



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref. no.3/4/1/5

2020-01-24

## NOTICE OF THE 34<sup>TH</sup> MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY WEDNESDAY, 2020-01-29 AT 10:00

<b>TO</b>	The Speaker, Cllr N Jindela [Chairperson] The Executive Mayor, Ald G Van Deventer (Ms) The Deputy Executive Mayor, Cllr WC Petersen (Ms)	
<b>COUNCILLORS</b>	F Adams FJ Badenhorst FT Bangani-Menziwa (Ms) Ald PW Biscombe G Cele (Ms) PR Crawley (Ms) A Crombie (Ms) Z Dalling (Ms) R Du Toit (Ms) J Fasser A Florence AR Frazenburg E Fredericks (Ms) T Gosa E Groenewald (Ms) JG Hamilton AJ Hanekom DA Hendrickse JK Hendriks LK Horsband (Ms)	MC Johnson DD Joubert N Mananga-Gugushe (Ms) C Manuel NE Mcombring (Ms) XL Mdemka (Ms) C Moses (Ms) RS Nalumango (Ms) N Olayi MD Oliphant SA Peters MM Pietersen WF Pietersen SR Schäfer Ald JP Serdyn (Ms) N Sinkinya (Ms) P Sitshoti (Ms) Q Smit LL Stander E Vermeulen

Notice is hereby given in terms of Section 29, read with Section 18(2) of the *Local Government: Municipal Structures Act, 117 of 1998*, as amended, that the **34<sup>TH</sup> MEETING** of the **COUNCIL** of **STELLENBOSCH MUNICIPALITY** will be held in the **COUNCIL CHAMBER, TOWN HOUSE, PLEIN STREET, STELLENBOSCH** on **WEDNESDAY, 2020-01-29** at **10:00** to consider the items on the Agenda.

**SPEAKER  
N JINDELA**

**MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY  
2020-01-29**

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The minutes of the 33<sup>rd</sup> Council Meeting: 2019-11-27 is attached as **APPENDIX 1**.

**FOR CONFIRMATION**

# **APPENDIX 1**



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref. no.3/4/1/5

2019-11-27

## MINUTES

### 33RD MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY

**2019-11-27 AT 10:00**

Detailed account of the meeting proceedings is available on audio recording, which is obtainable from The Municipal Manager's Office per Request for Information (RFI)

**MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY  
2019-11-27**

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	(See pink documentation)	



**MINUTES OF THE 33<sup>RD</sup> MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY HELD ON 2019-11-27 AT 10:00 IN THE COUNCIL CHAMBER, TOWN HOUSE, PLEIN STREET, STELLENBOSCH**

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<b>PRESENT</b>	The Speaker, Cllr N Jindela [Chairperson] The Executive Mayor, Ald G Van Deventer (Ms) The Deputy Executive Mayor, Cllr WC Petersen (Ms)	
<b>COUNCILLORS</b>	F Adams (until 14:00) FJ Badenhorst FT Bangani-Menziwa (Ms) Ald PW Biscombe G Cele (Ms) PR Crawley (Ms) A Crombie (Ms) Z Dalling (Ms) R Du Toit (Ms) J Fasser A Florence AR Frazenburg E Fredericks (Ms) E Groenewald (Ms) JG Hamilton AJ Hanekom DA Hendrickse (until 14:40)	JK Hendriks MC Johnson NE Mcombring (Ms) XL Mdemka (Ms) C Moses (Ms) RS Nalumango (Ms) N Olayi MD Oliphant SA Peters MM Pietersen WF Pietersen SR Schäfer Ald JP Serdyn (Ms) N Sinkinya (Ms) Q Smit LL Stander E Vermeulen

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**Officials:** Municipal Manager (Ms G Mettler)  
Chief Financial Officer (K Carolus)  
Director: Corporate Services (Ms A De Beer)  
Director: Infrastructure Services (D Louw)  
Director: Planning and Economic Development (T Mfeya)  
Director: Community and Protection Services (G Boshoff)  
Senior Manager: Governance (Ms S De Visser)  
Manager: Communications (S Grobbelaar)  
Chief Audit Executive (F Hoosain)  
Senior Administration Officer (T Samuels (Ms))  
Interpreter (J Tyatyeka)

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<b>1.</b>	<b>OPENING AND WELCOME</b>
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The Speaker, Cllr N Jindela welcomed all present at the Council meeting.

<b>2.</b>	<b>MAYORAL ADDRESS</b>
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"Welcome – Welkom – Molweni – As-salaam Alaikum

- Welcome to Councillor Rikus Badenhorst to his first Council Meeting as member of the Mayoral Committee.
- Councillor Badenhorst will now be the member for the Safety and Security Portfolio and takes over from Councillor Smit who has been acting, since the election of Jan De Villiers to National Parliament.
- Baie besige paar weke wat verby is en net so besige tyd wat nog voorlê
- Onlangs vergader met 'n groep vroue van Cloeteville
  - Almal besigheidseienaars of met besigheidsbelange in Cloeteville
  - Gepraat oor wat ons kan doen om hierdie vroue te help bemagtig as entrepreneurs
  - Inspirerende groep vroue wat almal 'n passie het vir hul gemeenskap en hul werk wil gebruik om hul gemeenskap te verbeter.
  - Gaan die inisiatief verder voer en nog geleenthede reël met vroue van regoor die gebied.
  - Waar vroue aktief betrokke is in die ekonomie, skep dit stabiele omgewings, verbeter dit ekonomiese groei en impakteer dit selfs op misdaad.
- Congratulations to Ida's Valley Library with its 60th Birthday!
  - The official first library opened in 1959 with 7000 books in stock.
  - The origins of the library stretches back to the Library Club in 1942.
  - The members of the club included Mr P Langeveldt, N Du Plessis, K Davidse, D van Noie, W Hector, AA Poole and AJ Hector.
  - Their hard work ensured that an official building was dedicated as a library and opened in November 1959.
  - Today the library stocks 20847 books and have 2618 adult and 1998 children as members
  - Libraries are vital spaces of information and despite the digital age they have remained critical points of community access, caring and sharing.
- Kersfees het 'n bietjie vroeër gekom vir van ons inwoners met die oorhandiging van 132 titelaktes
  - Hierdie titelaktes is nog van die historiese agterstand.
  - Ons werk baie hard daaraan om die agterstand uit te wis en met die hulp van die Reinet Stigting en die Free Market Foundation se Khaya Lam projek maak ons goeie vordering
  - Werklik spesiale geleentheid, titelaktes gee sekuriteit en sekerheid aan inwoners en dit is onskatbare gemoedsrus vir die inwoners.
- On Monday 25 November we launched the annual 16 Days of Activism for No Violence against women and children
  - This campaign will run until 10 December 2019.
  - The Municipality has various programs it will run in the community during the 16 Days to raise awareness.
  - We talk about this every year, this year however feels different
  - The entire country has been rocked by the number of attacks aimed specifically and women
  - Stellenbosch is no exception and our own community has been shaken by brutal murders
  - It is so sad that many of the cases the attackers were known to the victims.
  - SPEAK OUT PLEASE!
  - We know it is incredibly difficult to be open about this due to stigma and fear.
  - But it is only by speaking out and exposing the abusers that we can act.
- At the same time we launched our Road Safety Campaign for the Festive Season
  - Traffic Chief Kenny Africa attended the event, and made us aware again of just how many traffic officers from our municipalities as well as the province, along with the SAPD and other emergency services work very hard during the festive season to make sure we are safe and secure on our roads

- I want to urge every councillor and every resident, to lead by example
  - DO NOT TEXT AND DRIVE
  - DO NOT TALK ON YOUR PHONE AND DRIVE
  - DO NOT DRINK AND DRIVE/ DRINK AND WALK
  - Make sure your vehicle is road worthy
  - Make sure your vehicle license and driver's license is valid and up to date
  - Take regular breaks if you are traveling long distances
- Gemeenskapsvergadering met Minister Albert Fritz gehad in Klapmuts
  - Minister Fritz het met die gemeenskap gepraat oor kwessies van veiligheid
  - Uitgelig hoe belangrik die gemeenskap se direkte betrokkenheid is by veiligheid as deel van Buurtwagte en ook deur misdaad onmiddellik te rapporteer
  - veiligheidskwessies wat die gemeenskap uitgelig het, sal bespreek word met die relevante rolspelers om met werkbare oplossings te kom .
- As it is our last formal Council Meeting for 2019, I want to wish all our Councillors, Officials and Staff a very blessed Festive Season.
- For those going on leave, please stay safe and take care.
- For those who celebrate Christmas, may it be a blessed time with friends and family.
- For Residents who celebrate Hanukah, may it be a time of light and joy for you and your loved ones.

Thank you”.

<b>3.</b>	<b>COMMUNICATION BY THE SPEAKER</b>
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“Good Morning to:

- The Executive Mayor, Advocate Gesie Van Deventer
- The Municipal Manager, Ms. Geraldine Mettler
- All other Aldermen and Women
- All Councillors
- All Directors and Staff members present
- Members of the public, especially Mr. Pelsler from the Stellenbosch Ratepayers Association

Today is my **first** meeting as the **Newly Elected Speaker** of the Stellenbosch Municipal Council, but it is also our **last** Scheduled Council Meeting of the **year**.

