industrial Zone	1 event / year	-	more than one event/year	None specified
Education Zone	1 event / year	-	more than one event/year	None specified
Community Zone	1 event / year	-	more than one event/year	None specified
Utility Services Zone	1 event / year	Market	more than one event/year	None specified
Transport Facilities Zone	1 event / year	Market	more than one event/year	None specified
Public Roads and Parking Zone	1 event / year	Market	more than one event/year	None specified
Public Open Space	1 event / year	-	more than one event/year	None specified
Private Open Space	1 event / year	-	more than one event/year	None specified

Zoning	Primary Use	Additional Use & Technical Approval	Consent Use Application	Scale Limitations
Agriculture & Rural Zone	1 event / year	Tourist Facility	more than one event/year	None specified
Natural Environment Zone	-	-	Occasional Use	None specified
Limited Use Zone	-	-	-	-

Note: In all instances an events permit is required where more than 50 persons are hosted at an event.

c. Stop-gap consent use process to permitted occasional uses

Given that Section 30(7) of the Zoning Scheme By-law requires that land use rights for events are in place prior to event permits being granted in terms of the Events By-law, and given that the timeframes associated with the processing of numerous consent use applications for occasional uses (and the need to process these in an expedient manner in order to stimulate economic growth), the Municipality has introduced a stop-gap land use management (LUM) application process for events (more specifically, application for a consent use contemplated in the zoning scheme for an occasional use exceeding one event per year – refer to the application form attached as **Annexure A**).

While this stop-gap measure does mean that more events can be accommodated in the municipal area, there are fundamental issues with the LUM application process that mean it is not sustainable, *viz.*:

- Applications are being submitted by event planners rather than town planners, and are therefore invariably do not contain the correct information and are not motivated correctly;
- Application forms are typically signed by event planners and are not accompanied by a power of attorney from the landowner(s);
- Advertising to surrounding owners and other interested and affected parties is at the discretion of the municipal land use planning officials. Notwithstanding, due to the urgency to process the applications timeously in order to satisfy the need for economic growth, advertising is typically waived. Further, circulation to internal departments is rushed. The result that potential impacts pertaining to a proposed event are currently not thoroughly considered.
- Due to the fast-track nature of this process it is prone to potential procedural irregularity, which possess a risk to both the municipality and the land owner and/or the events co-ordinator.

- Considering the type of information required in terms of the specially formulated stop-gap application form for these consent use applications (refer to **Annexure A**), the application process is essentially a duplication of the events permitting application process. However, these applications are being processed by officials in the LUM department. This duplication of process is inefficient for the municipality, and is especially burdensome on the LUM officials because they are being drawn away from their primary tasks (e.g. land development applications).

3.4.3 Assessment

The following observations are made:

- The definition of “occasional use” in the Zoning Scheme By-law is too broad, especially with respect to direct references to other land uses already defined in the by-law.
- Although the definition of occasional use makes provision for a wide range of land uses and activities, these uses are highly restricted in terms of the development rules contained in Section 30 of the Zoning Scheme By-law, which invariably will result in the requirement for departure applications. For example:
 - Section 30(1)(b) stipulates that all vehicles associated with the event shall park on the property. Further, parking requirements in terms of Section 30(1)(c) are extremely onerous.
 - Section 30(5) requires an consent use application to Council in all instances involving outdoor amplified sound (or other anticipated nuisances), irrespective of the size of the event, its location and/or whether the event is a once off event.
 - Section 30(7) requires inter alia a site development plan to accompany an application for occasional use, irrespective of the size of the event, its location and/or whether the event is a once off event.
 - Section 30(8) limits a recurring occasional uses 5 days per month. Should this threshold be exceeded it is considered a full time activity and a rezoning to the appropriate base zone should be considered to allow the use on a permanent basis.
- Further, Section 30 contains conflicts with certain other provisions in the by-law, for example Section 30(1), which limits an occasional use to one event a year (as aligned with certain land use in the primary zones where it is permitted as of right), is conflict with certain provisions of the zoning scheme, since the occasional use requires a consent use application in the Natural Environment Zone, and a technical approval in the Conventional Residential, Less Formal Residential and Multi-Unit Residential Zones.
- Linkages to other legislation is also problematic in certain instances, which likely to causes confusion to stakeholders (e.g. event organizers). For example, in terms of the event permitting system (i.e. Events By-law), all medium and large events require departure applications. However, the dominant mechanism in the Zoning Scheme By-law is a consent use application process. This confusion is further compounded by the Draft Proposed

Stellenbosch Municipal Land Use Planning By-law 2022, which makes provision for "occasional uses" to be dealt with by way of a temporary departure application.

- There are fundamental issues with the current stop-gap LUM application process in relation to consent uses for occasional uses.

3.5 Stellenbosch Municipality Roads and Streets By-law, 2021

3.5.1 Overview

The intention of the Stellenbosch Municipality Roads and Streets By-law is to:

- promote the realisation of a safe environment for the benefit of residents within the area of jurisdiction of the Municipality;
- promote universal accessibility to streets; and
- provide for procedures, methods and practices to manage the use and utilisation of streets in the area of jurisdiction of the Stellenbosch Municipality.

3.5.2 Analysis

a. Relevant provisions

- Section 12 lists the provisions regulating specific acts regarding games, sports and events:

12(3) *No person may erect a tent or place chairs or any article in, onto or across a street, sidewalk, walkway or public place for the purpose of a funeral, party or any other event, except in accordance with prior written permission of the Municipality/Council.*

- Section 18 lists the provisions regulating races and sports events:

18(1) *No person may, except in accordance with prior written permission of the Municipality, hold a race or sporting event in a street, on a sidewalk or walkway, or a public place.*

- Section 25 lists the provisions regulating processions:

25(1) *Subject to the provisions of subsection (7), no person may, except in accordance with prior written permission of the Municipality, –*

- hold, organise, initiate, control or actively participate in a procession or gathering;*
- dance or sing or play a musical instrument;*
- do anything which is likely to cause a gathering of persons or the disruption or obstruction of traffic; or*
- use any loudspeaker or other device for the reproduction or amplification of sound, in any street, on any sidewalk or walkway, or in any public place.*

(2) *Any person who intends to perform or carry out any one or more of the actions described in subsection (1) in any street, on any sidewalk or walkway, or in any public place must*

submit a written application for permission thereto, to reach the Municipality at least seven days before the date upon which any one or more of such actions is or are intended to be performed or carried out.

- (3) *An application contemplated in subsection (2) must contain the following –*
- (a) *full details of the name, address and occupation of the applicant;*
 - (b) *full details of the –*
 - (i) *street or public place where or route along which any one or more of the actions is or are intended to be performed or carried out; and*
 - (ii) *proposed starting and finishing times or any one or more of the aforesaid actions;*
 - (c) *in the case of processions and gatherings, the number of persons expected to attend;*
 - (d) *request for assistance by traffic officers, if required; and*
 - (e) *general details of the purpose of any one or more of the aforesaid actions intended to be performed or carried out.*
- (4) *Any application submitted in accordance with subsection (3) must be considered by the Municipality, and if, in the opinion of the Municipality any one or more of the actions to be performed or carried out as proposed in such application –*
- (a) *is, or are not likely to be, in conflict with the interests of public peace, good order or safety, the Municipality must issue a certificate granting permission and authorisation for the performance or carrying out of any one, or more, of such actions: Provided that the Municipality may determine such conditions as it deem necessary to uphold public peace, good order or safety;*
 - (b) *will, or is likely to, be in conflict with the interests of public peace, good order or safety may be refused by the Municipality.*

- Section 33 lists the provisions regulating amusement shows and devices:

- 33(1) *No person may, except in accordance with prior written permission of the Municipality, set up or use in any street, sidewalk, walkway or public place any circus, whirligig, roundabout or other side-show or device for the amusement or recreation of the public –hold, organise, initiate, control or actively participate in a procession or gathering;*
- (a) *unless suitable sanitary conveniences for both sexes of the staff have been provided; and;*
 - (b) *if it is in any way dangerous or unsafe for public use.*

- (2) *Assistance by traffic officers will be provided by the municipality on application.*

3.5.3 Assessment

The following observations are made:

- The Stellenbosch Municipality Roads and Streets By-law makes provision for events (including sporting events / races, processions and amusement shows) to be held in public streets and/or public places.
- The By-law makes references to the requirement for a “written application for permission” as well as “written permission of the Municipality/Council” in respect to the holding of such events. Although it does not mention the mechanisms for obtaining such permission, permission is ostensibly obtained in terms of the Stellenbosch Municipality Events By-law and the Stellenbosch Municipality Land Use Planning By-law.

4. PROCEDURE FOR ESTABLISHING A NEW OVERLAY ZONE

Section 234 of the Zoning Scheme By-law outlines the procedure to be followed in order to establish a new overlay zone, viz.:

- 234(1) The Municipality may adopt, amend or withdraw an overlay zone for a particular area, land unit or the municipal area as a whole.*
- (2) Where a new type of overlay zone is envisaged, the provisions for such overlay zone shall be adopted by Council [in accordance with] the procedures set out in sections 12 and 13 of the Municipal Systems Act (Act 32 of 2000) and the Planning By-law to establish such overlay zone.*
- (3) Where the type of overlay zone has already been created by inclusion in the Scheme one of two processes can be followed to incorporate new areas or properties into the overlay zone, depending on the provisions of the specific overlay zone:*
- (a) the Municipality may demarcate new overlay zone areas or amend the map of existing areas by means of amending the Scheme in accordance with the provisions of Planning Law; or*
- (b) a land unit can be rezoned to include it into a specific overlay zone, following the procedures for rezoning as set out in Planning Law.*
- (4) When establishing a new type of overlay zone, the provisions of the overlay zone shall indicate which of these two methods must be followed for future amendments of the overlay zone area.*

5. CONCLUSION

This report serves as the basis for the compilation for the provisions to be included in the forthcoming Economic Overlay Zone for occasional uses in the Stellenbosch Municipality. It demonstrates that there are certain fundamental issues with how occasional uses are currently dealt with in terms of the Stellenbosch Municipality Zoning Scheme By-law, and provides insight into the aspects that must serve as the focus in respect to the provisions to be included in the Economic Overlay Zone, specifically:

- Types of events to be accommodated (and the differentiation thereof in terms of characteristics);
- Duration and frequency of events;
- Location of events (e.g. events to be accommodated in urban areas vs. events to be accommodated in rural areas); and
- Development parameters associated with events (including provisions associated with potential nuisance aspects such as traffic and noise).

DRAFT

ANNEXURE A
LUM Application Form: Consent Use for Occasional Use

DRAFT

7.8.2	REQUEST FOR THE APPROVAL OF THE FINAL DRAFT STELLENBOSCH MUNICIPALITY ECONOMIC DEVELOPMENT STRATEGY
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Collaborator No:	751447
IDP KPA Ref No:	Good Governance
Meeting Date:	19 July 2023

1. SUBJECT: REQUEST FOR THE APPROVAL OF THE FINAL DRAFT STELLENBOSCH MUNICIPALITY ECONOMIC DEVELOPMENT STRATEGY

2. PURPOSE

To provide the Council with the pertinent facts to consider the approval and adoption of the Final Draft Stellenbosch Municipality Economic Development Strategy.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

“The purpose of local economic development (LED) is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.” (The World Bank, 2006)¹

The final draft Stellenbosch Municipality Economic Development Strategy starts by highlighting key factors of how the municipality should approach economic development. The strategy further focusses on population growth over the past years and evaluates the extent service delivery has managed to keep up. It further considers trends in regional output and employment to identify which economic sectors contribute most to the municipal area’s economy.

The strategy also delves deeper into the role of tourism in the economy of the municipality, and finally focusses on the implementation plan and various specific strategies (**APPENDIX 1**).

5. RECOMMENDATIONS

- (a) that Council takes note that no comments and / objections were received during the Public Participation Process which concluded on 06 June 2023, and
- (b) that Council in terms of Section 26(c) of the Municipal Systems Act, Act 32 of 2000, **approves and adopts** that Final Draft Stellenbosch Municipality Economic Development Strategy, 2023 as core component of the Municipal IDP.

6. DISCUSSION /CONTENTS

6.1 Background and Discussion

The Final Draft Strategy was advertised on the 6 April 2023 in the local newspapers (Paarl Post and Eikestadnuus) and on the municipal website for a period of sixty (60) days in accordance with the Council resolution (12th Council Meeting: Item 11.9.1) dated 29 March 2023. The closing date for comments was 06 June 2023 (**APPENDIX 2**).

No comments were received during this period and the typing errors noted at the above Council meeting was duly rectified, prior to the strategy being advertised. The strategy was also circulated to the internal and external departments during this period and no comments and / or responses were received.

The National Development Plan (“NDP”) highlights the critical capabilities that are needed to transform South Africa’s economy and society to eliminate income poverty and reduce inequality by 2030. The Constitution (section 152) requires local government to contribute to these objectives by providing democratic and accountable governance for local communities; ensuring the provision of services in a sustainable manner; promoting social and economic development as well as a safe and healthy environment; and encouraging the involvement of communities in the matters of local government. It further mandates a municipality to “(a) Structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and (b) Participate in national and provincial development programmes.” When municipalities focus on these activities, they help to achieve the objectives of the NDP, as well as the Economic Reconstruction and Recovery Plan (“ERRP”) launched in October 2020 to combat the social and economic impacts of the COVID-19 pandemic.

In promoting social and economic development through LED, municipalities play an important role in South Africa’s national economic performance and trajectory. The spatial differences and imbalances that are brought on by increased global competition, population mobility and technological advances make LED even more critical. An effective approach to LED can address income disparities between areas, grow the number of locally generated jobs and firms, increase private sector investment, boost information flows between investors and developers, and improve the coherence and confidence with which a local economic strategy is pursued.

The emphasis should be on creating an enabling environment within which businesses and citizens can flourish.

Infrastructure and delivery of basic services are among the most important components of creating an enabling environment. Basic service delivery in Stellenbosch is on par with the provincial standards and more than six thousand households benefit from free basic services. Other important factors such as road infrastructure also help the city appear appealing to entrepreneurs and investors. The town has, moreover, seen potential being realized in areas such as the finance and communication sectors. The agriculture and agro-processing sectors were under pressure during the late 2010s but has seen an uptick in activity in more recent years.

