



STELLENBOSCH

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MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

In a time of darkness and economic distress - a budget of hope to build a better future through opportunities and innovation.

“Hope lies in dreams, in imagination, and in the courage of those who dare to make dreams into reality” - Jonas SALK

**EXECUTIVE MAYOR: Adv. Gesie van Deventer PROPOSING THE ITEM ON
TABLING THE 2023/2024 BUDGET (MTREF)**



Speaker

Deputy Mayor

Members of the Mayoral Committee

Chief Whip of the Ruling Party

Fellow Councillors

Municipal Manager

Chief Financial Officer

Directors

Colleagues from the incredible Team Stellenbosch

Guests and members of the public

Goeiemôre, molweni, as-salamu alaykum, good morning,

Speaker someone once said: Hope is the one thing that can help us get through the darkest times.

As the Mayor of our financially stable, fiscally responsible, well-functioning, and working municipality, it is always such an honour for me to table the budget.

This budget is the result of months of hard work by our administration and council. Following many positive inputs received from members of the public during an extensive public participation process, it gives me great honour to present to you today the proposed budget for the new financial year of 2023/24 in accordance with section 23 of Municipal Finance Management Act.

Speaker, I see and hear every day how many residents, and indeed most South Africans, are experiencing incredible hardships and a profound sense of despair at the this point in time as our country faces so many challenges every day.

The rising cost of living is hurting families. Consumer goods, basic food items, taxi fares, fuel prices and bond repayments as a result of the weak economic growth we are experiencing nationally. It sometimes almost feels insurmountable. The rising unemployment rate, the cost-of-living crisis, the currency crisis we have seen over the past few weeks, corruption, high levels of crime and of course the continued rollout of high stages of load shedding by Eskom. This all contributes to a feeling of anxiety and sometimes despair by most South Africans. The impact of long hours of load shedding, makes normal work and family life, safety and economic growth impossible.

Speaker, the question is, how can we, as local government make this better for our residents and give hope to them that there will be light and prosperity again? This is a question that keeps me as Mayor awake most nights, but we cannot give up hope as we have to take care of our residents. Hence, I propose this budget of many months' work, confidently and with a positive heart as we can create the platform for a better future.

Chandler Swindall "Life is 10% what happens to you & 90% how you react to it"

Speaker somebody also once said: "You are the artist of your own life, do not hand the paintbrush to someone else". Hence we do not sit in despair about the challenges surrounding us, but instead have crafted this budget over many months. Today I present the end result with pride and a positive heart: A

budget creating a solid platform for a better future for ALL living in the bigger Stellenbosch. A budget of hope. Speaker, I said ALL as this budget is spread equally across all regions and wards. Furthermore, to ensure that every resident's life will be bettered in some way, 80% of our budget will be allocated to improved and new infrastructure. This will lead to better services on a daily basis AND will create an environment conducive to attract investment, stimulate economic growth and consequently create more jobs and opportunities.

Speaker somebody unknown once said "Today is our opportunity to build the tomorrow we want."

The question may be asked if we acknowledge the plight of the vulnerable residents like the elderly, the indigents, the child headed households and financially challenged. The answer is a positive YES. As a caring, financially stable, and proactive local government, it is our job to ensure that money is spent in a way that makes life better for all the people of our municipal area. We have to do what we can to improve the lives of our residents by shielding the poor from extreme poverty and delivering better basic services to all residents. We must take into consideration the financial implications for every family, and we must aim to shield every resident from economic blows wherever we can, irrespective of their financial standing. We shall give more detail of these measures herein hereunder.

Speaker, this is a R2,778 billion budget – our biggest budget in the history of Stellenbosch yet.

As alluded to, the greatest part of this budget will be spent on improving service delivery, infrastructure development and the maintenance of infrastructure. Sustainable economic growth of our local economy and the provision of dignified living conditions for all residents is only possible when we get the basics right. The basics at the heart of local government is service delivery: Water, electricity, sanitation, refuse removal, area cleaning, roads, stormwater and all the infrastructure needed to provide these services.

Speaker, in Stellenbosch we do not spend money on luxuries or non-priority projects. The fact that nearly 80% of our capital budget will be allocated to our Infrastructure Directorate – clearly demonstrating our commitment to spending public funds where it is needed most: on service delivery for the benefit of our residents.