Allow me to start off by introducing you to a new set of rules that will be strictly applicable during my term in office. This will be:

- **Meetings and Attendance** at meetings – Councilors please familiarize yourselves with the new Schedule of meetings as per item 13.1 on page 266 see **Appendix 1** of your Councilors pack.
- Councilors please **prioritize** the Schedule of Meetings for the year and do your planning around it – there is therefore no need **not** to attend the meetings as scheduled.
- With reference to the meetings and handling of it – please be clear of the **Adopted Rules** of Order of Council and other statutory guidelines that are there to assist you as Councilors during debates at meetings.
- Councilors and Staff members must please take note of the start of the **16 days of Activism** programme against **Women and Children Abuse** – please let us in senior positions be an **example** to the youth and treat our **women and elderly** with the respect they deserve.
- During this time let us also think of **World Aids day on December 1** and those affected members of the WC024 community. We have taken note of the fires in Klapmuts and Cloeteville (ward 16) – let us collectively see how we can better the circumstances of our fellow electorate.

- On the side of birthday's may I use this opportunity to congratulate the following:
  1. Cllr. Johanna Serdyn – 1<sup>st</sup> November
  2. Cllr. Jan Hendriks – 19<sup>th</sup> November
  3. Cllr Malcolm Johnson – 23<sup>rd</sup> November
  4. Cllr. Xoliswa Mdemka – 26<sup>th</sup> November for having had their birthday's celebrated.
  5. Today Madame Executive Mayor, Cllr. Manie Petersen celebrated his 63<sup>rd</sup> birthday today – may he be blessed and many more years to come.
  6. During December the following Councilors will be celebrating their birthdays.
    - Cllr. Franklin Adams – 17 December
    - Cllr. Phelisa Sitshoti – 20 December
    - Cllr. Wilfred Pietersen – 22 December
    - Cllr. Nosibulele Sinkinya – 24 December
    - Cllr. Charles Manuel – 25 December
    - Cllr. Siegfried Schafer – 28 December
    - Cllr. Rozette Du Toit – 31 December
- Councilors Computer Training will be held **17 @ 18 February 2020**. Please confirm your attendance with JC Anthony or Sharesa at my office, during this year still.
- Councilors please be advised that the **Official Recess** period for Councilors will be from 7 December 2019 till Sunday 12<sup>th</sup> January 2020.

**I sincerely hope that you and your families will have a peaceful and joyous holiday – Please drive safely.**

**I Thank You”**

<b>4.</b>	<b>COMMUNICATION BY THE MUNICIPAL MANAGER</b>
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The Municipal Manager, Ms G Mettler's communications can be summarized as follows:

- “The 16 Days of Activism Against Gender-Based Violence was launched yesterday, and this campaign runs every year from 25 November to 10 December and is an international campaign to challenge violence against women and girls. We all need to be SHARP, meaning that, if you See something, if you Hear something, let's Act, Report and Participate. This event will coincide with the launch of our Festive Season Road Safety Campaign, because road Safety is critical. Let's all have a sense of your child is my child, because during the festive season we have a situation where some of the parents over-indulge, so let's look after ALL our children and let them be safe.
- For those who celebrate the festive season, my warmest thoughts and best wishes for this Christmas, enjoy it when you are surrounded by precious family and friends. Also a happy New Year, and may prosperity follow all of you.

Thank you”.

<b>5.</b>	<b>DISCLOSURE OF INTERESTS</b>
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Councillor MD Oliphant requested to be recused when Item 17.3 on the Agenda is dealt with.

The Executive Mayor, Ald G Van Deventer (Ms); Cllr P Crawley (Ms) as well as the Chief Audit Executive, Mr F Hoosain requested to be recused when dealing with item 17.1 on the Agenda, because they are affected in the matter.

The Speaker **RULED** that the members serving on the Disciplinary Committee recuse themselves when dealing with Items 17.1 until 17.3 on the Agenda, so that they do not compromise the Disciplinary Committee. The following are the members:

Cllr AR Frazenburg  
Cllr E Groenewald (Ms)  
Cllr N Sinkinya (Ms)  
Cllr Q Smit  
Cllr LL Stander

<b>6.</b>	<b>APPLICATIONS FOR LEAVE OF ABSENCE</b>
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6.1 The following applications for leave of absence were approved in terms of the Rules of Order By-law of Council:-

Cllr E Fredericks (Ms)	–	27 November 2019
Cllr T Gosa	–	27 November 2019
Cllr LK Horsband (Ms)	–	27 November 2019
Cllr DD Joubert	–	27 November 2019
Cllr C Manuel	–	27 November 2019
Cllr P Sitshoti (Ms)	–	27 November 2019

6.2 Permission was granted to Councillor F Adams to leave the meeting earlier (at 14:00).

6.3 ABSENT

N Mananga-Gugushe (Ms) – 27 November 2019

<b>7.</b>	<b>APPROVAL OF MINUTES OF PREVIOUS COUNCIL</b>
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<b>7.1</b>	<b>CONFIRMATION OF MINUTES OF THE 32<sup>ND</sup> COUNCIL MEETING: 2019-10-23</b>
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The minutes of the 32<sup>nd</sup> Council Meeting: 2019-10-23 were **confirmed as correct.**

<b>7.2</b>	<b>CONFIRMATION OF MINUTES OF AN URGENT COUNCIL MEETING: 2019-11-11</b>
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The minutes of an Urgent Council Meeting: 2019-11-11 were **confirmed as correct.**

<b>7.3</b>	<b>CONFIRMATION OF MINUTES OF A SPECIAL COUNCIL MEETING: 2019-11-14</b>
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The minutes of a Special Council Meeting: 2019-11-14 were **confirmed as correct.**

<b>8.</b>	<b>STATUTORY MATTERS</b>
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NONE

<b>9.</b>	<b>REPORT BY THE MUNICIPAL MANAGER RE OUTSTANDING RESOLUTIONS</b>
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ITEM	Pg	INPUT	MM'S RESPONSE
Cllr DA Hendrickse Idas Valley Housing Project		Where is the feedback report which the MM said she will submit at this Council as indicated on pg 16 of the Minutes of 2019-10-23? Waiting more than 6months for the SLA with ASLA.	See comment below
Cllr DA Hendrickse Van der Stel Sport Facility and SSRA	102	There was a tender on forensic investigation regarding Van Der Stel, where is the report on the forensic investigation's outcome? With regard to SSRA, there is no report on outstanding resolutions regarding what will happen when 1 year contracts has expired?	See comment below
Cllr F Adams Proposed disposal of municipal land, a portion of Portion 4 of Farm no 527, Jamestown	92	There was a court ruling based on this development and piece of land. What is the status thereof?	See comment below
Cllr F Adams Jonkershoek	95	There is a request for the Dept. of Public Works for the land to be carried over. Was it an official request? Can Council have a copy of such request?	See comment below
Cllr F Adams 10.3 Appointment of independent investigator	96	Investigation was completed within 1 year. Requested, within 7 days, a report on all outstanding complaints.	See comment below
Cllr F Adams Vaaldraai	101	What is the timeframe of completion of that evaluation report?	See comment below
Cllr RS Nalumango (Ms) Mont Rochelle Nature Reserve	86 + 87	Expressed her dissatisfaction regarding the slow execution of timeframes	See comment below
Cllr N Sinkinya (Ms) Timeframe of the undeveloped erven in Kayamandi	94	Residents in the area are complaining about snakes and rats on these erven and requested that the plots be cleaned.	See comment below

### 33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 9

During the comments by Councillors on the Outstanding Resolutions, the Municipal Manager responded that the outstanding resolutions are clear and that the Administration responds to the resolutions. Where requested, the Administration will submit reports when they are ready.

### NOTED

The report by the Municipal Manager re outstanding resolutions taken at previous meetings of Council.

10.	ITEMS FOR NOTING
10.1	REPORT/S BY THE EXECUTIVE MAYOR
10.1.1	CHANGE IN SECTION 80 COMMITTEE PORTFOLIO CHAIRPERSONS

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance and Compliance

27 November 2019

**1. CHANGE IN SECTION 80 PORTFOLIO COMMITTEE CHAIRPERSONS**

**2. PURPOSE OF REPORT**

To inform Council on the reshuffling of the Mayoral Committee that has subsequently led to a change in the Section 80 Portfolio Committee chairpersons.

**3. DELEGATED AUTHORITY**

Municipal Council

**4. EXECUTIVE SUMMARY**

The Executive Mayor, in terms of Section 60 of the Municipal Structures Act 117 of 1998 reshuffled her Mayoral Committee members effective from 1 November 2018. This led to a change in the Councillors that served as Chairpersons to the Section 80 Committees as well as the portfolios which they represent, and the introduction of two new S80 Committees.

The National and Provincial elections on 8 May 2019 led to the resignation of Cllr de Villiers, who was the Mayco member for Community Safety and Portfolio Chair for Community and Protection Services, and the position became vacant. Cllr Q Smit then also acted as Portfolio Chair of the particular committee. Cllr R Badenhorst was subsequently appointed as Mayco member for Community Safety.

On 11 November 2019 the Speaker and the Deputy Mayor both resigned, and the ex-Deputy Mayor was appointed as interim Speaker. On 14 November 2019 a new Deputy Mayor and Speaker were re-elected.