Weaknesses remain, and the COVID-19 pandemic has certainly exposed some thereof. The most pressing is a reliance on the tourism sector. Output from this sector has been in decline, which has placed strain on small businesses and especially the individuals who depend on the sector for employment. Given Stellenbosch's unique natural and cultural resources is important that the municipality continues to create an enabling environment for this sector to thrive.

Finally, the growth of other tertiary sectors, like finance and insurance, has been substantial and creates positive multiplier effects for many of the other sectors, like communication, construction, and trade. At the simplest level, the key imperative of the municipality's LED strategy should be to create an enabling environment for these subsectors to continue to thrive. It can do this through providing the necessary physical infrastructure and basic services and creating a favourable business environment through efficient municipal processes.

6.2 Financial Implications

There are no financial implications in respect of the drafting of this report, and the outcomes of this strategy requires monitoring the impact such strategies would have on the local economy.

6.3 Legal Implications

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

6.4 Staff Implications

This report has no additional staff implications to the Municipality, at this stage and requires that monitoring and evaluation structures be put in place through coordination of the strategies.

6.5 Previous / relevant Council Resolutions:

6.6 Risk Implications

None

APPENDICES

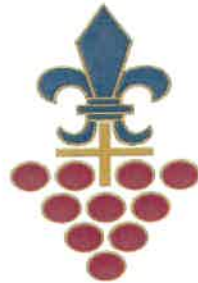
Appendix 1: Final Draft Stellenbosch Municipality Economic Development Strategy

Appendix 2: Copies of the placement of adverts in the local newspapers

FOR FURTHER DETAILS, CONTACT:

NAME	Lesley van Gensen
POSITION	Manager: Economic Development and Tourism
DIRECTORATE	PLANNING AND ECONOMIC DEVELOPMENT
CONTACT NUMBERS	021 808 8179
E-MAIL ADDRESS	Lesley.vangensen@stellenbosch.gov.za
REPORT DATE	19 June 2023

APPENDIX 1



STELLENBOSCH

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**FINAL DRAFT STELLENBOSCH
MUNICIPALITY ECONOMIC
DEVELOPMENT STRATEGY AND
IMPLEMENTATION PLAN**

2022

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Introduction

“The purpose of local economic development (LED) is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.” (The World Bank, 2006)¹

Stellenbosch Municipality has asked the BER to provide an overview of local economic development within the municipal boundaries. It draws from existing publications by Stellenbosch Municipality and the Province, to highlight aspects that are relevant to economic development.

Stellenbosch² is one of 39 Intermediate City Municipalities (ICMs) in South Africa. Smaller cities can have distinct advantages over larger metros. They can benefit from a high level of local connectivity and identity, efficiencies that result from operating at a manageable scale, and often have a defined economic heritage. Some municipalities also have unique cultural, recreational, and tertiary education assets, that can help to stabilise the local economic base, make social capital available and support innovation.³

Stellenbosch is fortunate to be characterised by all of the above and has access to a unique set of social, economic, political and natural resources that it can use to shape its development path.⁴ These conditions determine the region's ability to attract and retain investment. The municipality's role is to create an environment that enables business and citizens to make use of the opportunities that these resources offer. The broad aim of local economic development (LED) is therefore to build the capacity of a municipality in a way that improves its economic future and better the quality of life for its citizens.

This Economic Development Strategy starts by highlighting key factors of how the municipality should approach economic development. It then looks at how the population in Stellenbosch has grown over the past years and evaluates to what extent service delivery has managed to keep up. Next, it considers trends in regional output and employment to identify which sectors contribute most to the area's economy. The next

¹ The World Bank (2006). **Local Economic Development: A Primer Developing and Implementing Local Economic Strategies and Action Plans.**

² The municipal area includes the towns of Stellenbosch and Franschhoek, as well as several rural hamlets: Wemmershoek, La Motte, De Novo, Kylemore, Pniël, Johannesdal, Languedoc, Groot Drakenstein, Muldersvlei, Klappmuts, Elsenburg, Raithby, Jamestown, Koelenhof and Vlottenburg.

³ <https://www.sacities.net/wp-content/uploads/2020/03/Rethinking-LED-Local-Economic-Development-in-Intermediate-Cities.-Released-2019.-pdf.pdf>

⁴ <https://www.sacities.net/wp-content/uploads/2020/03/Rethinking-LED-Local-Economic-Development-in-Intermediate-Cities.-Released-2019.-pdf.pdf>

section delves deeper into the role of tourism in the economy of Stellenbosch. Finally, last section focuses on the implementation plan and various sector specific strategies.

*Note: Throughout the strategy, any references to Stellenbosch refer to the **Stellenbosch Municipal area** and, unless otherwise stated, do not mean the town of Stellenbosch.*

What role should local government play in economic development?

Why should municipalities contribute to LED?

The National Development Plan highlights the critical capabilities that are needed to transform South Africa's economy and society to eliminate income poverty and reduce inequality by 2030. The Constitution (section 152) requires local government to contribute to these objectives by providing democratic and accountable governance for local communities; ensuring the provision of services in a sustainable manner; promoting social and economic development as well as a safe and healthy environment; and encouraging the involvement of communities in the matters of local government.⁵ It further mandates a municipality to "(a) Structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and (b) Participate in national and provincial development programmes." When municipalities focus on these activities, they help to achieve the objectives of the NDP, as well as the Economic Reconstruction and Recovery Plan (ERRP) launched in October 2020 to combat the social and economic impacts of the COVID-19 pandemic.

In promoting social and economic development through LED, municipalities play an important role in South Africa's national economic performance and trajectory. The spatial differences and imbalances that are brought on by increased global competition, population mobility and technological advances make LED even more critical.⁶ An effective approach to LED can address income disparities between areas, grow the number of locally generated jobs and firms, increase private sector investment, boost information flows between investors and developers, and improve the coherence and confidence with which a local economic strategy is pursued.⁷

⁵ Constitution of the Republic of South Africa, 1996 - Chapter 7: Local Government

⁶ OECD, Smarter Local Economic Development. Available online: <https://www.oecd.org/cfe/leed/local-development.htm>

⁷ OECD, Smarter Local Economic Development. Available online: <https://www.oecd.org/cfe/leed/local-development.htm>

How should municipalities contribute to LED?

The Draft National Framework for Local Economic Development highlights six core pillars that municipalities should focus on in pursuing economic development:



It is worth highlighting two important themes that run through these six pillars: (1) involvement of the local community, and (2) the responsibility of a municipality to create an enabling environment.

The local community should be involved

COGTA summarises LED as "an approach towards economic development which allows and encourages local people to work together to achieve sustainable economic growth and development thereby bringing economic benefits and improved quality of life for all residents in a local municipal area" (own emphasis). In this context, a municipality is responsible to create an environment that enables local people to work together. LED therefore speaks to how local government and the community manage their resources, sometimes through forming partnerships with the private sector and with each other, to create jobs and stimulate economic activity.

The involvement of local stakeholders in the developmental process, through e.g., participatory decision-making, is an important component of sustainable growth. It builds trust and creates social networks – all of which encourages innovation and decreases the potential for conflict. When communities understand and are involved in the LED process, they are in a better position to improve their quality of life, make use of new economic

opportunities, fight poverty, and adapt to changing market conditions⁸ like those described in the previous section.

Successful LED also requires close involvement of the local business community. Municipalities should create an enabling regulatory and institutional environment for these activities. In many ways this lies at the core of LED. To achieve this aim, different departments of a municipality need to work together and not operate in silos.

The focus should be on creating an enabling environment

An effective LED Strategy creates an environment that is conducive to entrepreneurship and makes it as easy as possible for businesses to be established. This is especially important for micro, small and medium enterprises that operate at a local level. To that end, processes that are managed by the municipality need to be efficient, fast, and free from unnecessary 'red tape'.

Municipalities also have a vital role to play in the provision of infrastructure for basic services like sewerage, water and sanitation, refuse removal and electricity. These services are at the core of creating an enabling environment for economic development. Economic development can be severely curtailed without the basic services and infrastructure that a municipality should provide. As the examples in the Box show, municipal failure not only affects large businesses; it also impacts on households, small, medium and micro-enterprises (SMME), and other investors in local economies.

Box: Two examples of how municipal failure can have a direct impact on LED⁹

The first example is Clover, who in June 2021 announced that it would close its cheese processing facility in Lichtenburg in the North West province and move this to an existing plant outside of Durban.¹⁰ It attributed the decision to ongoing problems with service delivery by the Ditsobotla Local Municipality – specifically water and electricity outages as well as

⁸ The World Bank (2006). **Local Economic Development: A Primer Developing and Implementing Local Economic Strategies and Action Plans.**

⁹ BER Research Note 2021, Number 6. *SA's municipal challenges and their impact on local economic development.*

¹⁰ https://theconversation.com/small-towns-are-collapsing-across-south-africa-how-its-starting-to-affect-farming-162697?utm_medium=Social&utm_source=Facebook#Echobox=1632471973

the poor quality of roads. The move is estimated to lead to 330 job losses within the Lichtenburg economy.¹¹

Another example is Astral foods – one of South Africa's largest poultry producers – who own a processing plant in Standerton in the Lekwa municipality. In 2018, Astral took legal action against the municipality due to severe supply disruptions caused by disintegrating infrastructure. Load-shedding and water shortages reportedly cost the company around R62 million in its latest financial year. Following a court order, the municipality had to submit a long-term plan about how they were going to repair and improve the infrastructure. This did not lead to improved outcomes. A new court order was issued in 2021, requiring national government and Treasury to intervene and prepare a financial recovery plan for the municipality.¹²

Is service delivery keeping up with population growth?

Population and household growth

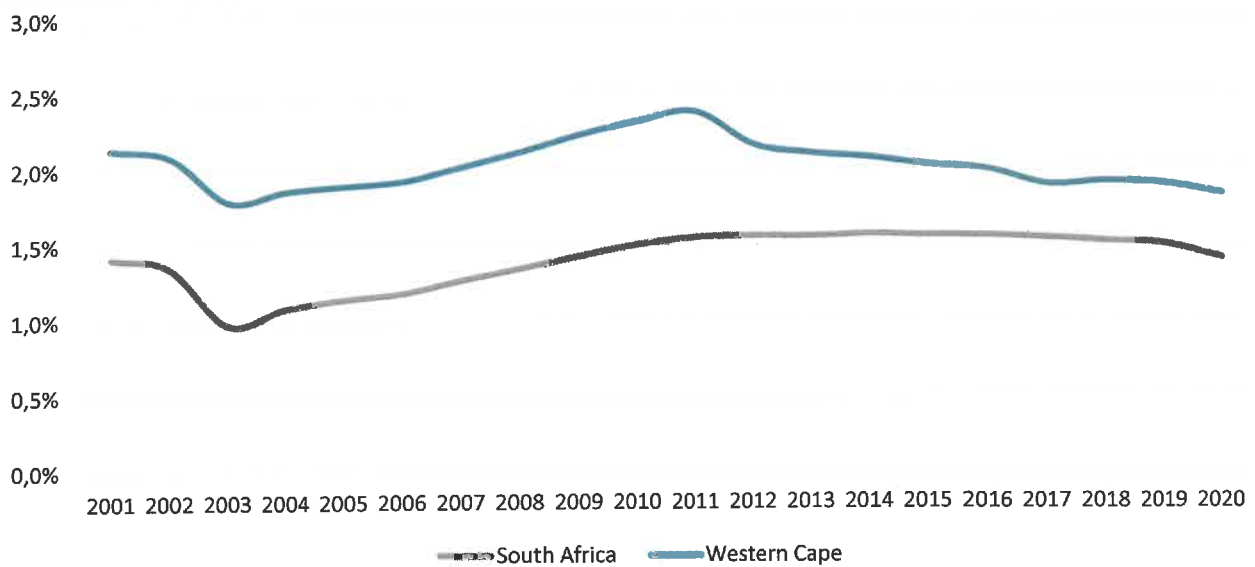
The population of the Western Cape is growing at a higher rate than in the rest of South Africa (see figure below). Over the 2016 to 2020 period, there were a total of 292,521 net-migrations to the Western Cape. This might increase further as remote work becomes even more common¹³. Already, there is anecdotal evidence that more people are trading the busy city hubs of Gauteng for the airy Western Cape. Net migration has implications for the economic landscape of the Western Cape and its towns, placing additional pressure not only on physical infrastructure but also on the composition of the jobs market. The MERO identifies that one of the salient risks to economic development over the next few years will be an uptick in service delivery demands due to net in-migration to the province.