Councillors, it gives me great pleasure to highlight to you some of the largest capital projects that forms part of this budget, spread across the bigger Stellenbosch for the Medium Term Revenue and Expenditure Framework (MTREF).

TOP TEN CAPITAL PROJECTS

Name	MTREF Total
Bulk Water Supply Pipe and Reservoir: Stellenbosch	116 500 000
Expansion of the landfill site in Devon Valley (New cells)	102 600 000
New Reservoir & Pipeline: Vlottenburg	80 000 000
Bien don 66/11kV substation new	75 000 000
Upgrade of WWTW Wemmershoek	69 500 000
Upgrade of WWTW: Klapmuts	60 540 350
Electrification INEP (Informal Settlements)	49 450 000
Landfill Gas To Energy	41 000 000
Lanquedoc Access road and bridge	35 000 000
Bulk Water Supply Pipeline & Reservoir - Jamestown	32 500 000

WATER

We will be investing heavily in water infrastructure to ensure an adequate supply of clean drinking water to all communities. Over the next three years, we will be spending R116.5 million on the bulk water supply pipeline and

reservoir project in **Stellenbosch** that will directly benefit many areas. We will set aside R80 million for a new **Vlottenburg** reservoir and pipeline and R32.5 million for a bulk water supply pipeline and reservoir in **Jamestown**. Other highlights include an investment of R14 million for bulk water supply pipelines and pumpstations as well as bulk water upgrades of R16 million in **Franschhoek**. We will also continue with our waterpipe replacement programme and have set aside R15 million for this.

Name	MTREF Total
Bulk Water Supply Klapmuts	8 000 000
Bulk Water Supply Pipe and Reservoir: Stellenbosch	116 500 000
Bulk Water Supply Pipe Line & Pumpstations: Franschhoek	14 000 000
Bulk Water Supply Pipe: Cloetesville/ Ida's Valley	8 000 000
Bulk Water Supply Pipeline & Reservoir - Jamestown	32 500 000
Bulk Water Upgrades Franschhoek	16 000 000
Chlorination Installation: Upgrade	5 500 000
Dwarsriver Bulk Supply Augmentation and Network Upgrades	7 750 000
New Reservoir & Pipeline: Vlottenburg	80 000 000
Specialized Vehicles: Water	5 500 000
Water Conservation & Demand Management	10 000 000
Waterpipe Replacement	15 000 000

SANITATION

The upgrading of the various WWTW and sewer pumpstations are vitally important as our communities continue to expand and grow. As a government with the foresight and vision to realise this growth and plan accordingly, we act proactively. In daily see in the media, many other municipalities battling

the complete collapse of sanitation services – leading to atrocious conditions for residents. And yes, we do note the ongoing challenge as a result of historic underspending many years ago. For this reason, we will be investing just shy of R70 million in the upgrade of the **Wemmershoek** WWTW and R60.5 million in the upgrade of the **Klapmuts** WWTW. Plans are also underway to expand the **Stellenbosch** WWTW that serves the bulk of our residents – from **Die Boord** to **Kayamandi**, from **Cloetesville** to **Dalsig**, from **Onderpapegaaiberg** to the **University and CBD area**. Over the next three years we will also be spending R16 million on our sewer pipe replacement programme.

Project	MTREF Total
Extension Of WWTW: Stellenbosch	6 000 000
New Development Bulk Sewer Supply WC024	5 000 000
Refurbish Plant & Equipment - Raithby WWTW	8 000 000
Sewer Pumpstation & Telemetry Upgrade	5 500 000
Sewer pipe Replacement	16 000 000
Upgrade of WWTW Wemmershoek	69 500 000
Upgrade of WWTW: Klapmuts	60 540 350

ELECTRICITY

Speaker, electricity is an absolute necessity for a good quality life all our residents. It makes it possible for us to cook, clean, learn, work and to live in safety. Electricity is also critically important for large companies, small businesses, entrepreneurs, and the creation of economic opportunities for our residents. It's as simple as this – when Eskom puts the lights off, businesses lose income and people lose jobs. However, we cannot sit still

As victims, rather we should take the paintbrush of innovation and paint a better future. Despite load shedding and the challenges presented to us by

fuel costs, vandalism and breakages as a result of loadshedding, we are forging ahead with our own program to rid Stellenbosch of loadshedding, or at least to minimise the effect thereof. Let us not be fearful but be bold:

Suzy Kassem: Fear kills more dreams than failure ever will.