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 10.1.1**

**NOTED**

that the Executive Mayor has appointed the following Mayco members as Chairpersons of the Section 80 Committees –

**Human Settlements**

Deputy Mayor Petersen

**Financial Services**

Cllr Patricia Crawley

**MINUTES****33<sup>RD</sup> MEETING OF THE COUNCIL  
OF STELLENBOSCH MUNICIPALITY**

2019-11-27

**Parks, Open Spaces and Environment**

Cllr Xoliswa Mdemka

**Planning and Economic Development**

Cllr Esther Groenewald

**Youth, Sports and Culture**

Cllr Manie Pietersen

**Rural Management and Tourism**

Cllr Salie Peters

**Community and Protection Services**

Cllr Rikus Badenhorst

**Infrastructure Services**

Cllr Quintin Smit

**Corporate Services**

Cllr Aldridge Frazenburg

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Donovan Muller
<b>POSITION</b>	<i>Manager: Council Support</i>
<b>DIRECTORATE</b>	<i>Corporate Services</i>
<b>CONTACT NUMBERS</b>	021 808 8314
<b>E-MAIL ADDRESS</b>	<a href="mailto:Donovan.Muller@stellenbosch.gov.za">Donovan.Muller@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	2019-11-20



MINUTES

**33<sup>RD</sup> MEETING OF THE COUNCIL  
OF STELLENBOSCH MUNICIPALITY**

2019-11-27

<b>10.1.2</b>	<b>REPORT BY THE EXECUTIVE MAYOR ON THE MAYOR – RECTOR FORUM MEETING: 27 SEPTEMBER 2019</b>
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance and Compliance

27 November 2019

**1. SUBJECT: REPORT BY THE EXECUTIVE MAYOR ON THE MAYOR – RECTOR FORUM MEETING: 27 SEPTEMBER 2019**

**2. PURPOSE**

To inform Council of the matters under discussion at the Mayor – Rector Forum meeting held on 27 September 2019.

**3. DELEGATED AUTHORITY**

FOR INFORMATION

**4. EXECUTIVE SUMMARY**

The Executive Mayor has since her election reported to the Council on discussions that takes place at the regular meetings of the Mayor – Rector Forum. The meeting was held on 27 September 2019. The minutes is attached as **Annexure A**.

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 10.1.2**

**NOTED**

the report by the Executive Mayor on the Mayor – Rector Forum Meeting: 27 September 2019.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	DONOVAN MULLER
<b>POSITION</b>	<b>MANAGER: COUNCIL SUPPORT</b>
<b>DIRECTORATE</b>	<b>CORPORATE SERVICES</b>
<b>CONTACT NUMBERS</b>	<b>021 8088314</b>
<b>E-MAIL ADDRESS</b>	<a href="mailto:Donovan.Muller@stellenbosch.gov.za">Donovan.Muller@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	<b>20 November 2019</b>

<b>10.2</b>	<b>REPORT/S BY THE SPEAKER</b>
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NONE

<b>10.3</b>	<b>REPORT/S BY THE MUNICIPAL MANAGER</b>
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<b>10.3.1</b>	<b>MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR OCTOBER 2019</b>
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Collaborator No: *8/1*  
 BUDGET KPA Ref No: *Good Governance and Compliance*  
 Meeting Date:

**1. SUBJECT: MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR OCTOBER 2019**

**2. PURPOSE**

To comply with Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy 2019/2020 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 (2019/2020) stipulate that SCM deviations be reported to Council. In compliance thereto, this report presents to Council the SCM deviations that occurred during October 2019.

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 10.3.1**

**NOTED**

that there were no deviations for the month of October 2019.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<i>Kevin Carolus</i>
<b>POSITION</b>	<i>CFO</i>
<b>DIRECTORATE</b>	<i>Finance</i>
<b>CONTACT NUMBERS</b>	<i>021 808 8528</i>
<b>E-MAIL ADDRESS</b>	<i>Kevin.Carolus@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	<i>11 November 2019</i>

11.	<b>ITEMS FOR CONSIDERATION FROM THE EXECUTIVE MAYOR OR MAYORAL COMMITTEE: [ALD. G VAN DEVENTER (MS)]</b>
11.1	<b>COMMUNITY AND PROTECTION SERVICES: (PC : CLLR FJ BADENHORST)</b>
11.1.1	<b>REVIEW OF TRAFFIC MANAGEMENT PLAN 2017-2022</b>

**Collaborator No:** 665472  
**IDP KPA Ref No:**  
**Meeting Date:** 20 November 2019

**1. SUBJECT: REVIEW OF TRAFFIC MANAGEMENT PLAN 2017-2022**

**2. PURPOSE**

To submit the revised Traffic Management Plan to Council for noting.

**3. DELEGATED AUTHORITY**

Council

**4. EXECUTIVE SUMMARY**

Stellenbosch Traffic Services has an obligation in accordance with the Constitution to ensure the safety of all road users within our area of jurisdiction. The revised traffic management plan will give overview of our current status within our area of jurisdiction, integration and implementation of provincial and national initiatives.

South Africa has pledged its support to the United Nations Decade of Action for Road Safety by setting milestones which are in line with the UN resolution. Participating road entities consists of the Local Authority Municipalities of which Stellenbosch Traffic Services form part of, Road Traffic Management Corporation (RTMC), the Road Safety Infringement Agency (RTIA), the South African National Roads Agency (SANRAL), the Road Accident Fund (RAF), and the Cross Border Road Transport Agency (CBRTA).

Road safety and its high fatality rate has become a burning issue and rank as one of the most pressing challenges facing modern society today. Stellenbosch Traffic Services have recorded within the WC024 area, 21,683 accidents (crashes) between 2012 to 2018 and 169 road deaths (fatalities) during the same period. South Africa has been ranked to having as one of the worst road death rates in the world.

South Africa has in support of the United Nations Decade of Action (UNDoA 2011-2020) for Road Safety has undertaken to save lives and prevent serious injuries caused by road accidents (crashes). A Road Safety Strategy being developed by the RTMC will include the principles of the Safe Systems' approach and gives effect to the five pillars of the UNDoA.

These pillars are:

- Road Safety Management,
- Safer Roads and Mobility,
- Safer Vehicles,
- Safer Road Users and
- Post-crash response.

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These strategies are cascaded down to all road safety practitioners for implementation and execution. The Western Cape Government implemented the “Safely Home Programme” which will be provided later in the document. Stellenbosch Traffic Services including all local/provincial authorities implements initiatives as set by national and provincial government.

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 11.1.1****NOTED**

the Revised Traffic Management Plan 2017-2022.

*Councillor DA Hendrickse requested that his objection to the “NOTING”, be minuted.*

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<i>Harold Williams</i>
<b>POSITION</b>	<i>Deputy Chief: Traffic Law Enforcement</i>
<b>DIRECTORATE</b>	<i>Community and Protection Services</i>
<b>CONTACT NUMBERS</b>	<i>021 808 8838</i>
<b>E-MAIL ADDRESS</b>	<i>harold.williams@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	<i>29/08/2019</i>

11.2	<b>CORPORATE SERVICES: (PC: CLLR AR FRAZENBURG)</b>
11.2.1	<b>PROPOSED RENEWAL OF LEASE AGREEMENT TO EIKESTAD MALL (PTY) LTD: BEYER STREET</b>

Collaborator No: 668817  
 IDP KPA Ref No: Good Governance  
 Meeting Date: 20 November 2019

**1. SUBJECT: PROPOSED RENEWAL OF LEASE AGREEMENT TO EIKESTAD MALL (PTY) LTD: BEYER STREET**

**2. PURPOSE**

To consider an application from Eikestad Mall (Pty) Ltd for the renewal of the Lease Agreement in relation of a portion of Beyer Street, Stellenbosch.

**3. DELEGATED AUTHORITY**

For decision by Municipal Council.

**4. EXECUTIVE SUMMARY**

Stellenbosch Municipality and IPG concluded a Lease Agreement on 10 February 2000 for the use of a portion of Beyer Street. The agreement was for a period of 10 years, with an option to renew it for a further period of 10 years.

During 2008 IPG elected to exercise their right of renewal and in 2008 this Lease Agreement was ceded and assigned to Eikestad Mall (Pty) Ltd.

This agreement will lapse on 31 December 2019, and they have now request a renewal for a further period of 10 years. Council must now consider the requested.

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 11.2.1**

**RESOLVED** (majority vote)

- (a) that Council considers the application;
- (b) that should the renewal of the lease agreement be approved in principle, the in principle decision be advertised for public comment/input/counter proposals and the lessee be allowed to continue with the current lease until a final decision can be made;
- (c) that, following the public participation process, the item be submitted to Council to make a final determination in this regard.
- (d) that a new market related lease amount be determined, based on an independent valuation being obtained.

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

*Cllr F Adams; FT Bangani-Menziwa (Ms) (Ms); Cllr DA Hendrickse; RS Nalumango (Ms); MD Oliphant; C Moses (Ms) and LL Stander.*

11.3	<b>FINANCIAL SERVICES: [PC: CLLR P CRAWLEY (MS)]</b>
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NONE

11.4	<b>HUMAN SETTLEMENTS: (PC: CLLR N JINDELA)</b>
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NONE

11.5	<b>INFRASTRUCTURE SERVICES: (PC: CLLR Q SMIT)</b>
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11.5.1	<b>APPROVAL OF THE DRAFT TRAFFIC CALMING POLICY</b>
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Collaborator No: 638165  
IDP KPA Ref No: Good Governance and Compliance  
Meeting Date: 20 November 2019

**1. SUBJECT: APPROVAL OF THE DRAFT TRAFFIC CALMING POLICY**

**2. PURPOSE**

To set out the policy for traffic calming and to inform Council that the current Traffic Calming Policy, accepted and approved by Council on the 26 April 2016, has been revised with this Draft Traffic Calming Policy.

**3. DELEGATED AUTHORITY**

**MUNICIPAL COUNCIL.**

The Traffic Calming Policy is a document that must be adopted by Municipal Council, for approval of the Municipality's approach to dealing with traffic calming and traffic calming request within its municipal area.

**4. EXECUTIVE SUMMARY**

The objectives of traffic calming measures are to moderate traffic behaviour, through physical and legislative measures, with the aim to reduce the vehicle speeds and/or traffic volumes, thereby improving traffic safety and quality of life in the urban environment, but with due regard to mobility and accessibility.

It has become necessary to review the current Traffic Calming Policy to allow for a more structured and uniform approach when dealing with requests received from the public. Procedures set out will also allow for alignment with the Municipality's financial year.

The document firstly describes the evaluation procedure to be followed when the Municipality receives requests relating to any traffic problems.