¹¹ <https://www.news24.com/fin24/companies/clover-closes-sas-biggest-cheese-factory-due-to-municipal-woes-in-the-north-west-20210608>

¹² <https://www.businesslive.co.za/bd/companies/industrials/2021-04-13-astral-foods-wins-court-order-over-lack-of-service-delivery/>

¹³ What's next for remote work: An analysis of 2,000 tasks, 800 jobs, and nine countries, 2020, Link: <https://www.mckinsey.com/featured-insights/future-of-work/whats-next-for-remote-work-an-analysis-of-2000-tasks-800-jobs-and-nine-countries>

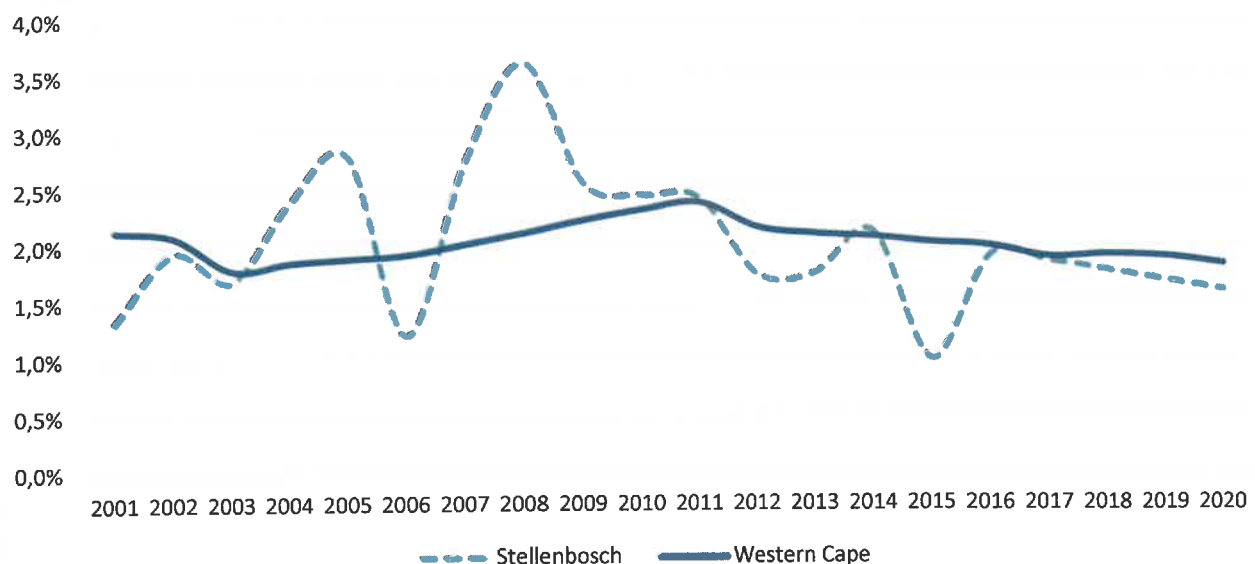
Figure 1: Annual population growth in the Western Cape compared to SA



Source: Quantec

Population growth in Stellenbosch exceeded the national average for most of the past two decades, but has slowed in recent years. Stellenbosch's population has, on average, been growing at a slower rate than the rest of the Western Cape since 2011 (Figure 2).¹⁴

Figure 2: Annual population growth in Stellenbosch Municipality

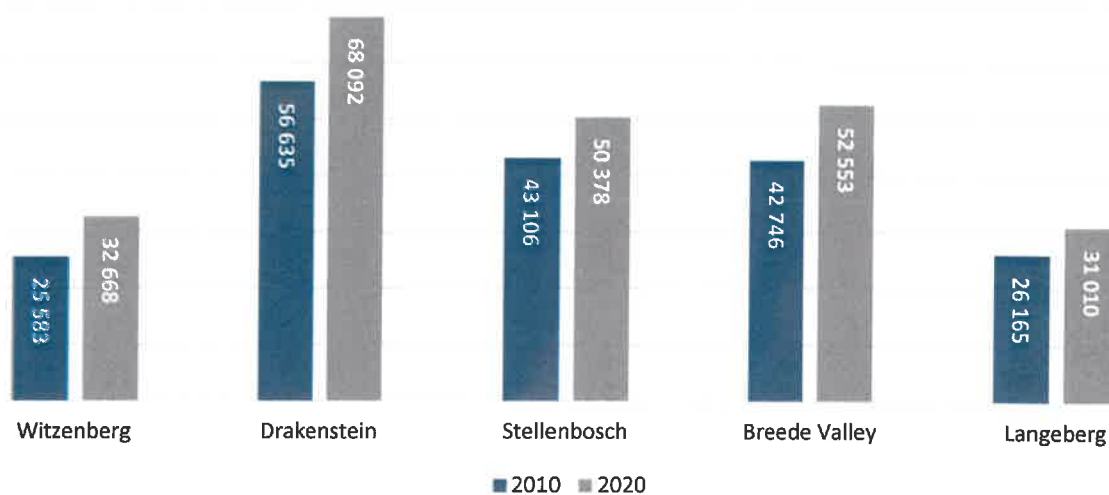


Source: Quantec

¹⁴ Over the past five years, the municipalities of Witzenberg (2.3%) and Drakenstein (2.0%) have, on average, experienced faster annual population growth than Stellenbosch (1.8%).

In line with comparatively slower population growth, the growth in the number of households living in Stellenbosch has also tapered over the past decade. A greater number of households were added to Stellenbosch Municipality between 2000 and 2010 than over the past decade. Breede Valley, Drakenstein and Witzenberg municipalities saw a opposite trend, with the number of households increasing faster since 2010. A factor that might have influenced this trend is the relatively higher cost of owning or renting property in Stellenbosch, compared to other regions in the Cape Winelands Municipality.

Figure 3: Number of households at the start of each decade per Cape Wineland Municipality



Source: Quantec

In 2020 (most recent data available), 183 773 people lived within the boundaries of Stellenbosch Municipality. Based on average population growth over the last decade, we estimate that the population reached 185 698 in 2021.¹⁵ Despite Stellenbosch's slower rate of population and household growth, it remains the most densely populated Local Municipality in the Cape Winelands. It has an estimated 232 people per square kilometre (compared to Drakenstein municipality with 189 people per square kilometre).¹⁶

Population density has implications for per capita spending on infrastructure and services. Holcombe and Williams (2008) find that for cities smaller than 500 000 (like Stellenbosch),

¹⁵ Estimated by applying the previous year's annual population growth rate. This estimate does not account for the effect of the COVID-19 pandemic.

¹⁶ Stellenbosch Socio-Economic Profile 2020.

infrastructure expenditure *per capita* declines as population density increases, whereas *per capita* expenditure on services increase.¹⁷ Mattson (2021) similarly finds that *per capita* expenditure on the operational and construction costs associated with streets and highways, parks and recreation, sewerage and water declines with higher population density.¹⁸ These studies suggest that, given the current size of the municipality, Stellenbosch can achieve greater economies of scale than less densely populated municipalities by investing in important components of economic infrastructure.

Service delivery performance

The majority of households in Stellenbosch (73%; 36.6 thousand) live in formal dwellings (2020) and one of the municipality's main functions is providing basic services¹⁹ to these homes. Over the 2010-2020 period there has been a steady increase in the proportion of households with access to basic service delivery in Stellenbosch, consistent with the trends in the Cape Winelands region and the rest of the Western Cape (see Table 1).

Overall, the proportion of households with access to the four key categories of basic services are on par, if not better, than the Cape Winelands' and Western Cape averages. Table 1 shows service delivery across the municipalities in the Cape Winelands. Stellenbosch and Drakenstein Municipalities outperform the other three municipalities in terms of electricity provision, refuse removal, and sanitation. Stellenbosch Municipality however underperforms in the provision of water to households at least 200m from a dwelling.

¹⁷ Holcombe RG, Williams DW. The Impact of Population Density on Municipal Government Expenditures. *Public Finance Review*. 2008;36(3):359-373. doi:10.1177/1091142107308302

¹⁸ Mattson, J. Relationships between density and per capita municipal spending in the United States. *Urban Science*. 2021, 5, 69. <https://doi.org/10.3390/urbansci5030069>

¹⁹ These include electricity (as the main source for lights), refuse removal (at least once a week), the provision of a flush or chemical toilet and access to water at least 200m from the house.

Table 1 Basic Service Delivery across Cape Wineland Municipalities (% of households)

		Breede Valley	Drakenstein	Langeberg	Stellenbosch	Witzenberg
Electricity as Main Light Source	2010	88.0	90.5	91.1	91.5	88.3
	2015	87.9	93.9	93.5	92.3	92.2
	2020	87.5	94.7	94.1	92.2	93.2
Refuse removal at Least Once a Week	2010	70.8	82.1	67.9	83.8	62.6
	2015	73.9	85.2	70.7	86.1	68.2
	2020	74.5	85.9	71.6	86.7	69.8
Access to Flush or Chemical Toilet	2010	87.1	91.1	86.2	89.5	87.1
	2015	88.3	93.0	88.6	90.9	90.8
	2020	88.4	93.5	89.0	91.1	91.7
Piped Water at Least 200m From Dwelling	2010	94.4	94.8	95.2	91.1	96.5
	2015	95.9	97.7	97.2	93.8	98.0
	2020	96.2	98.5	97.8	94.4	98.4

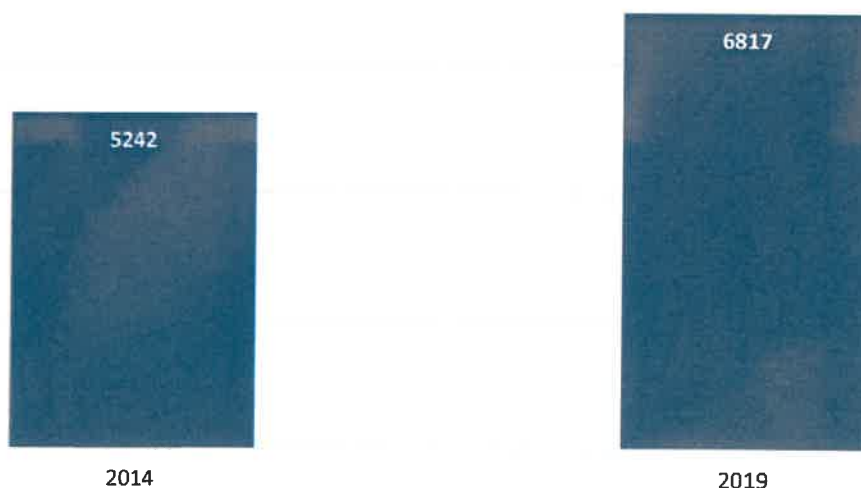
Source: General Household Survey

The data show that the proportion of households with access to electricity as its main source of lighting is 92.2% in 2020, the proportion of households with access to refuse removal at least once a week is 86.7%, the proportion of households with access to a flush or chemical toilet is 91.1% (and finally, the proportion of households with running water at least 200m from their dwelling is 94.4%.

Another important indicator of the extent of service delivery of the municipality is the provision of free basic services to indigent households. For the 2022/23 municipal financial year, the criteria for a household to qualify as 'indigent' is for the main breadwinner(s) to earn less than R6 500 per month.²⁰ A total of 6 817 households within the municipal boundaries benefited from free electricity, free water, free sanitation and free refuse removal services in 2019 (latest available), compared to 5 242 in 2014. Although the data is not yet available, employment losses caused by the COVID-19 pandemic likely increased the demand for free basic services since March 2020.

²⁰ <https://stellenbosch.gov.za/2022/05/25/creating-sustainable-infrastructure-to-enable-economic-growth-and-job-opportunities-post-covid-19-pandemic/>

Figure 4: Number of households in Stellenbosch benefiting from free basic services for water, electricity, sewerage and sanitation, and solid waste management.



Source: Statistics South Africa - P9115

Based on its Top Layer Service Delivery Budget and Implementation Plan 2022/23, Stellenbosch Municipality is achieving and, in many cases, exceeding its service delivery targets (Table 2). This is a vital component of creating an enabling environment for citizens and businesses alike.

Table 2: Summary of Stellenbosch Municipality service delivery targets

	Baseline	5-year target
Limit unaccounted electricity to less than 9% annually	8.86%	<9%
Limit unaccounted water to less than 25%	14.9%	<25%
Registered indigent formal households with access to free basic water	100%	100%
Registered indigent formal households with access to free basic electricity provided by the municipality	71%	65%
Registered indigent formal households with access to free basic refuse removal	100%	100%
Registered indigent formal households with access to free basic sanitation	100%	100%
Formal households with access to water, electricity, refuse removal, and sanitation	26 588	26 000

Source: Top Layer Service Delivery Budget and Implementation Plan 2022/23

Which sectors are the main contributors to economic output and employment?

Aside from creating an enabling environment through infrastructure and service delivery, other important components of LED are enterprise development and support, strengthening local innovation systems, developing learning and skilful economies, building diverse and innovation-driven local economies and developing inclusive economies. To this end, it is necessary to understand the key drivers of economic output within the municipality and how these are affected by global and national dynamics.

The global economic outlook has come under severe pressure in the last four months. Most recently, in the IMF's April forecast the global economic outlook was lowered by 0.8pp to 3.6% in 2022, and with no reacceleration expected for 2023. The slightly more depressed growth rate comes on the back of Russia's invasion of Ukraine, the expectation of slower Chinese growth due to its zero-Covid policy stance, and further policy rate hikes in the Eurozone and the USA. Slower growth abroad may lower demand for South African exports (including tourism).

Domestically, economic growth prospects are also muted, with the BER expecting national GDP growth around 2.4% this year²¹ (of which much of the gain was already realised in quarter 1) and slightly lower growth of 2.0% over the medium-term. In the Municipal Economic Review and Outlook (MERO) Stellenbosch Municipality is forecast to reach 2.5% economic growth in 2022, with the finance and trade sectors as predominant drivers.

The impact of the university on economic development in Stellenbosch should also not be underestimated. The presence of a university or higher education institution can be a catalyst for economic growth in a region (PriceWaterhouseCoopers, 2009). The role as a growth catalyst is not limited to the direct expenditure-based benefits, but also impacts the economy through human capital development. For example, one study²² found that in the

²¹ BER April 2022 forecast

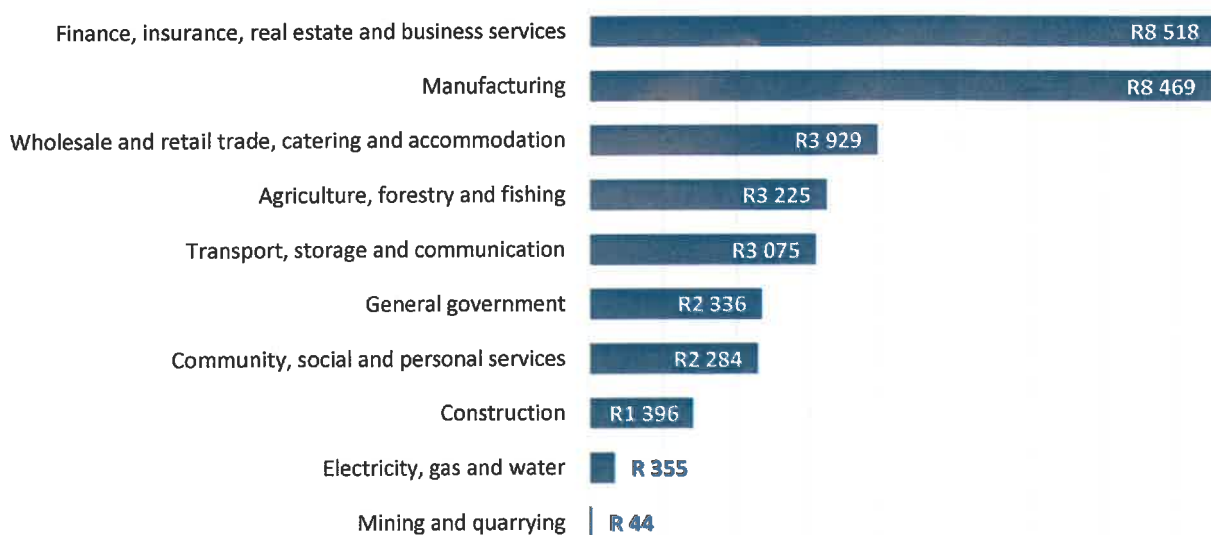
²² Abel & Gabe, Cited in Appleseed (2012). Building Rhode Island's Knowledge Economy. The Economic Impact of Brown University. Available online: <https://www.brown.edu/web/documents/brown-economic-impact-2012.pdf>

USA, a one percentage point increase in the proportion of residents with college degrees can be associated with a 2.3% increase in metropolitan GDP per capita. Similarly, another study²³ was able to show that a 1% increase in the percentage of workers who have degrees can be associated with a 1.6% increase in the earnings of workers that only have high school diplomas.