We started to proactively research the potential to mitigate the impact of load shedding already in 2018. In January of 2021, the Stellenbosch Council gave the green light for a scientific investigation and feasibility study to be conducted into various alternate sources of electricity. We were one of the first councils in the country to adopt such a report into investigating alternate sources of energy.

The Municipality is working closely with energy experts at the Centre for Scientific and Industrial Research (CSIR), the Stellenbosch University and the Western Cape Government through its Municipal Energy Resilience (MER) Initiative to potentially reduce load shedding in our municipal area.

Our Energy Master Plan has been finalised and served before Council earlier this year, on 29 March. The Energy Master Plan outlines the findings of our scientific studies. A draft Cost of Supply Study has also been completed.

We have commissioned Stellenbosch University to complete an Electricity Storage Study for us. The University is also implementing a project together with the Western Cape Government to roll out solar installations at 20 local schools, which will help reduce our overall load on Eskom.

In April 2022, we switched on the first sets of solar panels on several municipal properties. We have now completed the installation of solar panels on all major municipal buildings. All traffic lights owned by the municipality in our municipal area have been fitted with UPS-systems to ensure they remain on for 2-3 hours when load shedding hits.

We are daily encouraging our consumers to install solar panels and to date, 3.4MW of private solar installations have been installed by the public.

I am very excited to announce that by end of June we shall invite external entities to generate electricity through alternative energy generation projects from within the Stellenbosch Municipal boundaries. This request for proposal will make a marked difference to our program to minimise loadshedding.

We shall in time, also collaborate with other Western Cape municipalities to jointly purchase electricity from existing Independent Power Producers (IPP's).

A project to convert methane gas into the much less harmful carbon dioxide (CO2) from our Landfill Site was launched in January 2023. Studies are also being performed to look at the employment of gravity storage mechanisms, such as pump-storage schemes as well as anaerobic digestion of organic waste and sewage sludge to create electricity.

As we step up this process, we also need to ensure that our existing electrical infrastructure is sufficient and well-maintained to continue to provide essential services. We are therefore making various provisions in terms of electricity over the next 3 years.

Speaker, I would like to draw Council's attention to R75 million being budgeted for the new Bien Don substation, R30.3 million for the new **Kayamandi** substation and the R28 million for the upgrade of transformers at our main substation – from 7.5MVA to 20 MVA. A further R27.6 million will be spent on procuring new switchgear while a massive R49.5 million will go towards the electrification of informal settlements through funding from the Integrated National Electrification Programme. The upgrade of the electricity network in **Pniel** will receive R10.5 million while we will also be investing R14.2 million in general electricity systems improvements and nearly R16 million on alternative energy sources.

Project	MTREF Total
Bien Donne 66/11kV substation new	75 000 000

Electrification INEP	49 450 000
Kayamandi (Costa grounds) new substation 11 kV switching station	30 300 000
Upgrade transformers at Main substation 7.5MVA to 20MVA	28 071 200
Stellenbosch Switchgear (11kV) SF6	27 606 738
Laterra Substation	23 333 683
Alternative Energy	15 915 561
General Systems Improvements - Stellenbosch	14 200 000
System Control Centre & Upgrade Telemetry	11 916 000
Electricity Network: Pniel	10 500 000

HUMAN SETTLEMENTS

Housing is a top priority for many of our residents. A house provides safety and security, dignified living and allows for greater economic freedom. Housing remains a big challenge across the country. The resources and funding from National and Provincial Government remains limited and the backlog tremendous. Unfortunately in terms of our Constitutional mandate, we can only provide housing opportunities with the funding we receive from these spheres of government. However, the following has been budgeted for housing projects over the next 3 years to create more housing opportunities:

The **Kayamandi** Zone-O housing has been halted for many years under different Councils. We started planning in 2016 and will receive R23.4 million over the next three years. R12 million has been budgeted for the Jamestown Housing Project which has sadly been waiting for funding for a long time, leaving people in temporary structures. This change now, The **Watergang** Northern Extension Project will also be kick started as a project for all our

residents. The upgrade of the **Kayamandi** Town Centre ,finally eradicating the remnants of apartheid structures, will also start now.