The document then focuses very specifically on traffic calming and deals with:

- the road hierarchy (from a traffic calming perspective);
- principles for evaluating traffic calming;
- traffic calming techniques; and
- warrants.

The remainder of the document describes the manner in which requests from the public are processed, incorporating inputs from the Ward Committees, and tabling proposals at the Infrastructure Services Portfolio Committee for approval before implementation.

### 33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 11.5.1

#### RESOLVED (majority vote)

- (a) that the content of this report be noted;
- (b) that the Draft Traffic Calming Policy, attached as **ANNEXURE A**, be accepted as the copy to be used in a Public Participation process;
- (c) that the Draft Traffic Calming Policy be duly advertised for the purpose of a public participation process; and
- (d) that upon the completion of the public participation process, the Draft Traffic Calming Policy together with any comments/objections be resubmitted to Council for final approval and adoption.

#### FOR FURTHER DETAILS CONTACT:

<b>NAME</b>	Deon Louw
<b>POSITION</b>	<i>Director</i>
<b>DIRECTORATE</b>	<i>Infrastructure Services</i>
<b>CONTACT NUMBERS</b>	<i>021 808 8213</i>
<b>E-MAIL ADDRESS</b>	<a href="mailto:Deon.louw@ Stellenbosch.gov.za">Deon.louw@Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	<i>28 March 2019</i>

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11.6	<b>PARKS, OPEN SPACES AND ENVIRONMENT: (PC: XL MDEMKA (MS))</b>
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NONE

11.7	<b>PLANNING AND ECONOMIC DEVELOPMENT: (PC:CLLR E GROENEWALD (MS))</b>
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NONE

11.8	<b>RURAL MANAGEMENT AND TOURISM: (PC: CLLR S PETERS)</b>
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NONE

11.9	<b>YOUTH, SPORT AND CULTURE: (PC: CLLR M PIETERSEN)</b>
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NONE

11.10	<b>MUNICIPAL MANAGER</b>
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NONE

12.	<b>CONSIDERATION OF ITEMS, REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS SUBMITTED VIA THE OFFICE OF THE MUNICIPAL MANAGER</b>
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12.1	<b>MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC): [CLLR WF PIETERSEN]</b>
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NONE



13.	<b>REPORTS BY THE MUNICIPAL MANAGER</b>
13.1	<b>SCHEDULE OF MEETINGS OF COUNCIL, MAYORAL COMMITTEE, STANDING COMMITTEES AND OTHER COMMITTEES OF COUNCIL FOR THE 2020 CALENDAR YEAR</b>

1. **SUBJECT: SCHEDULE OF MEETINGS OF COUNCIL, MAYORAL COMMITTEE, STANDING COMMITTEES AND OTHER COMMITTEES OF COUNCIL FOR THE 2020 CALENDAR YEAR**

2. **PURPOSE**

To obtain Council's approval of the schedule of meetings of Council, Mayoral Committee, Standing Committees and other Committees of Council for the 2020 calendar year.

3. **DELEGATED AUTHORITY**

Municipal Council.

4. **EXECUTIVE SUMMARY**

An annual schedule of meetings is in the interest of good governance, proper order, and it enables effective service delivery. Besides complying with legislated requirements, an annual calendar of meetings will also enable councillors to adequately plan their events, engagements and community activities.

Section 19 of the Local Government: Municipal Systems Act, 32 of 2000, stipulates that:

*"The municipal manager of a municipality must give notice to the public, in a manner determined by the municipal council, of the time, date and venue of every -*

- (a) ordinary meeting of the council; and*
- (b) special or urgent meeting of the council, except when time constraints make this impossible."*

In line with legislated requirements, the publishing of such a schedule of meetings in the media and on the municipal website, seeks to foster a healthy culture of public involvement and participation in Council affairs.

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 13.1**

**RESOLVED** (majority vote)

- (a) that the proposed schedule of meetings for Council, Mayoral Committee, Standing Committees and other committees of Council for the 2020 calendar year (attached as **Appendix 1**), be noted;
- (b) that the Municipal Manager be mandated to give notice to the public of the time, date and venue of said meetings in compliance with Section 19 of the Local Government: Municipal Systems Act, 32 of 2000; and
- (c) that it be noted that the Speaker has the prerogative, as provided for in the Standing Rules and Order By-Law, to call urgent- or special Council meetings over and above the proposed scheduled meetings.

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*Councillors F Adams and DA Hendrickse requested that their votes of dissent be minuted.*

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<i>Annalene De Beer</i>
<b>POSITION</b>	<i>Director: Corporate Services</i>
<b>DIRECTORATE</b>	<i>Corporate Services</i>
<b>CONTACT NUMBERS</b>	<i>021-808 8018</i>
<b>E-MAIL ADDRESS</b>	<i>Annalene.DeBeer@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	<i>01 November 2019</i>

<b>13.2</b>	<b>REPLACEMENT OF MEMBERS OF THE APPEALS COMMITTEE</b>
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Collaborator No:  
IDP KPA Ref No: Valley of Possibility  
Meeting Date: 27 November 2019

- 1. SUBJECT: REPLACEMENT OF MEMBERS OF THE APPEALS COMMITTEE**
- 2. PURPOSE**  
To obtain approval to replace members of the Section 62 Appeals Committee.
- 3. DELEGATED AUTHORITY**  
Council
- 4. EXECUTIVE SUMMARY**  
To make provision for the replacement of members on the Section 62 Appeals Committee due to councillors' resignations.

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 13.2**

**RESOLVED** (majority vote with abstentions)

- (a) that Council replaces Councillor WC Petersen (Ms) as a member of the Appeals Committee with Councillor N Jindela;
- (b) that Council appoints Councillor N Jindela (Speaker), as the Chairperson of the Appeals Committee;
- (c) that Councillor GN Bakubaku-Vos (Ms) be replaced with Councillor G Cele (Ms);
- (d) that Councillor MB de Wet be replaced with Councillor P Crawley (Ms); and
- (e) the Cllrs Q Smit and MD Oliphant remain as members of the Appeals Committee.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler
<b>POSITION</b>	Municipal Manager
<b>DIRECTORATE</b>	Municipal Manager
<b>CONTACT NUMBERS</b>	021 808 8025
<b>E-MAIL ADDRESS</b>	geraldine.mettler@stellenbosch.gov.za
<b>REPORT DATE</b>	20 November 2019

<b>13.3</b>	<b>AUTHORIZATION TO INCLUDE THE SIMONSIG FARMWORKER HOUSING PROJECT IN THE STELLENBOSCH MUNICIPALITY HOUSING PIPELINE</b>
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

27 November 2019

1. **SUBJECT: AUTHORIZATION TO INCLUDE THE SIMONSIG FARMWORKER HOUSING PROJECT IN THE STELLENBOSCH MUNICIPALITY HOUSING PIPELINE**
2. **PURPOSE**

To obtain Council's approval for the inclusion of the development of 75 opportunities for Farm workers on the Farm De Hoop in the Stellenbosch Municipality Housing Pipeline. This will enable Simonsig Wine farm to apply for Development rights and subdivision of the land for the provision of farmworker housing.

3. **DELEGATED AUTHORITY**

Council

4. **EXECUTIVE SUMMARY**

The Simonsig Agri Village proposal is in line with the Stellenbosch Municipalities view of Rural Settlements with a focus on housing for farmworkers. This proposal also embraces the need of partnerships between Government and the Private sector for the provision of housing, especially for farm workers.

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 13.3****RESOLVED** (majority vote)

- (a) that the Simonsig Agri Village be included in the Stellenbosch Municipality Housing Pipeline;
- (b) that the prioritisation of the project be finalised when the annual review of the Stellenbosch Municipality Housing Pipeline occur in March 2020;
- (c) that the required link services be for the account of the developer; and
- (d) that the developer be responsible for a detailed investigation regarding the bulk and link services and its impact on the existing services.

*Councillors F Adams and DA Hendrickse requested that their votes of dissent be minuted.*

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Lester van Stavel
<b>POSITION</b>	<b>Manager: Housing Development</b>
<b>DIRECTORATE</b>	<b>Planning and Economic Development</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8462</b>
<b>E-MAIL ADDRESS</b>	<b>Lester.vanstavel@stellenbosch.gov.za</b>
<b>REPORT DATE</b>	

<b>14.</b>	<b>CONSIDERATION OF NOTICES OF QUESTIONS AND NOTICES OF MOTIONS RECEIVED BY THE SPEAKER</b>
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<b>14.1</b>	<b>MOTION BY COUNCILLOR F ADAMS: ESTABLISHMENT OF AN AGRI-VILLAGE FOR FARM WORKERS</b>
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A Notice of a Motion, dated 2019-11-08, was received from Councillor F Adams regarding the establishment of an agri-village for farm workers.

The said Motion is attached as **APPENDIX 1**.

**FOR CONSIDERATION**

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 14.1**

The Speaker allowed Councillor F Adams to put his Motion, duly seconded. After the Motion was motivated, the Speaker allowed debate on the matter.

The matter was put to the vote, yielding a result of 2 in favour and 25 against.

**RESOLVED** (majority vote)

that this Motion not be accepted.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler (Ms)
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Office of the Municipal Manager</i>
<b>CONTACT NUMBERS</b>	<i>021 808-8025</i>
<b>E-MAIL ADDRESS</b>	<i><a href="mailto:Municipal.Manager@ Stellenbosch.gov.za">Municipal.Manager@ Stellenbosch.gov.za</a></i>
<b>REPORT DATE</b>	<i>2019-11-20</i>

14.2	<b>MOTION BY COUNCILLOR F ADAMS: AMENDMENT OF THE RULES OF ORDER BY-LAW</b>
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A Notice of a Motion, dated 2019-11-08, was received from Councillor F Adams regarding the amendment of the Rules of Order By-Law.