Contribution of different sectors to GDP

Stellenbosch Municipality has the highest Regional Gross Domestic Product (GDP) per capita within the Cape Winelands district. This indicates that the area generates a lot of value-adding economic activity per person, mostly driven by finance, insurance, real estate and business activity, followed by manufacturing (Figure 5). Together, these two sectors account for half of economic output generated within Stellenbosch Municipality.

Figure 5: Output by sector in 2020 (Rand million, 2015-constant prices)



Source: Quantec

Besides the size of different sectors, it is necessary to know which sectors are growing and which are in decline. For example, while manufacturing accounts for a large share of output, it has not been growing as rapidly as e.g. communication, or finance and insurance. In fact, food, beverages and tobacco (which accounts for a large share of manufacturing) has

²³ Moretti, Cited in Appleseed (2012). Building Rhode Island's Knowledge Economy. The Economic Impact of Brown University. Available online: <https://www.brown.edu/web/documents/brown-economic-impact-2012.pdf>

been in decline. Between 2010 and 2019²⁴, *communication* experienced the most rapid average annual growth among the different subsectors of the economy. This was followed by *finance and insurance*, and then *wholesale and retail trade*. Economic activity in the municipality seems to be pivoting from a manufacturing economy to one which is becoming more service oriented.

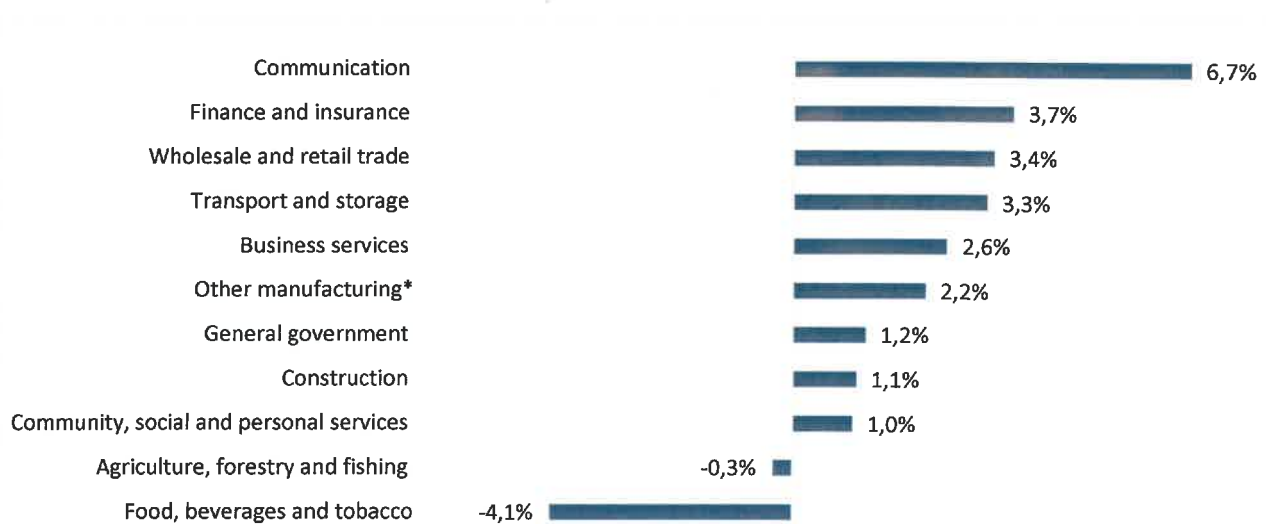


Figure 6: Annual growth rate between 2010 and 2019 of the largest subsectors in Stellenbosch (2015-constant prices)

Source: Quantec (*Total manufacturing excluding Food, beverages and tobacco)

The MERO identifies the business services subsector, as well as finance and insurance as strengths of Stellenbosch Municipality. This is partly because Stellenbosch is already home to the headquarters of large firms like Capitec, Mediclinic International, CompuScan and Reutech Radar Systems.²⁵ The associated commercial activity also has a positive impact on other subsectors, like communication and even construction (see Figure 6).

The *business services* sector may benefit further from the trend towards more business process outsourcing (BPO). In 2021, South Africa was voted “most favoured offshore Business Process Outsourcing destination”²⁶ with Cape Town currently at the forefront with regards to employment creation in this sector. Technopark in Stellenbosch is an already-existing hub that could be used for BPO services.

²⁴ We end the analysis in 2019 to observe the longer-term trends that prevailed prior to the COVID-19 pandemic, and which we expect to continue going forward.

²⁵ MERO p. 366

²⁶ PERO p. 73

A slightly different tendency of consequence to national and local economic development is the number of individuals working-from-home, a trend that escalated since the onset of the Covid-19 pandemic and is likely to stay, at least in part. Globally, 1 in 4 people are working from home, up from 1 in 12 before 2020.²⁷ Work-from-home jobs tend to be concentrated in the *finance, insurance, real estate & business services* sector, which may be of importance to Stellenbosch given the size of the sector in the region.

Food, beverages and tobacco accounts for the largest share (31%) of manufacturing in Stellenbosch Municipality, but as mentioned earlier has also been responsible for most of the decline in the sector. The decline can likely be attributed to drought conditions which negatively impacted agricultural output and hence agro-processing input, as well as the already battling wine industry.²⁸ The agricultural sector weighs strongly on the *manufacturing* sector since a large share of activity in this sector derives from agro-processing.²⁹ The alcohol bans on sales and international trade during the hardest lockdown of the Covid-19 pandemic gave another blow to development in manufacturing, and especially the wine industry of Stellenbosch. There is now a trend towards consolidation of wine makers and wine grape producers in the region, since it has become far less feasible to operate on small scale in the industry.³⁰ Nevertheless, since 2014, agro-processing has been a priority sector in the Western Cape. Stellenbosch is well positioned to develop this subsector given its proximity to agricultural land and ports.

The *agricultural* sector within the boundaries of Stellenbosch Municipality performed well in 2020 (Figure 5) on the back of good weather conditions and favourable commodity prices. And although this is a relatively small sector, the good performance in 2020 boosted fixed investment in the sector in 2021. This puts the sector in a relatively good position going forward, especially as the decline in the global demand for South African exports may have negative implications for the agricultural sector in the country.

The provision of housing is a top priority for the municipality. The construction of new housing has the added benefit of boosting the construction sector. Initiatives like the envisioned

²⁷ PERO p. 12

²⁸ MERO p. 287

²⁹ MERO p. 317

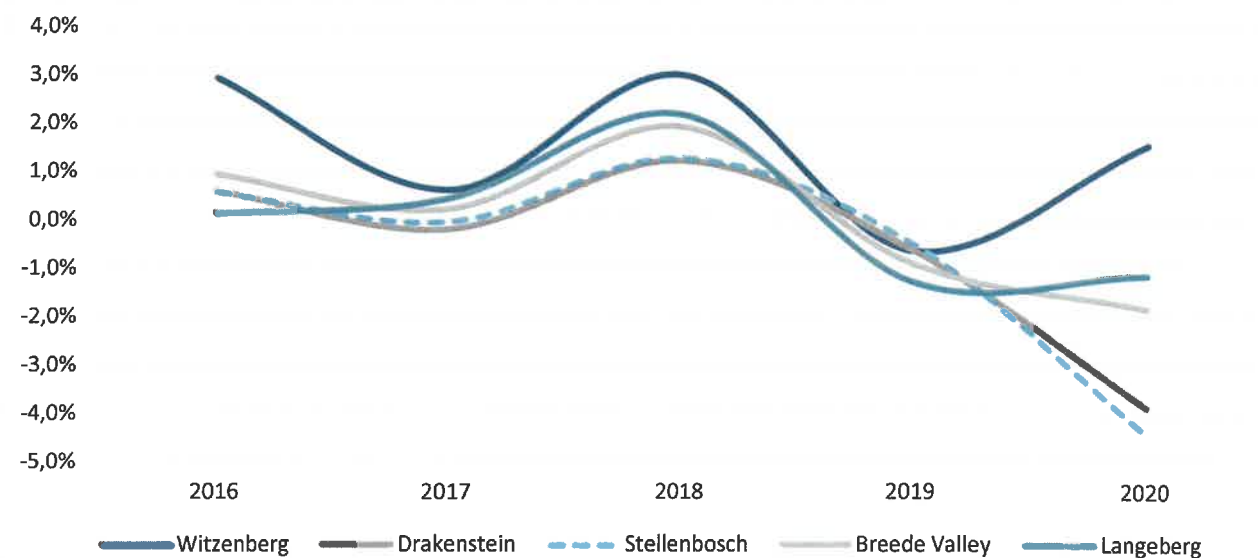
³⁰ MERO p. 319

Adam Tas Corridor and other housing projects in the municipality's housing pipeline will provide a necessary boost to the sector.

Box: What was the impact of the COVID-19 pandemic on economic output?

Of the five local municipalities in the Cape Winelands District Municipality, Stellenbosch Municipality experienced the most severe dip in output in 2020. This can likely be attributed to the area's reliance on tourism and the decline in visitors during the COVID-19 pandemic.

Figure 7: Annual GDP growth rate within the Cape Winelands District Municipality (2015-constant prices)



Source: Quantec (own calculations)

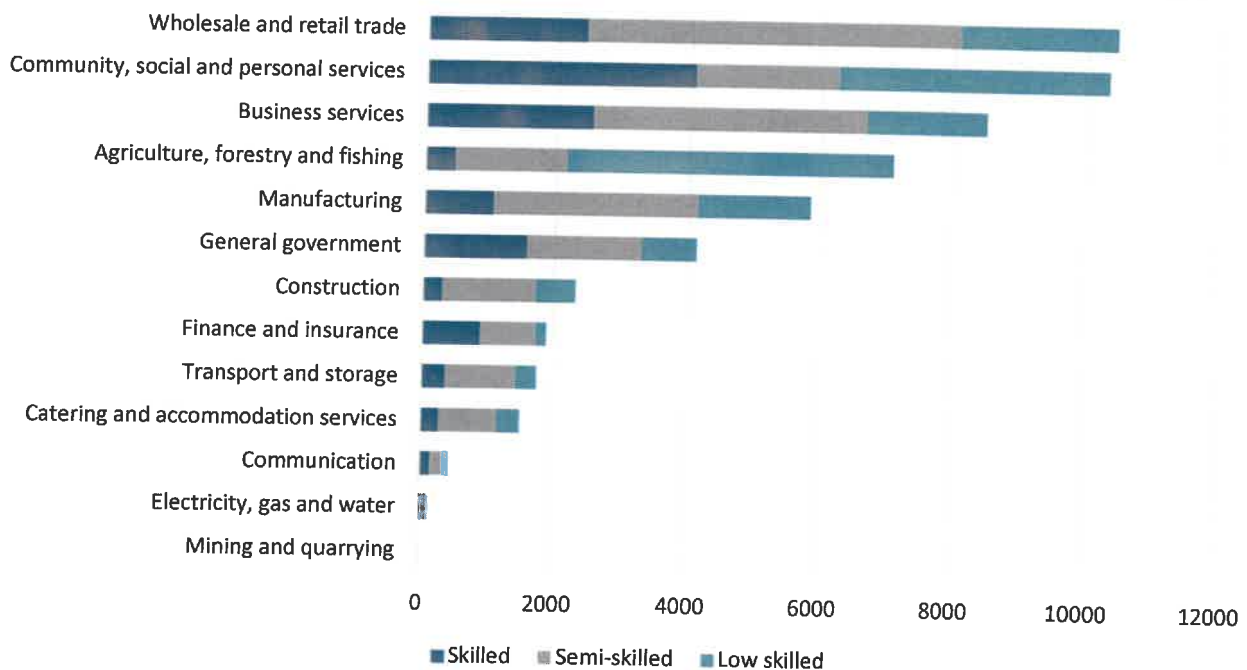
When comparing 2020 output to 2019 to illustrate the impact of the pandemic on different sectors, we find that the finance, insurance, real estate and business services sector proved relatively resilient. Agriculture also had a good year, despite the pandemic. For this reason the Witzenberg Municipality, predominantly driven by its agricultural sector, had a positive growth rate in 2020 compared to negative growth rates in all the other Cape Winelands municipalities (shown in Figure 7).

Employment trends and inequality

Not all sectors contribute equally to employment. As shown below, most low-skilled employment in Stellenbosch is generated by agriculture, forestry and fishing, followed by community, social and personal services, and wholesale and retail trade. The growth or contraction of these sectors could therefore have a substantial impact on unemployment within the region as it may be more difficult for low-skilled individuals to find alternative jobs. Another

trend is an increase in mechanisation, which can reduce the rate at which jobs are created/replaced in the manufacturing sector³¹ as well as in agriculture.