Speaker, we also start to implement in traditional areas where people have been waiting patiently for many years for houses. In **Cloetesville** on Erf 7001 we have budgeted R11.9 million for the FLISP Housing Project and at the **La Motte** Old Forest Station, we have budgeted 7.5 million for housing opportunities. R2 million will also be set aside for the interior upgrades of **Kayamandi** Flats. Droë dyke, Klapmuts, Mooiwater, Kylemore will also benefit. Social housing as a measure to benefit our backyarders while they are waiting for their own houses, is also starting, or in planning.

Project	MTREF Total
Franschhoek Mooiwater 236	5 000 000
Housing Projects	900 000
Kayamandi : Zone O (±711 services)	23 430 000
Droë Dyke 100 TOD	4 825 000
Erf 64, Kylemore	2 833 000
Erf 7001 Cloetesville (380) FLISP	11 900 000
Erven 81/2 and 82/9, Stellenbosch	437 500
Housing Projects (Social housing planning)	1 750 000
Jamestown : Housing	12 000 000
Kayamandi Town Centre	12 000 000
Kayamandi Watergang Northern Extension (2000)	12 000 000
Klapmuts La Rochelle (100)	283 000
La Motte Old Forest Station (±430 services & ±430 units)	7 500 000

Langrug UISP (1899) Subdivisional area

750 000

SAFETY & SECURITY

Speaker, safety and security is always a top priority of all communities – from Klapmuts to Raithby, from Cloetesville to Mosterdsdrift, from Franschhoek to Kylemore. All communities are affected by crime and all communities want to feel safe. Although policing and crime prevention is a national competency that falls under the SAPS, we are following the lead of the Provincial Government that has made significant commitments to improve safety across the province. We are falling in line with this and have made the following provisions to create safer communities:

Project	MTREF Total
Ad-Hoc Provision of Streetlighting	6 240 000
Bicycle Lockup Facilities	300 000
Fencing of Netball Courts	350 000
Fencing: Sport Grounds (WC024)	1 750 000
Fencing: Parks and Gardens	400 000
Security Upgrades	650 000
Fire Station – Jamestown	9 300 000
Install and Upgrade CCTV/ LPR Cameras In WC024	3 000 000
Neighborhood Watch Safety equipment	500 000
Rescue Equipment	1000 000
Vehicle Fleet: Law Enforcement	3 865 972
Specialized Vehicles: Fire	3 500 000

ROADS AND TRAFFIC:

We will also invest in infrastructure related projects over the next 3 years that will assist in improving road safety, as well as improving traffic conditions in our towns of all residents and improve conditions for economic activity. Anyone who has travelled in and out of our towns will know by now that our roads are getting busier and busier as more and more people relocate here, visit here, study here or come to work here.

Project	MTREF Total
Adhoc Reconstruction of Roads (WC024)	11 000 000
Lanquedoc Access road and Bridge	35 000 000
Reseal Roads - Stellenbosch & Surrounding	12 000 000
Reseal Roads - Franschhoek & Surrounding	2 200 000
Reseal Roads - Klapmuts, Raithby & Surrounding	1 450 000
Reseal Roads - Kylemore & Surrounding	1 700 000
Specialized Vehicles: Heavy Duty Vehicles: Roads	7 000 000
Wilderbosch Extension to Trumali	6 000 000
Bird Street Dualling - Adam Tas road up to Kayamandi	15 500 000
Jamestown Transport Network - School Street	5 000 000
Main Road Intersection Improvements: Franschhoek	12 129 950
Main Road Intersection Improvements: Strand / Adam Tas / Alexander	9 000 000
Main road intersection improvements: Helshoogte rd/ La Colline	3 000 000
Main Road Intersection Improvements: R44 / Merriman Street	4 000 000
Adam Tas - Technopark Link Road	28 000 000

Kayamandi Pedestrian Bridge (R304, River and Railway Line)	31 000 000
Provision of Bulk Parking Planning & Development	9 000 000
Pedestrian Crossing Implementation	500 000
Raised Intersection Implementation	600 000
Road Safety Improvements	500 000
Traffic Signal Control: Installation and Upgrading of Traffic Signals and Associated Components	1 500 000

Speaker, I have noted the concern that we do not give significant budget to Non-motorised transport. This assumption is incorrect as we include that also as a component of all our road projects. However, we are working on exiting new potential projects to enhance this, like safe parking for bicycles and creating special zones for walking and cycling.