The said Motion is attached as **APPENDIX 1**.

**FOR CONSIDERATION**

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 14.2**

The Speaker allowed Councillor F Adams to put his Motion, duly seconded. After the Motion was motivated, the Speaker allowed debate on the matter.

The matter was put to the vote, yielding a result of 4 in favour and 27 against.

**RESOLVED** (majority vote)

that this Motion not be accepted.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler (Ms)
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Office of the Municipal Manager</i>
<b>CONTACT NUMBERS</b>	<i>021 808-8025</i>
<b>E-MAIL ADDRESS</b>	<i><a href="mailto:Municipal.Manager@ Stellenbosch.gov.za">Municipal.Manager@Stellenbosch.gov.za</a></i>
<b>REPORT DATE</b>	<i>2019-11-20</i>

15.	<b>CONSIDERATION OF URGENT MOTIONS</b>
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NONE

16.	<b>URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER</b>
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16.1	<b>GROENDAL (FRANSCHHOEK) INFORMAL TRADING SITE: INCREASE OF PROJECT COST</b>
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Collaborator No: 670189  
 IDP KPA Ref No: (Choose a KPA from 2017 – 2021 IDP)  
 Meeting Date: (27 November 2019)

**1. SUBJECT: GROENDAL (FRANSCHHOEK) INFORMAL TRADING SITE: INCREASE OF PROJECT COST**

**2. PURPOSE**

To obtain Council's approval to obtain authorization for the intended amendment of a contract concluded with Austshomoa (Pty) Ltd to increase the initial order Formal Tender B/SM 42/19 from R2 633 632.76 (Incl VAT) to an estimated R 4 284 415.46 (Incl. VAT) based on the increased scope of Works, thus an additional R 1 650 632.70 (incl VAT) is required. Budget variations is contained in **APPENDIX 1** attached.

**3. DELEGATED AUTHORITY**

Council

**4. EXECUTIVE SUMMARY**

The item deals with the request for approval to increase the scope of the Groendal Informal Trading project in order increase the external civil works to accommodate the proposed new taxi hub on the same property.

**5. RECOMMENDATIONS**

- a) that Council notes in terms of MFMA Section 116(3) the reasons for the increase scope of the Groendal Informal Trading project;
- b) that the tender amount (B/SM 42/19) for the provision of Professional Services be increased with R1 650 632.70 to an estimated R 4 284 415.46; and
- c) that the Municipal Manager be authorized to conclude the contract or agreement after (b) above is finalized in terms of the applicable Act/Regulation.

**6. DISCUSSION / CONTENT**

**6.1 Background**

The project under discussion relates to the establishment of an Informal trading area in Groendal in Franschhoek. The objective of the project is to establish an informal trading facility adjacent to the to-be-built taxi hub. The Municipality envisages that the facility will unlock profitable trading possibilities for traders.

A budget of R3 000 000.00 was allocated in the 2018/2019 financial year for the aforementioned project.

## 6.2 Discussion

The tender advertisement based on the 80/20 Preference Points System, was advertised on 12 January 2019 as follows: Die Burger, Cape Argus, Municipal website, Municipal Notice Board, I-Tender (CIDB) and the E-Portal.

A compulsory clarification meeting was conducted on Wednesday, 23 January 2019 to give potential bidders the opportunity to acquaint themselves with the particulars of the bid. The closing date was the 15 February 2019.

Austshomoa Services (Pty) Ltd was awarded the tender for the construction of the Groendal (Franschhoek) Informal trading site. Shortly after the award the Infrastructure Services Department gave an indication of their intention to establish a long distance taxi facility on the same property. This was an outcome of a settlement with the local taxi association that the aforementioned facility should be built on the specific property instead of next to the triangle building in town area.

This immediately changed the external civil infrastructure needs for the entire site as the site now has to cater for an increase in facilities.

The original civil services allowed for this project was not designed to accommodate the increased flow to be generated by the bigger facility and therefore these infrastructure service including electricity had to be increased in size.

In order to achieve a cost effective installation and trying to prevent installation of services in an already paved areas, a decision was made to install all services required for the bigger development as part of this project.

Austshomoa Services (Pty) Ltd is currently installing the civil services for the project and it would only be cost effective and save time on the completion of this phase of the project to make use of their presence on site. The next phase of the project will simply tie into the services to be installed in their project.

The in changes in specifications for civil works and additional costs to the entire project, as describe in Appendix 1 attached. These costs will exceed the allowed 20% in terms of Circular number 62/2012 (National Treasury) as mentioned in paragraph 6.4.3.

The public notice (No99/2019) attached as Appendix 2 was published 31 September 2019 for 14 days to inform the public about the amendment to the tender awarded to Austshomoa Services (PTY) Ltd. At closing date 14 October 2019 no comments were received.

## 6.3 Financial Implications

The amount R 1 650 632.70 is the tendered project cost, of which R 543 656.00 is available under UKEY:20190703005788 (Establishment of Informal Trading Sites: Groendal) and R1106 976.70 be viremented from savings under UKEY 20190703005773 (Establishment of Informal Trading Sites: Klappmuts).

## 6.4 Legal Implications

### 6.4.1 **SCM Guide for Accounting Officer**

In terms of paragraph 5.9.5.2, of the SCM Guide for Accounting Officers **a single source selection** may be appropriate, but only if it present a clear advantage over competition; e.g. for tasks that represent a **natural continuation** of previous work carried out by the Service Provider.



Further in terms of paragraph 5.9.5.3 the reason for a single source selection should be recorded and approved by the Accounting Officer or his/her delegate prior to the conclusion of a contract.

#### **6.4.2 Municipal Finance Management Act (MFMA)**

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

- a) The reasons for the proposed amendment have been tabled in the council of the municipality; and
- b) The local community-
  - i) has been given reasonable notice of the intention to amend the contract or agreement; and
  - ii) has been invited to submit representations to the municipality or municipal entity.

#### **6.4.3 Comments from Legal Service**

In order to ensure uniformity in application of the MFMA Section 116(3), the National Treasury issued MFMA Circular number 62/2012 where it is stated that contracts for construction related goods or services may be expanded or varied by 20% of the original contract value, and service providers for general goods or services may be expanded or varied by 15% of the original contract value, through internal process. Any expansion or variation in excess of the aforementioned thresholds must be reported to Council and dealt with in terms of the provision of Section 116(3) of the MFMA.

The item and recommendations are supported.

#### **6.5 Staff Implications**

None

#### **6.6 Previous / Relevant Council Resolutions**

None

#### **6.7 Risk Implications**

This report has no risk implications for the Municipality.

#### **6.8 Comments from Senior Management**

##### **Director Planning & Economic Development**

Supported

##### **Chief Financial Officer**

Supported

##### **Municipal Manager**

Supported

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 16.1****RESOLVED** (majority vote)

- (a) that Council notes in terms of MFMA Section 116(3) the reasons for the increase scope of the Groendal Informal Trading project;
- (b) that the tender amount (B/SM 42/19) for the provision of Professional Services be increased with R1 650 632.70 to an estimated R 4 284 415.46; and
- (c) that the Municipal Manager be authorized to conclude the contract or agreement after (b) above is finalized in terms of the applicable Act/Regulation.

*Cllr DA Hendrickse requested that his vote of dissent be minuted.*

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Tabiso Mfeya
<b>POSITION</b>	<i>Director</i>
<b>DIRECTORATE</b>	<i>Planning &amp; Economic Development</i>
<b>CONTACT NUMBERS</b>	<i>021 808 8491</i>
<b>E-MAIL ADDRESS</b>	<a href="mailto:tabiso.mfeya@ Stellenbosch.gov.za">tabiso.mfeya@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	<i>28-10-2019</i>

17.	<b>REPORTS SUBMITTED BY THE SPEAKER</b>
17.1	<b>REPORT TO COUNCIL REGARDING THE INVESTIGATION INTO ALLEGATIONS OF MISCONDUCT BY CLR F ADAMS</b>

Collaborator No: Good Governance and Compliance  
 IDP KPA Ref No:  
 Meeting Date: 27 November 2019

**1. SUBJECT: REPORT TO COUNCIL REGARDING INVESTIGATION INTO ALLEGATIONS OF MISCONDUCT BY COUNCILLOR F ADAMS**

**2. PURPOSE**

To consider the report submitted by the Speaker against Councillor F Adams, which was done in terms of item 14 of Schedule 1 of the Local Government Act: Municipal Systems of 2000, known as the Code of Conduct for Councillors.

**3. DELGATED AUTHORITY**

Municipal Council.

**4. EXECUTIVE SUMMARY**

An Investigator (Adv. Ettiene Vermaak) was appointed to assist the Speaker with the investigation into facts and circumstances related to the complaints received against councillor Adams.

Advocate Vermaak provided a report with recommendations to the Speaker office, which report is now tabled for consideration. Report attached as **APPENDIX 1**.

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 17.1**

It is noted that Cllr F Adams, who is implicated in this matter, was not present at this point insofar as he had been granted permission to leave the meeting earlier (at 14:00).

A replacement page (pg. 304), was distributed in the meeting.

Before deliberations on the matter, the Executive Mayor, Ald G Van Deventer (Ms); Cllr P Crawley, and Mr Faiz Hoosain, the Chief Audit Executive, requested to be recused for the duration of the matter because they are affected in the matter.

The Speaker **RULED** that the following Disciplinary Committee members recuse themselves for the duration of the matter, to protect the integrity of the Committee:

Cllr AR Frazenburg  
 Cllr E Groenewald (Ms)  
 Cllr WC Petersen (Ms)  
 Cllr N Sinkinya (Ms)  
 Cllr Q Smit  
 Cllr LL Stander

Cllr DA Hendrickse requested that it be minuted that these confidential reports of Adv E Vermaak, should not have been placed in the open domain, because it contain very confidential information and it place people's lives in danger.