Figure 8: Number of people in formal employment by skills level (2020)

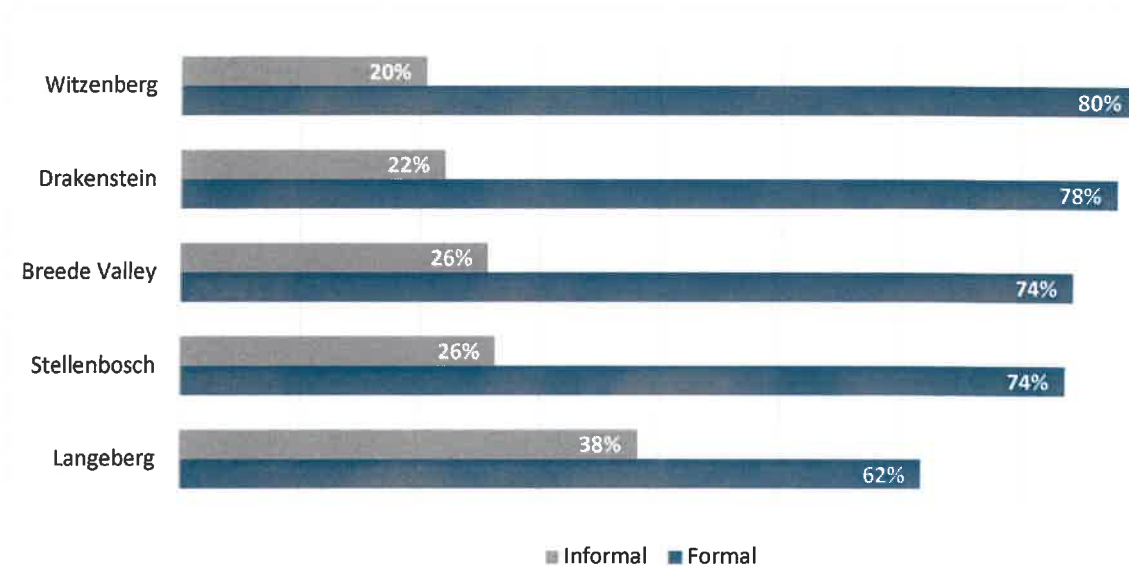


Source: Quantec

Close to three quarters of those employed in Stellenbosch (of ±74 000) work in the formal sector. Stellenbosch however has a smaller workforce and a smaller share of people working in the formal economy compared to the Drakenstein Municipality, for example. This is likely to place additional strain on the municipality's budget through less taxable income. One factor that the municipality might consider as part of its LED strategy is how a greater share of the informal workforce might be incorporated into formal employment.

³¹ MERO p. 293

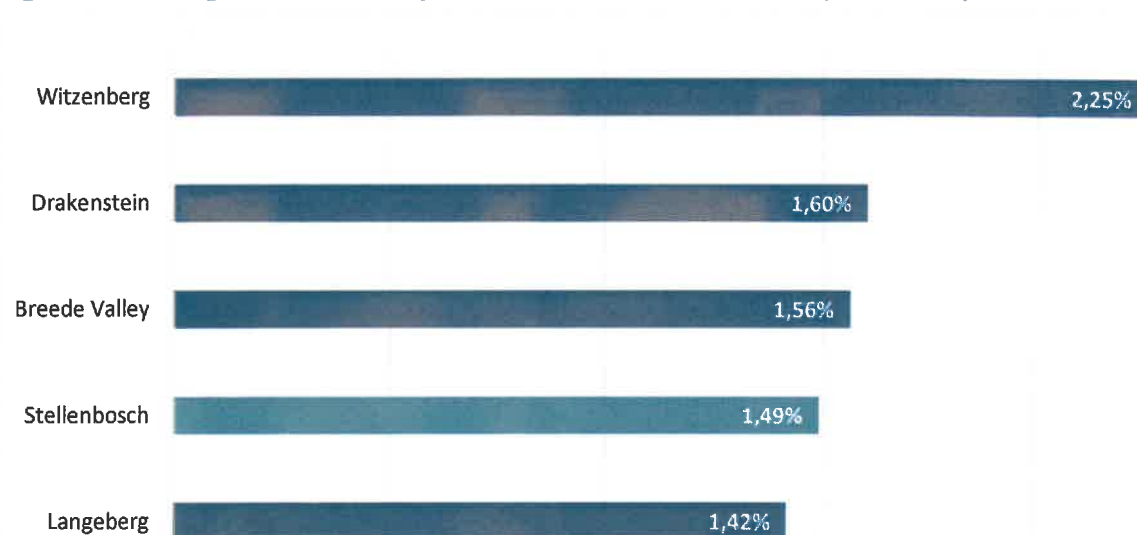
Figure 9: Share of formal and informal employment, 2020



Source: Quantec

The average annual growth rate in the number of formal jobs between 2015 and 2019 in Stellenbosch was 1.5%. While this is above the rate of job creation in South Africa, it is slightly below the Western Cape's average, and also lower than the Cape Winelands' average. While it is not the role of the municipality to create jobs, it does have a responsibility to create an environment that is conducive to entrepreneurship and doing business, and in doing so is an important enabler of job creation.

Figure 10: Average annual rate of job creation in the formal sector (2015-2019)

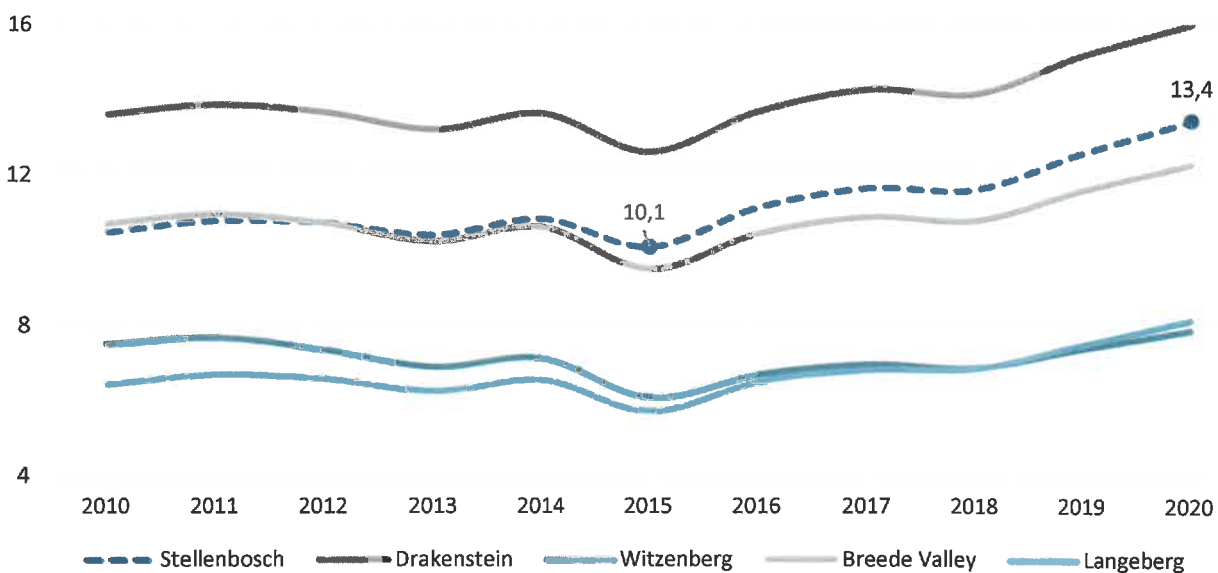


Source: Quantec

The unemployment rate in Stellenbosch remains far below the national average (29.2% in 2020; 34.5% in 2022) as well as that of the Western Cape (20.8% in 2020). One of the reasons why Stellenbosch has a lower unemployment rate may be due to higher levels of educational attainment. Stellenbosch residents have, on average, a higher level of educational attainment compared to the provincial and national level. This is particularly true for tertiary education. According to the 2011 Census data from Stats SA, 3.9% of Stellenbosch residents have a degree, compared to 2% at a national level. Furthermore, 1.2% of residents has a post-graduate degree, compared to a national average of 0.4%.³²

Despite these dynamics, unemployment in Stellenbosch it has been trending upwards with the rest of South Africa since 2015. Stellenbosch has the second highest unemployment rate within the Cape Winelands District Municipality (Figure 11). Witzenberg is the only municipality within the District where the unemployment rate was not considerably higher in 2020 than it was in 2010. In Stellenbosch, unemployment was 13.4% 2020, compared to 10.1% six years prior. In 2020 there were ±11 500 unemployed people living in Stellenbosch, up from ±8 500 in 2015.

Figure 11: Unemployment rates in the Cape Winelands (%)



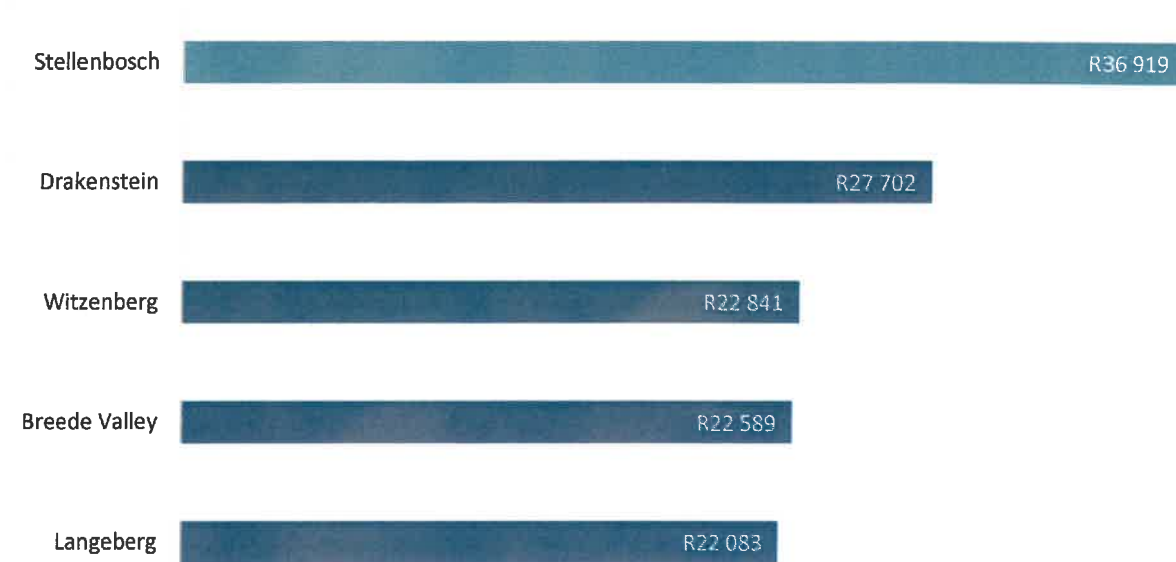
Source: Quantec

The higher level of educational attainment is also reflected in taxable income. Stellenbosch has comparatively high monthly taxable income compared to the other municipalities in the

³² BER (2018). Stellenbosch University Economic Impact Assessment.

Cape Winelands. In addition, Stellenbosch experienced an average annual growth rate of 2.5% in taxpayers, compared to a rate of 1.1% in the Western Cape in general, suggesting that the region continues to attract high net-worth individuals.

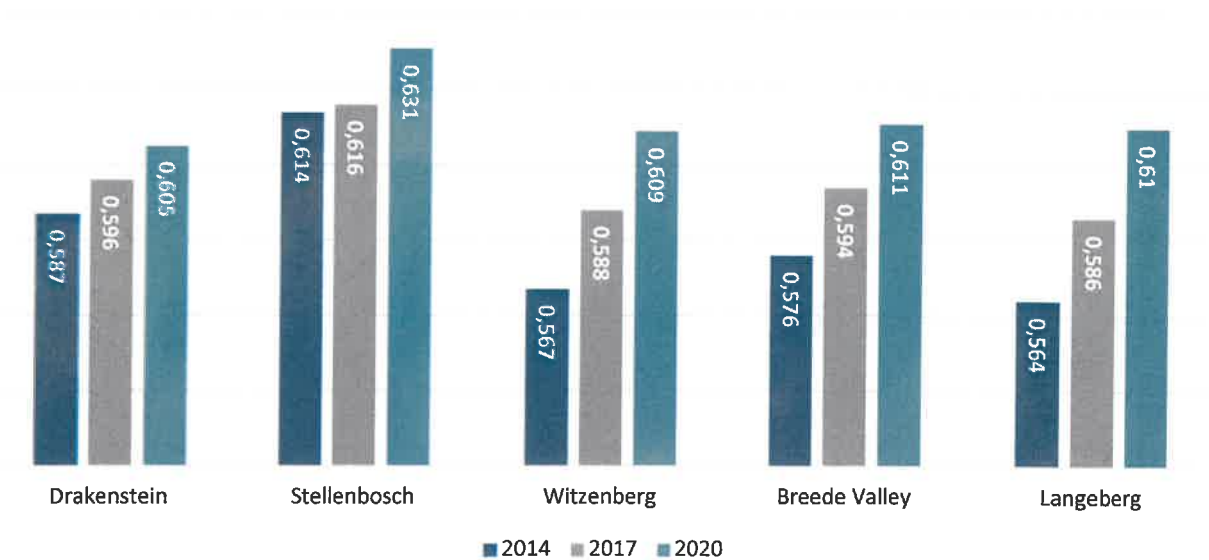
Figure 12: Average monthly taxable income per taxpayer (2020, current prices)



Source: Quantec (own calculations)

The growth of the finance, insurance, real estate and business services sector likely contributes to this trend. By creating an enabling environment for this sector to flourish, the municipality can be expected to continue to attract comparatively high net worth individuals, which will further strengthen its financial position.

The comparatively high monthly taxable income in the Stellenbosch municipal area, combined with a relatively large share of people working in the informal economy and a comparatively high unemployment rate, results in high income inequality. This number became even larger between 2017 and 2020 (presumably aggravated by employment losses during the COVID-19 pandemic). As a result, Stellenbosch has the highest level of income inequality in the Cape Winelands region.

Figure 13: Income inequality as measured by the Gini-coefficient³³

Source: IHS Markit, 2020 (MERO)

The rise in income inequality combined with the increase in the unemployment rate in Stellenbosch may put additional pressure on the municipality to provide support for local households. It also highlights the need for more job creation in the region.