TRANSPORT

Project	MTREF Total
Jamestown Transport Network - School Street	5 000 000
Traffic Calming Projects: Implementation	700 000
Traffic Management Improvement Programme	1 000 000
Comprehensive Integrated Transport Plan	2 228 000
Non-Motorised Transport Implementation	4 000 000
Park and Ride (Transport Interchange)	250 000
Public Transport Facilities (Taxi Ranks) Adhoc Upgrades	500 000
Public Transport Infrastructure (Public Transport Shelters)	400 000
Public Transport Planning - WC024	2 600 000

Public Transport Service (Inclusive of Disabled)	500 000
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CLEANER AND GREENER COMMUNITIES:

Clean, healthy, and environmentally sustainable towns are a priority as we plan for the future and well-being of our Valley. We are continuing our work to expand our landfill site in **Devon Valley**. A total of R102.6 million will be spent over the next three years to complete the expansion of our landfill site. We will also be investing R3 million in the Area Cleaning Depot in **Franschhoek**.

Project	MTREF Total
Expansion of the landfill site (New cells)	102 600 000
Skips (5,5kl)	600 000
Street Refuse Bins	300 000
Transfer Station: Stellenbosch Planning and Design	11 000 000
Area Cleaning Depot: Franschhoek	3 000 000

We have a responsibility towards our environment to think differently about waste management and apply more environmentally sound and safe solutions. Reduce, reuse, and recycle will be our focus over the next few years to achieve our objective of becoming a Green Valley. Over the next three years we will invest in the following:

Project	MTREF Total
Landfill Gas To Energy	41 000 000

Major Drop-Offs: Construction - Franschoek	5 500 000
Major Drop-offs: Construction - Klapmuts	9 999 985
Mini Waste drop-off facilities at Informal Settlements	300 000
Upgrade Material Recovery Facility	2 500 000
Upgrade Refuse disposal sites	300 000
Waste Minimization Projects	1 500 000

PARKS, SPORT AND RECREATION

Creating opportunities for residents, particularly the youth through sport and recreation is very important. Sport has the ability to unite, uplift and create opportunities in a unique and positive way. Over the course of the next three years, we are investing in the upgrading of various sport facilities, and equipment as well as the very important maintenance of existing facilities. It is important to note that through collaboration, we have various partnerships with private entities that contribute generously to assist with upgrading our facilities. We would like to thank our partners for all their contributions to further our youth and sports.

Project	MTREF Total
Clubhouse Devon Valley Sport Facility	2 200 000
Upgrade of netball courts	1 000 000
Upgrade of Sport Facilities	6 561 030
Jonkershoek Picnic Site upgrades	500 000

Kayamandi Sports Ground	300 000
La Motte Open Air Gym	300 000
Beautification of Parks and Cemeteries	2 100 000

Capital Budget Funding

Our capital budget is funded from the following funding sources –

- Own reserves (Capital Replacement Reserve)
- External loans to be taken up
- Government grants and
- Public Contributions and donations

The municipality followed a balanced capital funding approach to ensure that new capital infrastructure and the creation of additional infrastructure capacity is financed from loans that will be funded and serviced by future customers. Furthermore, Infrastructure investment financed from loans will guarantee a return on investment either in the form of additional revenue generation or economic growth that can be leveraged to increase the Municipality's revenue base to ensure overall sustainability.

The funding of this budget was also balanced carefully to minimise loans.

OPERATING BUDGET – REVENUE

Overall revenue budget increase was limited to only 7.42%. It is important to note this is in line with the present inflation rate, resulting in annual operating revenue increasing from R2 209 698 098 in 2022/2023 to R2 386 813 668 in 2023/2024. Taking cognisance of the economic conditions, the resultant low employment levels and levels of disposable income, it was important to keep services affordable by critically looking at the costs associated with providing the service.

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

Speaker, sadly we have no control over these factors as these are nationally determined. This however necessitates that many vacant posts cannot be filled as we simply cannot afford this.

Speaker for information I list our revenue categories and how it has increased from the previous financial year to the new financial year is illustrated below. This clearly spells out that we only asked for moderate increases, to cover our expenses, but was mindful of the economic plight of our residents.