**RESOLVED** (majority vote with abstentions)

- (a) that the item be referred to the Disciplinary Committee for Councillors to investigate and make a finding on any alleged breach of the Code of conduct; and
- (b) that, following the investigation, to make appropriate recommendations to the Council of its findings.

*Councillor DA Hendrickse requested that his vote of dissent be minuted.*

*The following Councillors requested that it be minuted that they abstained from voting on the matter:*

*Cllrs G Cele (Ms); RS Nalumango (Ms); C Moses (Ms); MD Oliphant and LL Stander.*

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	ALD JC Anthony
<b>POSITION</b>	Senior Clerk: Support Staff: Office of the Speaker
<b>DIRECTORATE</b>	Corporate Services
<b>CONTACT NUMBERS</b>	021 – 808 8042
<b>EMAIL ADDRESS</b>	<a href="mailto:Speaker.admin@stellenbosch.gov.za">Speaker.admin@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	22 November 2019

17.2	<b>REPORT TO COUNCIL REGARDING THE INVESTIGATION INTO ALLEGATIONS OF MISCONDUCT BY CLR C MANUEL</b>
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Collaborator No: Good Governance and Compliance

IDP KPA Ref No:

Meeting Date: 27 November 2019

**1. SUBJECT: REPORT BACK TO COUNCIL REGARDING INVESTIGATION INTO ALLEGATIONS OF MISCONDUCT BY COUNCILLOR C MANUEL**

**2. PURPOSE**

To consider the report submitted by the Speaker against Councillor C Manuel in terms of item 14 Schedule 1 of the Local Government Act: Municipal Systems of 2000, known as the Code of Conduct for Councillors.

**3. DELGATED AUTHORITY**

Municipal Council

**4. EXECUTIVE SUMMARY**

An Investigator (Adv. Étienne Vermaak) was appointed to assist the Speaker with the investigation into facts and circumstances related to the complaints.

Advocate Vermaak provided a report with recommendations to the Speaker office, which report is now tabled for consideration. Report attached as **APPENDIX 1**.

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 17.2**

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

The Speaker **RULED** that the following members of the Disciplinary Committee recuse themselves for the duration of the matter, to protect the integrity of the Committee:

Cllr AR Frazenburg  
Cllr E Groenewald (Ms)  
Cllr N Sinkinya (Ms)  
Cllr Q Smit  
Cllr LL Stander

Cllr DA Hendrickse requested that it be minuted that these confidential reports of Adv E Vermaak, should not have been placed in the open domain, because it contain very confidential information and it place people's lives in danger.

**RESOLVED** (majority vote with abstentions)

- (a) that the item be referred to the Disciplinary Committee for Councillors to investigate and make a finding on any alleged breach of the Code of conduct; and
- (b) that, following the investigation, to make appropriate recommendations to the Council of its findings.

*Councillor DA Hendrickse requested that his vote of dissent be minuted.*

*The following Councillors requested that it be minuted that they abstained from voting on the matter:*

*Cllrs G Cele (Ms); RS Nalumango (Ms); C Moses (Ms); MD Oliphant and LL Stander.*

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	ALD JC Anthony
<b>POSITION</b>	Senior Clerk: Support Staff: Speakers office
<b>DIRECTORATE</b>	Corporate Services
<b>CONTACT NUMBERS</b>	021 – 808 8042
<b>EMAIL ADDRESS</b>	<a href="mailto:Speaker.admin@stellenbosch.gov.za">Speaker.admin@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	22 November 2019

17.3	<b>REPORT TO COUNCIL REGARDING THE INVESTIGATION INTO ALLEGATIONS OF MISCONDUCT BY CLLR M OLIPHANT</b>
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Collaborator No: Good Governance and Compliance

IDP KPA Ref No:

Meeting Date: 27 November 2019

**1. SUBJECT: REPORT TO COUNCIL REGARDING INVESTIGATION INTO ALLEGATIONS OF MISCONDUCT BY COUNCILLOR M OLIPHANT**

**2. PURPOSE**

To consider the report submitted by the Speaker against Councillor M Oliphant, which was done in terms of item 14 of Schedule 1 of the Local Government Act: Municipal Systems of 2000, known as the Code of Conduct for Councillors.

**3. DELGATED AUTHORITY**

Municipal Council

**4. EXECUTIVE SUMMARY**

The Office of the Speaker received a letter from the Office of the President of South Africa, dated 21 September 2018, which was addressed to the Municipal Manager of Stellenbosch Municipality and in which the Director General in the Office of the President requested a report from the Municipality in respect of actions taken pursuant to recommendations made by the Special Investigations Unit (SIU) in its report dated 13 March 2013. In the report of the SIU, it stated that "evidence revealed" that Cllr M Oliphant was one of a group of persons (consisting of the Municipal Manager and the CFO at the time (2013) as well as some Councillors at the time) who had manipulated the supply chain management procedures and processes in order to appoint an acquaintance, Mr Ayanda Hollow, of Cllr M Oliphant as a service provider to the Municipality. Soweto Records, owned by Mr Hollow, was appointed by the Municipality as an event organiser for Cultural Day festivities, which was celebrated on 5 April 2009.

The report is attached as **APPENDIX 1**. Note that due to the confidentiality of some of the documentation the attachments that the report is based on is not included as the item must serve in the open agenda.

**33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 17.3**

Before deliberations on the matter, Cllr MD Oliphant recused himself from the Chamber because he is implicated in the matter.

The Speaker **RULED** that the following members of the Disciplinary Committees recuse themselves for the duration of the matter, to protect the integrity of the Committee:

Cllr AR Frazenburg  
Cllr E Groenewald (Ms)  
Cllr N Sinkinya (Ms)  
Cllr Q Smit  
Cllr LL Stander

Cllr DA Hendrickse expressed the view that Ald JC Anthony should not have written this item due to a conflict of interest, as he (Ald JC Anthony) served with Cllr MD Oliphant as a Mayco member as well as a member of the ANC at the time these allegations were made against Cllr MD Oliphant.

Cllr Hendrickse further requested that it be minuted that these confidential reports of Adv E Vermaak should not have been placed in the open domain, because it contain very confidential information and it place people's lives in danger.

After several warnings, the Speaker ordered Cllr DA Hendrickse to leave the Council Chambers for contravening Rule 32 of Council's Rules of Order By-Law (at 14:40).

**RESOLVED** (majority vote with abstentions)

that this matter be referred back and the Speaker be requested to get the report back from the National Prosecution Authority (NPA) whereafter same be brought back to Council for deliberation.

*The following Councillors requested that it be minuted that they abstained from voting on the matter.*

*Councillors RS Nalumango (Ms); C Moses (Ms) and LL Stander.*

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<i>Ald JC Anthony</i>
<b>POSITION</b>	<i>Senior Clerk: Support staff –Speakers Office</i>
<b>DIRECTORATE</b>	<i>Corporate Services</i>
<b>CONTACT NUMBERS</b>	<i>021 – 808 8042</i>
<b>EMAIL ADDRESS</b>	<i><a href="mailto:Speaker.admin@stellenbosch.gov.za">Speaker.admin@stellenbosch.gov.za</a></i>
<b>REPORT DATE</b>	<i>22 November 2019</i>



<b>18.</b>	<b>REPORTS SUBMITTED BY THE EXECUTIVE MAYOR</b>
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NONE

<b>19.</b>	<b>MATTERS TO BE CONSIDERED IN-COMMITTEE</b>
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(See pink documentation).

The meeting adjourned at 16:15.

**CHAIRPERSON:** .....

**DATE:** .....

**Confirmed on** ..... **with/without amendments.**

<b>8.</b>	<b>STATUTORY MATTERS</b>
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<b>8.1</b>	<b>TABLING OF THE DRAFT ANNUAL REPORT 2018/19</b>
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Collaborator No: 674978  
 IDP KPA Ref No: *Good Governance and Compliance*  
 Meeting Date: 22 January 2020

**1. SUBJECT: TABLING OF THE DRAFT ANNUAL REPORT 2018/19**

**2. PURPOSE**

To table to Council the Draft Annual Report for 2018/19 for consideration and to be released for public comment.

Furthermore, it is also the purpose of this submission to, after consideration of the Draft Annual Report 2018/19 by Council, to refer the Draft Annual Report 2018/19 to the Municipal Public Accounts Committee (MPAC) to fulfill the role of an Oversight Committee and make to make a recommendation to Council as contemplated in Section 129(1) of the Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA).

**3. DELEGATED AUTHORITY**

The Executive Mayor must table the Annual Report in Council in terms of Section 127(2) read together with Sections 121 and 129 of the MFMA. The report must also be released for public comments in terms of Section 127(5) of the MFMA.

**4. EXECUTIVE SUMMARY**

The Annual Report must be tabled by the Executive Mayor within 7 months after the end of the financial year. The Draft Annual Report must be made public and the Municipal Manager must invite the public to provide input into the report. It has become practise that the Oversight Committee also invites the public to make verbal representations at meetings where the report is being discussed. A schedule with proposed dates for the meetings is also included hereto as **ANNEXURE A**. Council resolved in 2017 that MPAC has, as part of their terms of reference, the role to sit as Oversight Committee to consider the Draft Annual Report.