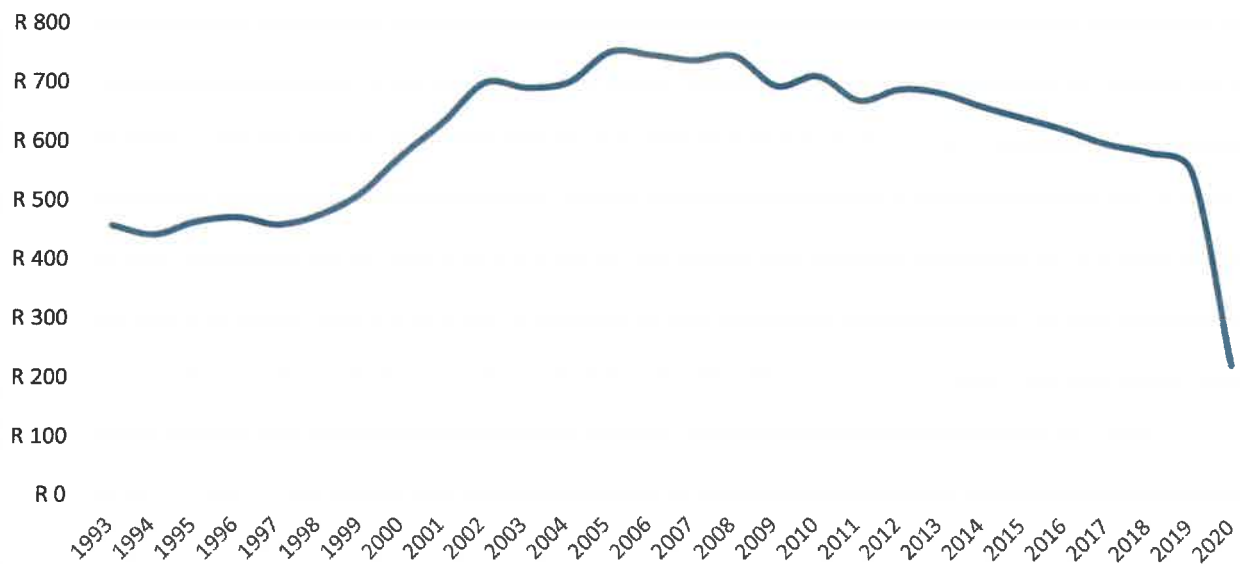
Prospects for the tourism sector

Historical perspective on Stellenbosch tourism

A downward trend in output generated by catering and accommodation services (which captures the tourism sector) within Stellenbosch Municipality seemed to emerge long before the pandemic. Between 1997 up until around 2005, Stellenbosch experienced a rapid increase in economic activity generated by catering and accommodation services (Figure 14). This plateaued until the Global Financial Crisis, after which the sector has been in decline. The COVID-19 pandemic caused economic activity in this subsector to contract by 59% in Stellenbosch.

³³ The Gini coefficient is an indicator of income inequality and ranges between 0 and 1, with 0 representing complete equality and 1 representing complete inequality.

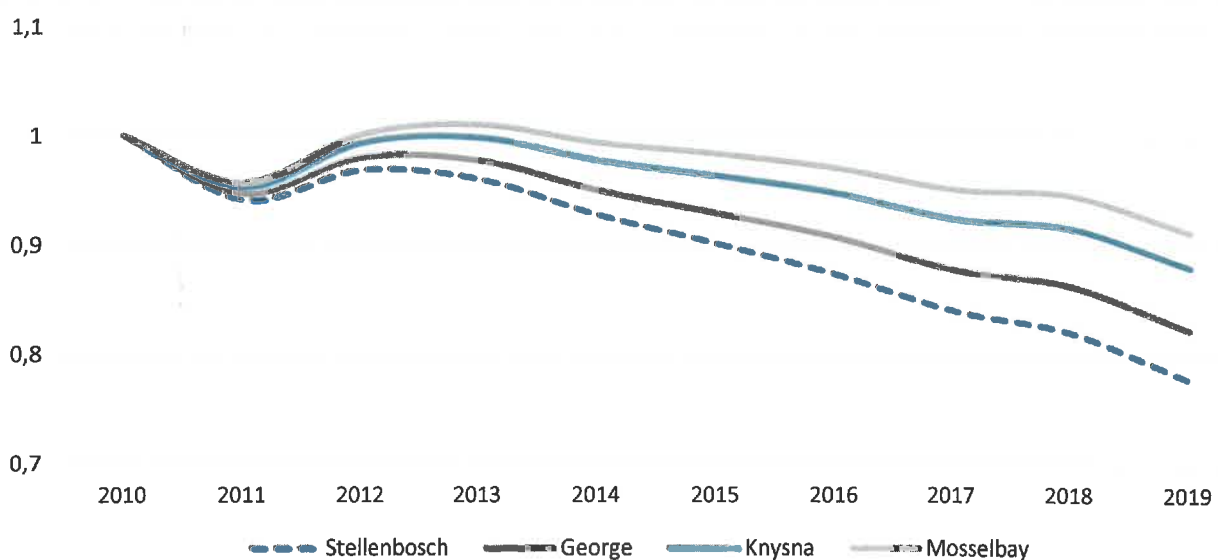
Figure 14: Output in catering and accommodation services (2015-constant prices, rand million)



Source: Quantec

The downward trend in output generated by catering and accommodation services is not unique to Stellenbosch: the figure below shows that Mosselbay, George and Knysna have also been experiencing a decline. Relative to the level at which it was in 2010, however, the drop in activity in Stellenbosch was more pronounced.

Figure 15: Output in catering and accommodation services, indexed to 2010 (2015-constant prices)

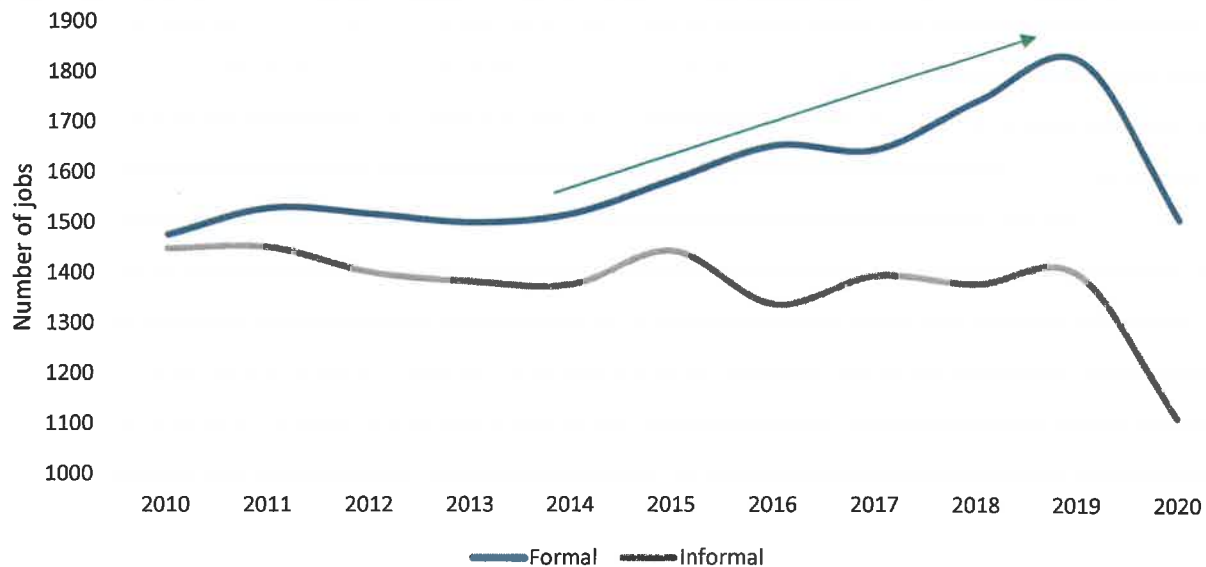


Source: Quantec (own calculations)

Despite the decline, the sector remains an important source of job creation within the municipal area – especially through providing formal employment opportunities. The COVID-

19 pandemic notwithstanding had a severe downward impact on employment in the sector, as can be seen in the figure below.

Figure 16: Employment in catering and accommodation services in Stellenbosch Municipality

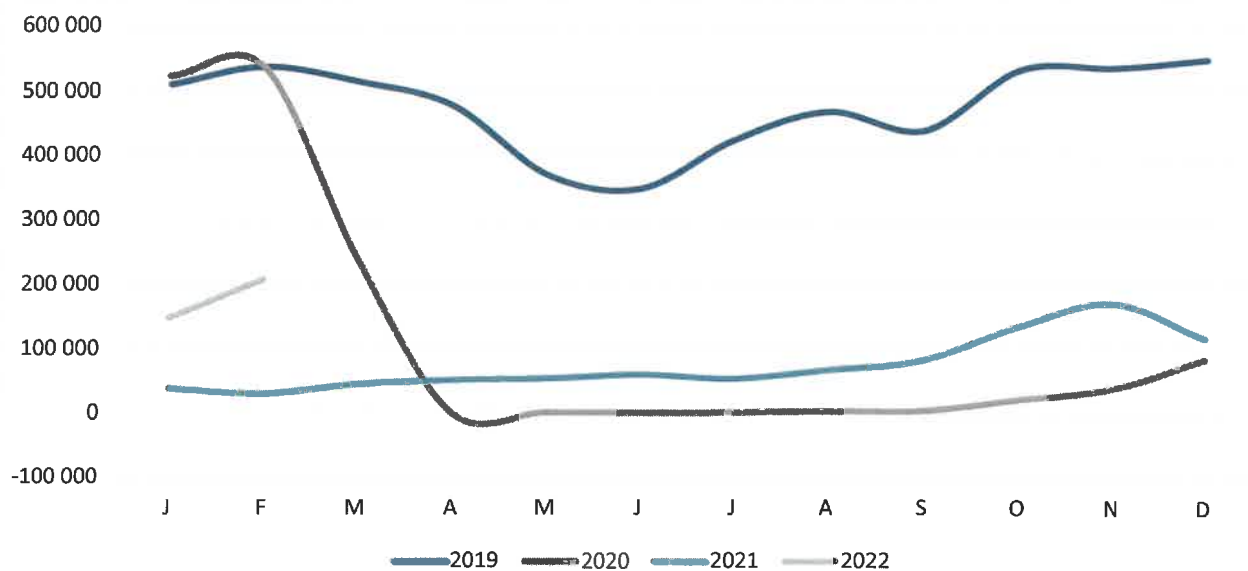


Source: Quantec

Impact of COVID-19 on tourism

While there is no doubt that the global economy is being hit by severe shocks, the impact could have been worse if not for the strong countervailing force of reopening in many countries as mobility restrictions were eased. The reopening of international travel has begun to bounce back in South Africa, albeit still far below pre-Covid levels. Overall, the total number of international arrivals over the January to February 2022 period (excl. SADC) were around 354 thousand persons, far below the 1.06 million that visited over the January to February (pre-pandemic) period in 2020.

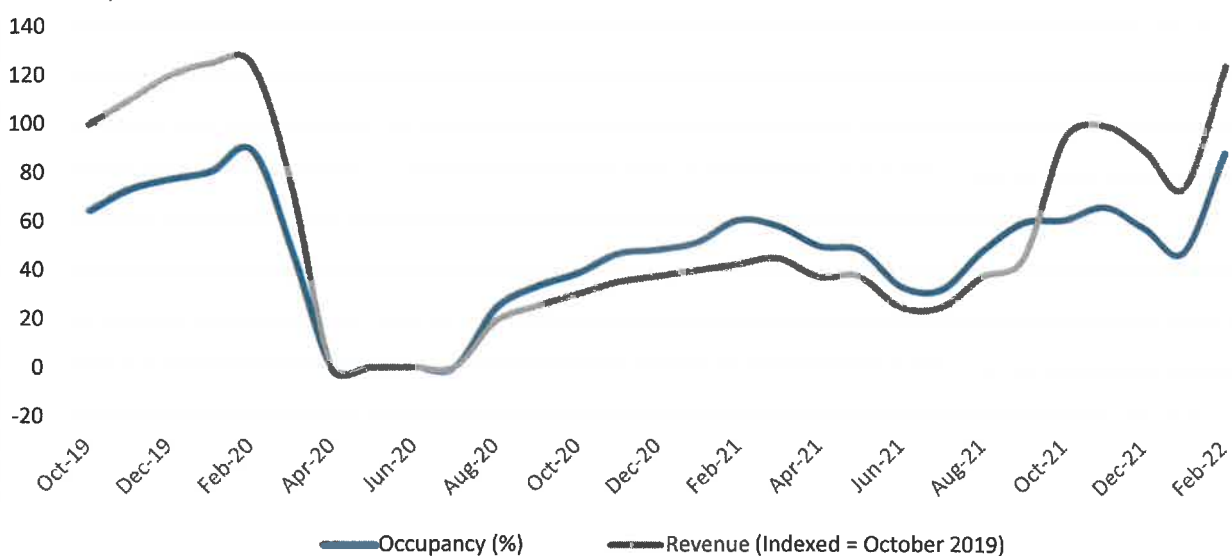
Figure 17: Inbound trips (number of foreign visitors (excl. SADC))



Source: Stats SA

Visit Stellenbosch started collecting information about tourist accommodation and restaurants in October 2019. Although the data in Figure 18 are self-reported by the members of Visit Stellenbosch, it still gives an idea of the business cycle of the sector over the past two-and-a-half years. The data shows an encouraging bounce-back in both revenue and occupancy during the most recent tourist season. Compared to the low number of *foreign* visitors that still prevailed at the start of 2022 (Figure 17), it suggests that the recovery in Stellenbosch's tourism sector – at this stage – seems to be driven by domestic tourists.

Figure 18: Stellenbosch Accommodation Data (self-reported)



Source: Visit Stellenbosch

Despite the positive momentum, the recovery in tourism is likely to be counterweighed by slower global growth, especially growth in European and North American countries. Together, these regions accounted for close to a fifth of international arrivals to South Africa in 2019.³⁴ Of consequence also is the global trend for shorter ("closer to home") trips. Several initiatives to create a better enabling environment for tourism, including medical tourism, sport tourism and eco-tourism are specified in the Stellenbosch Municipality's Draft Tourism Plan of 2020.

³⁴ Stats SA

Conclusion

Municipalities play an important role in South Africa's economic performance and development trajectory, and so also in Stellenbosch. The spatial differences and imbalances that are brought on by increased global competition, population mobility and technological advances make LED even more critical. The emphasis should be on creating an enabling environment within which businesses and citizens can flourish.

Infrastructure and delivery of basic services are among the most important components of creating an enabling environment. Basic service delivery in Stellenbosch is on par with the provincial standards and more than six thousand households benefit from free basic services. Other important factors such as road infrastructure also help the city appear appealing to entrepreneurs and investors. The town has, moreover, seen potential being realized in areas such as the finance and communication sectors. The agriculture and agro-processing sectors were under pressure during the late 2010s but has seen an uptick in activity in more recent years.