REVENUE CATEGORIES	2022/2023	2023/2024
Property Rates	438 941 447	473 558 918
Electricity	812 307 977	913 669 187
Water	176 782 708	185 621 843
Sewerage	109 133 951	108 646 667
Refuse	94 971 363	107 653 574
Rental of facilities	10 098 683	10 603 901
Fines	124 955 174	131 570 078
Licences and Permits	7 482 512	7 871 599
Operational + Capital grants	344 598 437	344 766 000

Other Income	90 425 846	104 791 061
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Operating Revenue

2 209 698 098

2 388 782 828

Speaker When we advertised the draft budget, the following tariffs was proposed:

Average tariff increases:

- Property Rates 7.00%
- Electricity 17.61%
- Water 6.00%
- Sanitation 6.50%
- Refuse removal 9.10%

However, the input from the public asked if we cannot lower the proposed tariffs. As a caring and responsible government, we listened, cut or postponed some projects, and the result is that we are now proposing to Council the following Tariff increases, which is lower than what was proposed in the Draft Budget.

It is important to note that the annual inflation rate for 23-2024 is predicted differently, but in the range of 7% - 8.1%.

We tried our best to stay withing this band - to just cover costs and not take a profit.

Average tariff increases:

- Property Rates 6.50%
- Electricity 15.10%
- Water 6.00%
- Sanitation 6.50%
- Refuse removal 9.00%

Rates

In the 2023/2024 financial year, the Property Rates Tariff paid by owners will increase with 6.50 as opposed to the proposed 7.00%. To assist our vulnerable groups, rates rebates to senior citizens and disabled persons are also with an income of R15 000 or less are available as per the requirements of the amended Rates Policy.

Electricity

I want to draw Council's attention to the fact that electricity prices are regulated by the National Energy Regulator of South Africa. They determine the increase in pricing that all municipalities have to pay for bulk electricity purchases. For now, electricity is a luxury commodity and should be used sparingly. The inclining block rate tariff structure is set up so that, the more you use, the higher the average price. The objective of the inclining block tariff is to provide protection for lower usage customers against high price increases resulting in a reduction in tariffs to these customers. This means that higher consumption customers will see increasing charges based on their electricity usage.

Speaker It should be noted that the municipality is implementing this directive from NERSA as part of the Municipality's Licensing Agreement and as a result had to deal with the negative impact of a declining Electricity surplus, year-on-year, putting more pressure on the level and quality of services provided.

Council's attention is further drawn to the fact that the proposed electricity tariff increase is 15.10% whereas the increase in electricity bulk purchases for from ESKOM, as approved by NERSA, for all municipalities is higher. While no municipality can possibly absorb ESKOM's massive 18.63% tariff hike, we have managed to keep our own increase to 15.10%.

This shows that we are trying our best to absorb as much pressure from our residents as we can to protect them from ESKOM and NERSA'S tariff hikes.

Water

Taking cognizance of the challenges that the country is currently experiencing due to a prediction of a severe drought from later this year, the plight of the poor and the affordability of basic services, the average tariff increase for the rest of the consumptive water scales is 6.00%. The tariff is designed to cater for current and future capital investment in basic water infrastructure.

Sewerage (Sanitation)

The proposed increase in this tariff is 6.50%. Sanitation services is classified as an economical service. This means that the service charges for sanitation must cover the cost of providing the service, in other words it must at least break even. This tariff increase is necessitated by operational requirements, maintenance of existing aging infrastructure, new infrastructure financing/provision and to ensure that the service is delivered in a sustainable manner.

Refuse (Solid Waste)

Refuse removal services, like sanitation are also classified as an economical service. This means that the service charges for refuse must cover the cost of providing the service. In other words, it must at least break even. The municipality unfortunately have to implement an above inflation tariff increase as this service does not break even. This is a result of historic circumstances and show how important it is to plan pro -actively. Additional funding is needed to to provide for the additional expenditure for the transport of the waste from the Stellenbosch Landfill Site. The solid waste tariffs were modelled to give effect to the principle of the service charge being cost reflective as the service cannot be cross-subsidized. It is proposed that the tariff increases by 9.00% as opposed to the proposed 9.10%. However, the very nature of this tariff does

not lend it to financing the expansion of the landfill site and therefore the proposed extension by way of constructing the new cell, was funded from council's own reserves. Fortunately, this service forms a small part of the overall services bill to residents.