**5. RECOMMENDATIONS**

- (a) that Council notes the Draft Annual Report of 2018/19;
- (b) that Council takes note that the Municipal Manager will make the Draft Annual Report 2018/19 public for comment on the official website of the Stellenbosch Municipality and at the offices of the Municipality for a period of 21 days; the public will be invited through local print media to provide written inputs / comments on the draft report on or before 1 March 2020;
- (c) that Council refers the Draft Annual Report 2018/19 (**ANNEXURE B**) to MPAC to consider the Draft Annual Report 2018/19 and make recommendations to Council as contemplated in Section 129(1) of the MFMA;
- (d) that the proposed dates for the MPAC / Oversight meetings where the Draft Annual Report of 2018/19 will be discussed is detailed in Annexure A hereto:

*(It should be noted that these are proposed dates which must still be confirmed by the MPAC Chairperson and the final dates will be advertised in the local print media);*

- (e) that Council approves MPAC's mandate to co-opt two members of the public with expertise in specific fields to assist and advise the Committee;

*Rates for additional nominated community members as per Treasury Regulation 20.2.2. The once-off preparation tariff was used as a guide since the national Treasury does not have guidance in that regard. Consultation must take place to decide if the rate will remain the same.*

<i>Tariff</i>	<i>Number of co-opted Members</i>	<i>Not exceeding no. of hours</i>	<i>Remuneration</i>
<i>Per hour tariff for attendance of meeting as a member</i>	2	45 hours	R 327.00 per hour
<i>Once-off Tariff for duties performed in preparation</i>	2	6 hours	R 1500 (for six hours)

- (f) that Council approves that the co-opted members can be remunerated in line with the recommendations of National Treasury Regulation in this regard.

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.10.1**

- (a) that Council notes the Draft Annual Report of 2018/19;
- (b) that Council takes note that the Municipal Manager will make the Draft Annual Report 2018/19 public for comment on the official website of the Stellenbosch Municipality and at the offices of the Municipality for a period of 21 days; the public will be invited through local print media to provide written inputs / comments on the draft report on or before 1 March 2020;
- (c) that Council refers the Draft Annual Report 2018/19 (**ANNEXURE B**) to MPAC to consider the Draft Annual Report 2018/19 and make recommendations to Council as contemplated in Section 129(1) of the MFMA;
- (d) that the proposed dates for the MPAC / Oversight meetings where the Draft Annual Report of 2018/19 will be discussed is detailed in Annexure A hereto: *(It should be noted that these are proposed dates which must still be confirmed by the MPAC Chairperson and the final dates will be advertised in the local print media);*
- (e) that Council approves MPAC's mandate to co-opt two members of the public with expertise in specific fields to assist and advise the Committee;

*Rates for additional nominated community members as per Treasury Regulation 20.2.2. The once-off preparation tariff was used as a guide since the national Treasury does not have guidance in that regard. Consultation must take place to decide if the rate will remain the same.*

<i>Tariff</i>	<i>Number of co-opted Members</i>	<i>Not exceeding no. of hours</i>	<i>Remuneration</i>
<i>Per hour tariff for attendance of meeting as a member</i>	2	45 hours	R 327.00 per hour
<i>Once-off Tariff for duties performed in preparation</i>	2	6 hours	R 1500 (for six hours)

- (f) that Council approves that the co-opted members can be remunerated in line with the recommendations of National Treasury Regulation in this regard.

## ANNEXURES

Annexure A: Schedule of MPAC Meetings on the Draft Annual Report 2018/19

Annexure B: Draft Annual Report 2018/19

### FOR FURTHER DETAILS CONTACT:

<b>NAME</b>	Ms Shireen De Visser
<b>POSITION</b>	Senior Manager: Governance
<b>DIRECTORATE</b>	Office of the Municipal Manager
<b>CONTACT NUMBERS</b>	021 – 808 8035
<b>E-MAIL ADDRESS</b>	<a href="mailto:Shireen.devisser@ Stellenbosch.gov.za">Shireen.devisser@ Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	15 January 2020

# **ANNEXURE A**

## PROPOSED DATES OF MPAC MEETINGS

Dates for the MPAC/Oversight Committee set for 03 February – 06 March 2020						
Date	Time	Composition				Activity
		Municipal Manager and Directors	Municipal Officials	MPAC	Public	
03 February 2020	09:00 – 11:00	N/A	<ul style="list-style-type: none"> <li>Department: Governance</li> </ul>		N/A	Orientation
	11:00 – 14:00		<ul style="list-style-type: none"> <li>Department: Governance</li> </ul>			Review of Chapters 1, 2 and 3
07 February 2020	10:00 – 13:00	N/A	<ul style="list-style-type: none"> <li>Department: Governance</li> </ul>			Review of Chapters 4, 5 and 6
13 February 2020	09:00 – 11:00	MM and Directors	<ul style="list-style-type: none"> <li>Department: Governance</li> </ul>			√
	11:00 – 12:00		<ul style="list-style-type: none"> <li>Senior Managers: Directorate: <b>Infrastructure Services</b></li> </ul>	N/A	Discussion on the Draft Annual Report 2018/19 by Oversight Committee	
	12:00 – 13:00		<ul style="list-style-type: none"> <li>Senior Managers: Directorate: <b>Planning and Economic Development</b></li> </ul>			
	<b>13:00 – 13:30</b>		<b>All</b>			√
	13:30 – 14:30		<ul style="list-style-type: none"> <li>Senior Managers: Directorate: <b>Community and Protection Services</b></li> </ul>	√	N/A	Discussion on the Draft Annual Report 2018/19 by Oversight Committee
	14:30 – 15:30		<ul style="list-style-type: none"> <li>Senior Managers: Directorate: <b>Corporate Services</b></li> </ul>			
	15:30 – 16:30		<ul style="list-style-type: none"> <li>Senior Managers: Directorate: <b>Financial Services</b></li> </ul>			
27 February 2020	10:00 – 12:00	MM and Directors	<ul style="list-style-type: none"> <li>Department: Governance</li> </ul>	√	N/A	Discussion on follow-up and outstanding matters
06 March 2020	10:00 – 12:00	MM and Directors	<ul style="list-style-type: none"> <li>Department: Governance</li> </ul>			Finalising and Signing of Oversight Report on the Annual Report 2018/19

# **ANNEXURE B**



**STELLENBOSCH**

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY



## **STELLENBOSCH MUNICIPALITY**

# **DRAFT ANNUAL REPORT**

2018/19 Financial Year

This Annual Report is drafted in terms of the Local Government:  
Municipal Finance Management Act, 2003 (Act 56 of 2003)







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## List of Abbreviations

Abbreviation	Description
ABS	Access to Basic Services
ACDP	African Christian Democratic Party
AG	Auditor-General
AMEU	Association of Municipal Electricity Utilities
ANC	African National Congress
ANPR	Automatic Number Plate Recognition System
BAC	Bid Adjudication Committee
BBBEE	Broad-Based Black Economic Empowerment
BEC	Bid Evaluation Committee
BICLS	Bulk Infrastructure Development Contribution Levies
CAC	Civic Amenity Centre
CAPEX	Capital Expenditure
CBD	Central Business District
CBP	Community Based Planning
CCTV	Closed Circuit Television
CDW	Community Development Worker
CEB	Compressed Earth Block
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGI	Compliance and Governance Index
CIGFARO	Chartered Institute of Government Finance, Audit and Risk Officers
CITP	Comprehensive Integrated Transport Plan
CoCT	City of Cape Town
COGTA	Cooperative Governance and Traditional Affairs
COPE	Congress of the People
CRSES	Sustainable Energy Studies
CWDM	Cape Winelands District Municipality
CWDM	Cape Winelands District Municipality
DA	Democratic Alliance
DCAS	Department of Arts, Culture and Sports
DEA and DP	Department of Environmental Affairs and Development Planning
DEDAT	Department of Economic Development and Tourism
DOE	Department of Education
DORA	Division of Revenue Act
DWS	Department of Water and Sanitation
ECD	Early Childhood Development
EE	Employment Equity
EHP	Emergency Housing Policy
EIA	Environmental Impact Assessment
EPWP	Expanded Public Works Programme
ESTA	Extension of Security of Tenure Act



Abbreviation	Description
<b>FBAR</b>	Final Basic Assessment Report
<b>GAMAP</b>	Generally Accepted Municipal Accounting Practice
<b>GRAP</b>	Generally Recognised Accounting Practice
<b>GRDP</b>	Gross Regional Domestic Product
<b>HR</b>	Human Resources
<b>HSDG</b>	Human Settlements Development Grant
<b>IBR</b>	Inverted Box Rib
<b>ICT</b>	Information and Communication Technology
<b>IDP</b>	Integrated Development Plan
<b>IFRS</b>	International Financial Reporting Standards
<b>IIC</b>	Infrastructure Innovation Committee
<b>IMATU</b>	Independent Municipal Trade Union
<b>IMESA</b>	Institute of Municipal Engineers of South Africa
<b>IMFO</b>	Institute for Municipal Finance Officers
<b>IPC</b>	Integrated Planning Committee
<b>IRDPA</b>	Integrated Residential Development Programme
<b>ISAMAO</b>	The Institute of South African Municipal Accounting Officers
<b>IWMP</b>	Integrated Waste Management Plan
<b>IWAA</b>	Integrated Water Availability Assessment
<b>IZS</b>	Integrated Zoning Scheme
<b>JPI</b>	Joint Planning Initiative
<b>JSE</b>	Johannesburg Stock Exchange
<b>KIWMF</b>	Kraaifontein Integrated Waste Management Facility
<b>KPA</b>	Key Performance Area
<b>KPI</b>	Key Performance Indicator
<b>LED</b>	Local Economic Development
<b>LETRP</b>	Large Employer Trip Reduction Programme
<b>LGMTEC</b>	Local Government Medium Term Expenditure Committee
<b>LGSETA</b>	Local Government Sector Education and Training Authority
<b>LM</b>	Limpopo
<b>LR</b>	Labour Relations
<b>LUMS</b>	Land Use Management System
<b>LUPA</b>	Land Use Planning Act
<b>LUPO</b>	Land Use Planning Ordinance
<b>MAYCO</b>	Executive Mayoral Committee
<b>MBI</b>	Municipal Benchmarking Initiative
<b>MERO</b>	Municipal Economic Review Outlook
<b>MFMA</b>	Municipal Finance Management Act (Act No. 56 of 2003)
<b>MIG</b>	Municipal Infrastructure Grant
<b>MILE</b>	Municipal Institute of Learning
<b>MINMAY</b>	Provincial Ministers, Provincial Heads of Departments, Mayors and Municipal Managers
<b>MIQ</b>	Municipal Data and Intelligence
<b>MM</b>	Municipal Manager