Weaknesses remain, and the COVID-19 pandemic has certainly exposed some thereof. The most pressing is a reliance on the tourism sector. Output from this sector has been in decline, which has placed strain on small businesses and especially the individuals who depend on the sector for employment. Given Stellenbosch's unique natural and cultural resources, it is important that the municipality continues to create an enabling environment for this sector to thrive.

Finally, the growth of other tertiary sectors, like finance and insurance, has been substantial and creates positive multiplier effects for many of the other sectors, like communication, construction, and trade. At the simplest level, the key imperative of the municipality's LED strategy should be to create an enabling environment for these subsectors to continue to thrive. It can do this through providing the necessary physical infrastructure and basic services, and creating a favourable business environment through efficient municipal processes.

Implementation plan

Competitive Strategies

Strategy 1: Develop and Implement a consolidated Business Investment Desk

Strategy 2: Develop and Implement a Business Incentives Programme

Strategy 3: Prioritise and Implement an "Ease of Doing Business" Programme

Strategy 4: Institutionalise Economic Intelligence

Strategy 1: Develop and Implement a consolidated Business Investment Desk

- Develop and implement a consolidated Business Investment Desk.
- Economic development ministries and agencies are seeking to reduce the barriers faced by small business owners by reducing the procedures, time and costs associated with starting a business.
- One of the key strategies used is the establishment of Business Investment Desk, where entrepreneurs can receive business and financing advice, and receive regulatory compliance advice such as completing building, land use planning and permitting applications, and pay the necessary fees.
- Stellenbosch currently supports several small business and entrepreneurship programmes, notably entrepreneur training through Ranyaka and Stellenbosch Network.

- These will be consolidated into a standardised Business Investment Desk model – Monitored and evaluated according to strict performance targets and up-to-date business intelligence.

Strategy 2: Develop and Implement a Business Incentives Programme

Roll-out a business incentives programme. Incentives are special interventions designed to influence the location decisions of businesses. Standard incentives packages range from financial rewards (such as tax holidays) to non-financial inducements (such as regulatory exemptions or information provision).

In order to leverage the full range of incentive tools available to the Stellenbosch to attract investment, the administration will formulate comprehensive incentives programme incorporating:

- An appropriate approach to ad hoc financial incentives such as rates rebates and tariff discounts, incorporating a fair and transparent application and assessment system.
- Regulatory inducements (such as special zoning and fast-track processes)
- Information provision

Strategy 3: Prioritise and Implement an “Ease of Doing Business” Programme

- Prioritise Municipal competitiveness in ‘Ease of Doing Business’ initiatives.
- This will span the administration's governance and oversight programmes, reporting standards, financial planning, and human resources management programmes.

- Review, Revise and simplify Stellenbosch's regulatory regime.
- Accelerate decision-making processes for planning and building approvals, notably by moving more functions online and by improving capacity.
- Achieving better coordination between economic development, transport, and land-use priorities.
- Significant progress has been made toward making the organisation more responsive to citizens' needs, for example, through the Municipality's Let's Fix It notification system.
- The next step is to gear the Municipal business improvement initiatives towards recognising their consequences for the broader economy of Stellenbosch and amending them appropriately. This will be achieved via the following interventions: Implementing an online customer interface tool as part of the Municipality's recently launched planning portal.

Strategy 4: Institutionalise Economic Intelligence

- Economic intelligence is a tool used to gain knowledge, which can be used to influence the following:
 - our environment
 - optimize decision-making
 - improve the municipality's positioning strategies to ensure economic and tourism growth, prosperity and public safety and security.
- Hence, economic development, if informed and done effectively, should retain and grow jobs and investment within a community.

SUMMARY OF COMPETITIVENESS STRATEGIES

STRATEGY	STRATEGY	DETAILS	LEAD ACTORS
STRATEGY 1	Attract Investment into the broader Stellenbosch Economy	Develop and operationalise a Business Investment Desk <ul style="list-style-type: none"> • Provide a business advisory service. • Provide a central location where applications can be accessed and submitted, and fees paid. • Provide financing information (DTI, Seda, IDC Support) • Training and development of SMME's. • Youth skills development programme / partnerships. 	Planning and Economic Development Financial Management
STRATEGY 2	Business Incentives Program	Non-financial incentives programme, incorporating <ul style="list-style-type: none"> • Special zoning. • Targeted marketing. • Fast track approvals. • Urban upgrading / site preparation. • Release strategic land parcels. 	Planning and Economic Development Infrastructure Department
STRATEGY 3	Red Tape Reduction Program / Ease of doing business programme	<ul style="list-style-type: none"> • Red tape reduction • Accelerate decision making processes • Ensure strategic alignment and prevent regulatory build – up. • Roll out electronic customer interface tool (Informal Trading) • Roll out development application (GIS / Planning) 	Planning and Economic Development Corporate Services

<p>STRATEGY 4</p>	<p>Institutionalise Economic Intelligence</p>	<ul style="list-style-type: none"> • As the saying goes, 'you cannot manage what you don't measure'. Collecting and analysing economic and tourism data at the municipal level requires a collective effort among stakeholders. • Devise a half-yearly barometer of economic and tourism performance based on indicators like: <ul style="list-style-type: none"> - airport passenger arrivals - visitor figures at key attractions - hotel occupancy and revenue figures - conducting regular visitor profiling and satisfaction surveys - monitoring the spatial dispersion of visitors - conduct event impact studies, feasibility studies and other research studies to inform the development of various sectors. 	<p>Planning and Economic Development</p> <p>LTO's</p> <p>Wesgro</p> <p>DEDAT</p> <p>Cape Winelands District Municipality</p>
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Infrastructure Strategies

Strategy 1: Leverage underutilised Municipal assets to maximise economic benefits

Strategy 2: Maintain and upgrade basic service infrastructure

Strategy 1: Leverage underutilised Municipal assets to maximise economic benefits

- Leverage underutilised Municipal assets to maximise economic benefits. Investigating all the Municipality's existing and potential strategic assets and articulating how they may be leveraged to encourage economic activity and generate revenue, therefore presents a significant, and hitherto largely unrealised opportunity.
- In order to realise the economic potential of underutilised Municipal-owned assets, the administration will: -
- Accelerate the investigation of strategic assets as mandated by IDP objective

Strategy 2: Maintain and upgrade basic service infrastructure

- Maintain and upgrade basic service infrastructure to ensure sustainability.
- Basic service or 'bulk' infrastructure is fundamental to the Municipality's role as the primary provider of essential services such as electricity, water and waste removal. Without these, achieving other strategic goals, notably economic growth and job creation, would be impossible. 'Getting the basics right' is therefore central to the Municipality's strategy. However, there are numerous challenges when it comes to maintaining and upgrading basic infrastructure. Rapid urbanisation is putting pressure on the Municipality's existing stock, while at the same time financial, capacity and environmental considerations place limits its options going forward. In order to maximise the strategic benefits of basic infrastructure, the Municipality will:
 - Develop a public infrastructure plan that will coordinate future infrastructure development with its broader long-term social and economic planning priorities to ensure fiscal sustainability while maximising positive economic impact.

SUMMARY OF INFRASTRUCTURE STRATEGIES

STRATEGY	STRATEGY	DETAILS	LEAD ACTORS
STRATEGY 1	Leverage underutilised municipal assets	<ul style="list-style-type: none"> Investigate underutilised assets such as our informal trading hubs (Kayamandi Corridor, Idas Valley Informal Trading Hub and Cloetesville Informal Trading Hub) 	Property Management Planning and Economic Development
STRATEGY 2	Maintain and upgrade basic services infrastructure to ensure sustainability	<ul style="list-style-type: none"> Annual review of all infrastructure plans Implement and annually review the Capital Investment Program to ensure investments are made in the needed infrastructure that enables growth. 	Planning and Economic Development Corporate Services - Property Management Infrastructure Services

Inclusion Strategies

Strategy 1: Coordinate Local Development Programmes to Enhance the Informal Economy.

Strategy 2: Broaden Job Opportunities and Alleviate Poverty via the Expanded Public Works Programme.

Strategy 1: Coordinate Local Development Programmes to Enhance the Informal Economy.

- Entrepreneurial activity in the greater Stellenbosch area is not limited to the formal business activities of small and medium enterprises or new ventures undertaken by established firms. Increasingly, the informal sector is playing a crucial role as a generator of income and jobs - indicators suggest that the informal sector could make a more substantial contribution to employment in the future, particularly for low and semi-skilled people.
- However, past efforts to facilitate the development of informal enterprises were hampered by a lack of business intelligence and poor inter and intra - departmental coordination. In order to address this, the Municipality will:
 - Integrate the functions of Economic Development and Tourism, Community and Protection Services and Infrastructure

Strategy 2: Broaden Job Opportunities and Alleviate Poverty via the Expanded Public Works Programme.

- The Stellenbosch economy displays trends that it will continue to shift toward higher - value skills in line with regional and national trends, the socioeconomic situation in Stellenbosch remains one in which a large proportion of the population has limited access, skills training and little or no formal work experience.
- This group risks further marginalisation unless initiatives are extended to help people access low - skill and semi-skilled employment. Through the Expanded Public Works Programme (EPWP), the Municipality creates short - term work opportunities for unemployed low - skill and semi - skilled people. This enhances to future employability of EPWP beneficiaries by helping people gain practical skills and work experience.
- It also forms a critical part of the Municipality's broader poverty alleviation efforts by providing direct cash injections into poor households and communities.

- In order to further enhance the utility of the EPWP as a tool for facilitating inclusive economic growth, the Municipality will:
 - Develop / review the policy that will further facilitate the inclusion of EPWP into the operations of the organisation's line directorates
 - Align the EPWP programme with the Municipality's broader skills development and infrastructure development goals
 - Meet the full-time equivalent targets set by the national Department of Public Works (DPW)

SUMMARY OF POVERTY ALLEVIATING STRATEGIES

STRATEGY	STRATEGY	DETAILS	LEAD ACTORS
STRATEGY 1	Coordinate local development programmes to enhance the informal sector	<ul style="list-style-type: none"> • Simplify the informal trading application process (online application) 	Planning and Economic Development
STRATEGY 2	Broaden Job Opportunities via the Expanded Public Works Programme	<ul style="list-style-type: none"> • Review EPWP policy • Align EPWP with the Municipality's skills and infrastructure goals. • Open Jobseekers (EPWP) database to private sector to enhance beneficiary's future employability. 	Planning and Economic Development Finance Department Corporate Services

Trade Promotion and Sector Development Strategies

Strategy 1: Utilise external relations to attract investment and promote growth sectors

- Utilise external relations to attract investment and promote catalytic growth sectors. External relations are gaining momentum in strategic significance as municipal governments begin to play increasingly proactive roles as regulators and facilitators of economic development.
- The Municipality needs to articulate a new approach to managing inter - governmental relations in a manner that promotes Stellenbosch as a competitive global hub for economic, social and cultural activity that builds on its strategic location.
- Attracting investment in Stellenbosch's catalytic growth sectors, namely, agro - processing, financial services, corporate head offices, green industries, tourism and events and business process outsourcing.
- Future external relationship agreements and memberships of forums will be evaluated on the basis of the strategic value they bring to the Municipal area.

SUMMARY OF TRADE AND SECTOR STRATEGIES

	STRATEGY	DETAILS	LEAD ACTORS
STRATEGY 1	Utilise external relations to attract investment and promote catalytic growth sectors	<ul style="list-style-type: none"> • Develop a Strategic External Relations Policy. • Utilise external relations to promote Stellenbosch economic interests by prioritising: <ul style="list-style-type: none"> - Investment attraction in catalytic growth sectors 	Planning and Economic Development Wesgro DEDAT CoCT



- Promote Stellenbosch based Cape Winelands District businesses
- Attract visitors
- Attract large strategic events

Sustainable Growth Strategies

Strategy 1: Develop and Implement a Comprehensive Green Economy Programme

Strategy 2: Promote and Implement Water Resilience (manage water conservation, supply, and demand)

Strategy 3: Promote and Implement Energy Resilience

Strategy 1: Develop and Implement a Comprehensive Green Economy Programme

- Develop and implement a comprehensive green economy work programme.
- Given the currently open-ended nature of the term 'green economy', one of the first tasks of the municipality will be to develop a working definition that is tailored to the local government context, and specifically, the socioeconomic and environmental conditions and priorities of Stellenbosch.
- Work with municipal departments to ensure compatibility between the terms 'green economy' and 'sustainable development' to ensure consistency in policy development and reporting.
- Develop a core position paper that can further refine related concepts and outline the municipality's key deliverables together with realistic targets.

Strategy 2: Promote and Implement Water Resilience

- Manage water conservation, supply and demand to ensure sustainability. Ensuring sustainable water utilisation that at the same time meets current needs in an equitable manner requires a multi-pronged approach that includes protecting and conserving existing freshwater supplies; expanding, upgrading and maintaining water distribution infrastructure; reducing loss by retrofitting and repairing existing facilities and replacing meters and water management devices.
- In addition, significant opportunities exist to augment supply via alternatives sources and reuse. In this regard, the municipality:
 - Promote rainwater harvesting using collection tanks –
 - Promote borehole extraction by small consumers for domestic gardening (only in non-sensitive groundwater areas)
 - Promote grey water re-use
- Ensuring sustainability of supply is one side of the coin. The other is managing demand to reduce wasteful consumption and encourage efficient use.
- The Municipality has paid attention to its own infrastructure and has successfully taken steps to decrease water demand within the organisation.
- Initiatives to manage water demand by citizens and consolidate conservation involve:
 - Rolling-out a consumer education programme focussing on the importance of conservation and the options available for end-use savings.

Strategy 3: Promote and Implement Energy Resilience

- Investigate options for an:
 - energy diversification program
 - promote energy efficiency program
- Electricity supply is dominated by the national grid, which relies predominantly on coal - fired electricity to provide for the country's needs.
- Opportunities also exist to explore alternative energy sources such as solar, wind and expanded gas power capacity. In a context of rising electricity prices. It is thus imperative that the municipality facilitates a shift towards greater energy efficiency in the Stellenbosch economy while also investigating options for diversifying the municipality's power sources to ensure the energy security needed to fuel economic growth in the future.
- To this end, the Municipality continue to implement the Energy and Climate Change Action Plan through a range of initiatives such as retrofitting with more efficient technologies (for example, energy-efficient public lighting) and continue to develop practical proposals to pursue alternative energy sources at scale. This may include engaging private project developers for large - scale electricity generation projects.