Ward Allocations

Speaker, I am excited to announce that the ward allocations for the 2023/2024 financial year will increase to R100 000 per ward. The focus will be on training and functions that are project driven (GBV, Women's Day, Community Safety, Training on HIV, etc.) and must be within the ward boundaries.

FINANCIAL SUPPORT AND PROTECTING THE VULNERABLE

Speaker, Stellenbosch Municipality indeed provides free basic services to poor households as a means of poverty alleviation. We have one of the most progressive Indigent Policies in place to protect our most vulnerable residents. Through this policy, we provide support to households who are unable to pay or struggle to pay for their basic services.

These include households with an income base below a determined threshold, unemployed residents, child-headed households, retired persons and disabled persons. These consumers must apply to be registered as an indigent household on our indigent register in order to obtain these benefits or to qualify for rebates from their municipal basic services or property rates levied.

For the new financial year, indigent households in the Stellenbosch Municipal Area will receive:

- free sanitation services;
- free refuse removal services;
- 6 kilolitres of free water per month; and
- 100 units of free electricity per month.

This indigent subsidy will be credited to the customer's account during the monthly billing run. The indigent subsidy is funded through our equitable share allocation. It is important to note that it is expected from indigent households only to pay for electricity consumption above 100 units of electricity per month and only for water consumption above 6 kilolitres of water per month.

For the 2023/2024 financial year the qualifying criterion for indigent status is households (main bread winner/s) earning less than R 7 000 per month as indicated by the Municipality's amended Indigent Policy.

The percentage rebate granted to senior citizens and disabled persons based on the different monthly household income levels will be determined according to the income bands as below:

Gross Monthly Household Income				% Rebate
Income bands				
Up to			8 000	100%
From	8 001	To	11 000	75%
From	11 001	To	13 000	50%
From	13 001	To	17 000	25%

CONCLUSION

Speaker, this budget is absolutely in point in the light of the national crisis with infrastructure failure. To enlighten this statement, I quote from media reports yesterday:

- Fikile Mbalula (ANC Secretary General) "This loadshedding has just made a mess of our country. The power cuts have worsened South Africa's economic crisis. If things are not resolved, we will become a failed state".
- "Killer cholera in Hammanskraal as clean and safe water has been illusive to residents since the Department of Water Affairs declared the Apies River a disaster 13 years ago".
- "South Africa is drowning in its own waste".
- "Roads are vanishing as a result of railway failure".
- "ASTRAL, the biggest supplier of chicken meat in South Africa explained yesterday how loadshedding and lack of water caused them to spend this year already R400 million on additional fuel. They are currently selling chicken at R3 below cost of production and they either have to scale down production, cutting job opportunities (they employ 13 500 people) or raise the price for consumers. This can cause a huge crisis in food security for all South Africans".

"You can't cross the sea merely by standing and staring at the water" –

Rabindranath Tagore

Speaker, the budget I have discussed here today is brave, but realistic. It is the biggest ever budget in the history of Stellenbosch Municipality. It shows that Stellenbosch Municipality cares about all residents, who call Greater Stellenbosch home. It further demonstrates what we are working towards – creating a municipality that is more caring, that gives more dignity, creates safer and cleaner environments so that our local economy can flourish and create jobs for our people.

We are focussed on getting the basics done and getting the basics done right: Better service delivery to **all** residents with an absolute zero-tolerance approach to any form of fraud or corruption. This budget of nearly R2.8 billion is not our money – it is public money; it is **your** money, and it is our job to ensure that it is spent transparently where it is needed.

While the country sits in darkness for prolonged periods of time, the national economy stagnates, critical infrastructure crumbles in many municipalities across the country, the average South African feels a sense of total hopelessness – let us work together to further cement Stellenbosch Municipality's position as a place of hope.

Hope for a better life, hope for better living conditions, hope for more opportunities and hope for a better Valley where all residents can reach their full potential. Let us take hands and ensure that Stellenbosch Municipality remains a shining example of what can be achieved when local government works.

Honourable Speaker, It is my pleasure to table this budget and I humbly ask all parties to support it and show that we as a Council care for our community.

Thank you, enkosi, baie dankie.