SUMMARY OF SUSTAINABLE GROWTH STRATEGIES

	STRATEGY	DETAILS	LEAD ACTORS
STRATEGY 1	Develop and Implement a Comprehensive Green Economy Programme	<ul style="list-style-type: none"> • Lay groundwork for programme by completing the following tasks: <ul style="list-style-type: none"> - Finalise working definition - Develop a position paper - Develop financing plan 	Infrastructure Department

		<ul style="list-style-type: none"> • Develop a programme of work, focusing on: <ul style="list-style-type: none"> - Green manufacturing - Other green industries 	
STRATEGY 2	<p>Promote and Implement Water Resilience (manage water conservation, supply and demand)</p>	<ul style="list-style-type: none"> • Develop two sub – program within this segment, with specific focus on: <ul style="list-style-type: none"> - <u>Water conservation program</u> where the focus here will be, promotion of rainwater harvesting, promotion of responsible borehole extraction, promotion of grey water re – use and lastly, expansion of treated effluent operations. - <u>Water supply and demand management program</u> where the focus will be on expanding, upgrading and maintenance of water distribution infrastructure as well as retrofitting, repairing and / or replacing of meters • Manage water demand and consolidate conservation: <ul style="list-style-type: none"> - Consumer education programme 	Infrastructure Department
STRATEGY 3	<p>Promote and Implement Energy Resilience</p>	<ul style="list-style-type: none"> • Develop two sub – program within this segment, with specific focus on: <ul style="list-style-type: none"> - Energy diversification program, where our focus is on large scale alternative energy sources. - Energy efficiency program, where the focus will be on energy efficiency within Stellenbosch. • Develop and implement an Energy and Climate Change Action Plan • Roll – out energy savings communications campaign 	Infrastructure

Tourism Development and Resilience Strategies

Stellenbosch Municipality will develop its tourism sector anchored in the following key principles:

- a) Responsible Tourism Development
- b) Maximising Partnerships
- c) Whole Government Approach

Through these development principles our aim will be focused on the following:

- Renew focus on domestic markets
- Improve the ease of doing business for tourism businesses
- Raise the global profile of Stellenbosch as a preferred destination
- Identify and develop tourism infrastructure
- Drive geographic spread of tourism benefits throughout the municipal area
- Grow visitor number and yield
- Prioritise tourism development growth within the various towns in Stellenbosch

- Improve customer experiences (quality and service excellence)
- Develop industry partnership programmes through action platforms

Drawing from the NTSS of 2017, the Western Cape Government through its Tourism Blueprint 2030 have the following five components on which the Tourism Strategy is built on:

Strategy 1: Visitor Experience:

The business of providing services to visitors, for example, hotels, and restaurants, safety and security, banking, visitor information centres, etc.

Strategy 2: Tourism Infrastructure:

Infrastructure comprises of essential services, buildings and service institutions.

Strategy 3: Destination Marketing:

This is a form of marketing in which the destination is promoted to a potential visitor to increase the number of trips taken and revenue per trip.

Strategy 4: Tourism Product Development:

Product development focuses on the development and provision of experiences, services and infrastructure that exceeds customer expectations.

Strategy 5: Institutional Arrangement and Regulation:

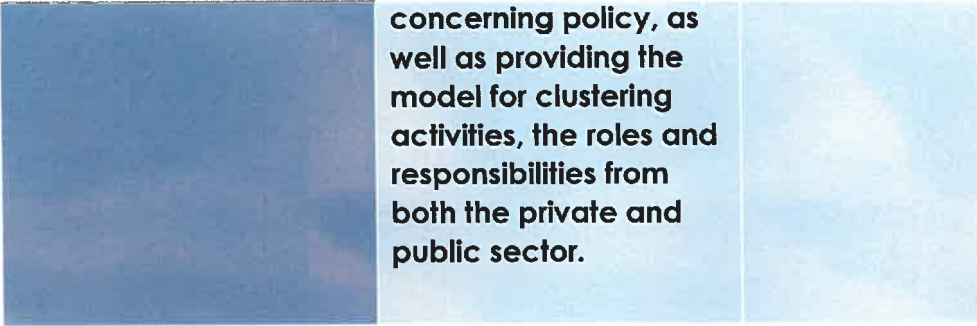
This component governs the ecosystem concerning policy, as well as providing the model for clustering activities, and roles and responsibilities from both the private and public sector role players.

Below is a Top Layer summary of the Tourism Strategy

NTSS STRATEGY	PROVINCIAL STRATEGIC OBJECTIVE (BLUEPRINT 2030)	GOAL	PROGRAMME	ACTIONS / PROJECTS
1. VISITOR COMFORT, EXPERIENCE AND SERVICES	VISITOR SERVICES: The business of providing services to visitors, for example, hotels and restaurants, safety and security, banking, visitor information centres.	ENSURING VISITOR COMFORT	Tourist Safety Program	<ul style="list-style-type: none"> • Develop secure tourism activity zones in higher – risk areas • Launch a rent a cop initiative • Establish tourist victim support initiative • Establish community tourism safety forums in local tourism areas (this could be an EPWP linked initiative).
			Tourist Information Mobility Program	<ul style="list-style-type: none"> • Provide free Wi- Fi access at key tourist sites and congregation points. • Expanding special photographic points. Leverage on unique selling points i.e. history, culture, cuisine and diversity of the municipality. • Launch a Mobile Visitor Information Centre (VIC). • Expand and maintain road signage.

				<ul style="list-style-type: none"> Continuously improving functionality and content of LTO websites.
<p>2. FACILITATE EASE OF ACCESS</p>	<p>TOURISM INFRASTRUCTURE:</p> <p>Infrastructure comprises of essential services, buildings and services institutions.</p>	<p>IMPROVING AND DIVERSIFYING ATTRACTIONS AND EXPERIENCES</p>	<p>Iconic Sites Improvement Programme</p> <p>Make Stellenbosch Sustainable - Program</p> <p>Spatial Planning Program</p>	<ul style="list-style-type: none"> Assessing tourism conditions at and around existing iconic and historical sites and sites with iconic potential, e.g. Kylemore trails and waterfalls, Ida's Valley trails and the Priel Tea Garden. Devising improvement plans for each site. Continuous monitoring of conditions at iconic and historic sites. Strengthen the Universal Access in tourism initiatives, for example ensuring that the disabled and aged are accommodated in destination planning approaches such as ablution facilities, walkways, parking etc. Ensure that Universal Access requirements are included in Municipal by – laws for tourism nodes. Integrating spatial tourism concepts with the Municipal SDF.
<p>3. DESTINATION MANAGEMENT PRACTICES –</p>	<p>DESTINATION MARKETING</p>	<p>DESTINATION MARKETING</p>	<p>Joint Leisure Marketing Expansion Program</p>	<ul style="list-style-type: none"> Formulating a collective Marketing Strategy.

<p>ORGANISING EFFECTIVELY FOR GROWTH</p>	<p>This is a form of marketing in which the destination is promoted to a potential visitor to increase the number of trips taken and revenue per trip.</p>		<p>Expanded MICE and Events Marketing Program</p>	<ul style="list-style-type: none"> • Expanding MICE (Meetings, Incentives, Conventions and Exhibitions) marketing focus and resources. • Build a strong partnership arrangement with Cape Town International Convention Centre (CTICC) and the University of Stellenbosch to promote pre – and – post business packages. • Leveraging maximum tourism value from sport and cultural events.
<p>4. EFFECTIVE MARKETING – GENERATING COMMUNITY INVOLVEMENT AND SUPPORT</p>	<p>TOURISM PRODUCT DEVELOPMENT</p> <p>Product development focuses on development and provision of experiences, services and infrastructure that exceeds customer expectations.</p>	<p>GENERATING COMMUNITY INVOLVEMENT, BENEFITS AND SUPPORT</p>	<p>Cultures of Stellenbosch Development Program</p>	<ul style="list-style-type: none"> • Launching local areas cultural initiative • Setting up local Tourism Forums • Implementing various capacity development programs in selected local areas. • Packaging and marketing cultural experiences.
<p>5. BROAD BASED BENEFIT - ENSURING INCLUSIVITY IN ALL TOURISM ENDEAVOURS</p>	<p>INSTITUTIONAL ARRANGEMENT AND REGULATIONS</p> <p>This component governs the ecosystem</p>	<p>ORGANISING FOR GROWTH</p>	<p>Tourism Partnerships Program</p> <p>Stellenbosch Tourism Capacity</p>	<ul style="list-style-type: none"> • Engaging partners in a collective marketing initiative. • Forming a Stellenbosch Tourism Coordinating Cluster • Strengthening the tourism function in Stellenbosch



concerning policy, as well as providing the model for clustering activities, the roles and responsibilities from both the private and public sector.

Enhancement Program

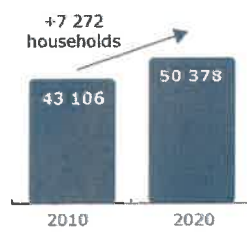
- Collecting and analysing tourism performance statistics and research
- Increasing funding for tourism development and marketing.
- Continuously monitoring progress achieved with implementing the Tourism Strategy.

Appendix 1

Local economic development in Stellenbosch municipality

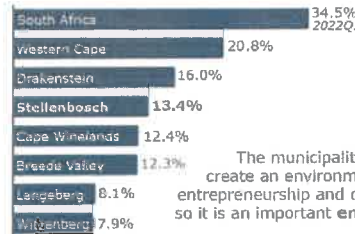


Number of households



Source: Quarterly QSA Standardised Regional

Regional unemployment rates 2020 (%)



Unemployed persons ±11 500
(2020 est.)

The municipality has a responsibility to create an environment that is conducive to entrepreneurship and doing business. In doing so it is an important **enabler of job creation**.

Source: Quarterly QSA Standardised Regional Employment and Compensation

Service delivery in Cape Wineland Municipalities

Share of households

	Breede Valley	Drakenstein	Langeberg	Stellenbosch	Witzenberg	
Electricity as main light source	2010	88,0	90,5	91,1	91,5	88,3
	2020	87,5	94,7	94,1	92,2	93,2
Refuse removal (at least once week)	2010	70,8	91,1	67,9	83,8	62,6
	2020	74,5	85,9	71,6	86,7	69,8
Access to flush/chemical toilet	2010	87,1	91,1	86,2	89,5	87,1
	2020	88,4	93,5	89,0	91,1	91,7
Piped water (at least 200m from dwelling)	2010	94,4	94,8	95,2	91,1	96,5
	2020	96,2	98,5	97,8	94,4	96,4

Source: Stats SA, General Household Survey

Number of households benefitting from free basic services ±6 817
(2019 est.)

Source: Statistics South Africa - PM115

Five largest sectors

Share of economic output (2020)

Business services	19%
Wholesale and retail trade	11%
Agriculture, forestry and fishing	10%
Manufacturing: food, beverages and tobacco	8%
General government	7%

Source: Quarterly QSA Standardised Regional Output of Businesses

Fastest growing sectors 2015 - 2019¹



Source: Quarterly QSA Standardised Regional Output of basic goods - to exclude the impact of COVID-19

Which sectors employ the most people?

Share of total formal employment (2020)



Source: Quarterly QSA Standardised Regional Employment and Compensation

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APPENDIX 2

STELLENBOSCH

STELLENBOSCH - PNIÉL - FRANSCHHOEK

MUNICIPALITEIT - MUNISIPALITEIT - MUNICIPALITY

PUBLIC NOTICE: INTERESTED AND AFFECTED PARTIES CALL FOR PUBLIC COMMENT ON THE DRAFT ECONOMIC DEVELOPMENT STRATEGY

Notice is hereby given that Council intends to adopt the draft Economic Development Strategy for Stellenbosch Municipality. Interested and affected parties are hereby invited to submit written comments during the sixty (60) days advertising period.

You are hereby invited to submit written comments in connection with the first draft Economic Development Strategy by electronic mail to the Manager: Economic Development and Tourism at Sharon.pedro@stellenbosch.gov.za on or before 6 June 2023.

The first draft of the Economic Development Strategy will be available on the Stellenbosch Municipality's website (www.stellenbosch.gov.za/) and hard copies will be available at the local libraries and satellite offices as reflected in the table below.

AREA	PLACE
Stellenbosch CBD	Library, Plein Street, Stellenbosch Ward 7: Jan Marais Eco Centre Ward 10: Lapland (Municipal Building)
Franschhoek	Ward Office: Ward 1 (Mooiwater Building) Ward Office: Ward 2 (Groendal Community Hall)
Kylemore	Kylemore Ward Office
Pniél	Library, Main Road, Pniél Pniél Ward Office
Wemmershoek	Ward 3: Wemmershoek Ward Office (Community Hall)
Jamestown	Jamestown Library Jamestown Ward Office
Cloeteville	Cloeteville Ward Offices (Ward 16 and 17) Library, Vredelust Street, Cloeteville, Stellenbosch
Ida's Valley	Ward Office: Ward 5 (Ida's Valley Sport Ground) Ward Office: Ward 6 (Library, Rustenburg Road) Library, Sonnebloem Street, Ida's Valley, Stellenbosch
Kayamandi	Kayamandi Ward Offices (Kayamandi Corridor) Library, Masithandane Street, Kayamandi, Stellenbosch
Vlottenburg	Vlottenburg Ward Office (Vlottenburg Primary School)
Klapmuts	Klapmuts Ward Office (Klapmuts Multi-Purpose Centre)
Ward 19	De Novo Ward Office (Primary School in De Novo)

Enquiries or requests for more information on the process may be directed to Section: Economic Development and Tourism, Sharon Pedro Tel: 021 808 8974 or Email: Sharon.Pedro@stellenbosch.gov.za during normal office hours.

Geraldine Mettler
Municipal Manager
Notice number: 47/2023

6/4/2023

7.9	COMMUNITY SERVICES:(PC: CLLR X KALIPA)
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NONE

7.10	RURAL MANAGEMENT: (PC: CLLR J JOON)
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NONE

7.11	MUNICIPAL MANAGER
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NONE

8.	REPORTS SUBMITTED BY THE EXECUTIVE MAYOR
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NONE

9.	URGENT MATTERS
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10.	MATTERS TO BE CONSIDERED IN-COMMITTEE
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