Abbreviation	Description
<b>MMC</b>	Member of the Mayoral Committee
<b>MMF</b>	Municipal Managers Forum
<b>MOU</b>	Memorandum of Understanding
<b>MPAC</b>	Municipal Public Accounts Committee
<b>MPC</b>	Multipurpose Centre
<b>MPI</b>	Municipal Productivity Index
<b>MRF</b>	Material Recovery Facility
<b>MSA</b>	Municipal Systems Act (Act No. 32 of 2000)
<b>mSCOA</b>	Municipal Standard Chart of Accounts
<b>MTAB</b>	Metropolitan Transport Advisory Board
<b>MTECH</b>	Medium Term Expenditure Committee
<b>MVA</b>	Mega Volt Amp
<b>NDP</b>	National Development Plan
<b>NEMA</b>	National Environment Management Authority
<b>NGO</b>	Non-Governmental Organisation
<b>NHBRC</b>	National Housing Building Regulation Council
<b>NMT</b>	Non-Motorised Transport
<b>NPO</b>	Non-Profit Organisation
<b>NRTLEC</b>	National Road Traffic Legislation Enforcement Code
<b>NT</b>	National Treasury
<b>OPEX</b>	Operating Expenditure
<b>PDO</b>	Predetermined Objectives
<b>PDoHS</b>	Provincial Department of Human Settlement
<b>PIE</b>	Prevention of Illegal Evictions
<b>PMS</b>	Performance Management System
<b>PPDO</b>	Provincial Predetermined Objectives
<b>PPP</b>	Public Private Partnership
<b>PRASA</b>	Passenger Rail Agency of South African
<b>PSDF</b>	Provincial Spatial Development Framework
<b>PSDF</b>	Provincial Spatial Development Framework
<b>PSP</b>	Provincial Strategic Plan
<b>PT</b>	Provincial Treasury
<b>RBIG</b>	Regional Bulk Infrastructure Grant
<b>SAB</b>	South African Breweries
<b>SABS</b>	South African Bureau of Standards
<b>SALGA</b>	South African Local Government Organisation
<b>SAMDI</b>	South African Management Development Institute
<b>SAMRAS</b>	South African Municipal Resource Accounting System
<b>SAMWU</b>	South African Municipal Workers Union
<b>SANEDI</b>	South African National Energy Development Initiative
<b>SANS</b>	South Africa National Standards
<b>SAPS</b>	South African Police Service
<b>SASSA</b>	South African Social Security Agency



Abbreviation	Description
<b>SCA</b>	Stellenbosch Civic Association
<b>SCMU</b>	Supply Chain Management Unit
<b>SDBIP</b>	Service Delivery and Budget Implementation Plan
<b>SDF</b>	Spatial Development Framework
<b>SEDA</b>	Small Enterprise Development Agency
<b>SITA</b>	State Information Technology Agency
<b>SMME</b>	Small Medium Micro Enterprises
<b>SMS</b>	Short Message Service
<b>SOP</b>	Standard Operating Procedure
<b>SPA</b>	Stellenbosch People's Alliance
<b>SPLUMA</b>	Spatial Planning and Land Use Management Act
<b>SPV</b>	Special Purpose Vehicles
<b>SSI</b>	Stellenbosch Safety Initiative
<b>STOD</b>	Sustainable Transit Oriented Development Plan
<b>SWWTW</b>	Stellenbosch Waste Water Treatment Works
<b>TASK</b>	Tuned Assessment of Skills and Knowledge
<b>TIATCP</b>	Technical Innovation Agency Technical Centre Programme
<b>VTS</b>	Vehicle Testing System
<b>WC</b>	Western Cape
<b>WCO24</b>	Greater Stellenbosch
<b>WoF</b>	Working on Fire
<b>WRC</b>	Water Research Commission
<b>WWF</b>	World Wildlife Fund



# CHAPTER 1: EXECUTIVE MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

## 1.1 COMPONENT A: EXECUTIVE MAYOR'S FOREWORD



This report provides feedback for the financial year stretching from July 2018 and ending in June 2019. This budget was informed by the needs expressed by our entire community, not only through the IDP process, but through the constant communication and interaction that we have had with our residents throughout the year. On a daily basis, we have met, formally and informally, with our residents and other stakeholders, listening and incorporating what they have said.

Through all our interaction, the need for better and dignified living, safer communities, more economic opportunities, excellent and sustainable service delivery and the redressing of past inequalities were highlighted. These needs also form the cornerstone of our IDP, inspiring a budget that creates opportunities throughout our Municipality, as far as is achievable with the resources available. I list some of our achievements stemming from community requests below.

In order to work optimally with scarce resources to provide as many opportunities as possible, accurate data is critically important. It is for this reason that the current council decided to embark on a process of updating the information on the housing waiting list and to import all of this information into the new Municipal Housing Demand Database. This process is continuing into the new financial year and will only conclude in early 2020.

We have focused on redressing past inequalities through the acceleration of title-deed handovers to disadvantaged communities. Residents are empowered with the ownership of their homes and it brings more of residents into the economy by owning valuable assets. For the 2018/19 financial year, we have handed over more than 767 title deeds. Of these title deeds, 586 was for new projects and 181 for historical projects. The title deeds from the historical projects are as a result of our continued cooperation with the Free Market Foundation's Khaya Lam project. Since 2016, 1288 title deeds have been handed over to residents, addressing not only new projects but also clearing the backlog of historical title deeds. The Steps development, Cloetesville flats and Smartietown, all located in Cloetesville, are all presently being upgraded.

We have been working non-stop to upgrade and maintain our infrastructure services. Proper maintenance and replacement planning are essential to ensure our infrastructure can support our



growing economy. We invested R600 million in the upgrading of our Waste Water Treatment Works in Klipmuts, Pniel and Wemmershoek and have experienced the amazing improvement in service delivery due to our expanded facility in Stellenbosch. We also invested in bulk water supply lines and new reservoirs in the Dwarsrivier and Jamestown areas. A proud accomplishment with regards to infrastructure has been the take-over of the Pniel Electricity grid from Drakenstein. This was a project that was started in 2008 already and when I took office in 2016, I made a promise to the residents to expedite this process. In this financial year, we finally realised our goal. It has not been without challenges and we have already planned and budgeted for the necessary upgrades to this network to improve power supply to the region. This upgrade has however brought relief to residents who no longer have to deal with the administration of two municipal bills and better tariffs. All comments have been carefully reviewed in a thematic approach. The needs collected through these engagements were transformed into projects which ultimately informed the Budget.

Housing is a challenge and will be for the foreseeable future. The backyarder community has become increasingly active, voicing their concerns through a series of protests. We are continuously engaging with the various community representatives and upon my request also involved the Provincial Human Rights Commissioner to assist in community interaction. In an effort to understand the scope of the challenge, we have conducted a full survey of backyard dwellers. This allowed us to determine how many residents are living in back yards, what their needs are and how to better plan future housing and infrastructure projects to include them and improve their lives.

We continuously review and update our by-laws and policies to ensure that it is in line with the national and provincial government, as well as meet the needs of our community. To this end, we have updated and introduced new by-laws and policies as well. Since August 2016 up to the end of the 2018/19 financial year, we have reviewed and/or approved 25 new policies and 8 by-laws. This has been critically important to address the lack of regulatory policies that is necessary to give clear outlines for daily operational procedures.

Although crime prevention is not a primary mandate of local government, as a municipality we are committed to working with the SAPS when and where needed. We frequently cooperate with various stakeholders responsible for safety and security across our region, and I believe this public-private cooperation is reflected in the decrease in crime statistics for our region as indicated by SAPS in April 2019.

We form part of the Safety and Security Initiative (SSI) and the Winelands Safety Initiative (WSI) which consists of various partners including the SAPS, private sector safety and security companies as well as the University. The purpose of the SSI is to form an integrated security network, allowing us to share and apply our resources more effectively. The SSI uses an integrated communication system that allows good cooperation and prevents safety stakeholders from working in silos.

We have also focused on providing better street lighting in many vulnerable areas and clearing up overgrown spaces to lessen the opportunity and space for criminal activity. Within the next year, we shall expand our law enforcement section and invest in additional training for our officers to assume additional responsibilities if and when required by SAPS.

After years of planning, public participation processes and several significant alterations, the Klipmuts Multipurpose Community Centre is open for business. The Municipality invested R27 million on this project. The facility acts as a one-stop-shop for residents where they can make account payments, apply for indigent grants, pay fines, attend ward meetings and participate in community events, all under one roof. Idas Valley library also celebrated their 60th anniversary, and as part of the celebrations, upgrades to the value of R 37 700, 71 were made. This included the addition of a ramp at



the entrance for the disabled as part of the municipal drive for Universal Access. The rain cover at the entrance to the library was also extended.

The Klapmuts Fire Station is also a new addition that functions as a vital satellite fire station of the Stellenbosch Fire and Rescue Services, reducing response time and thereby ensuring that the community and their properties are safer. Work on the project commenced at the start of the current Council's term after a great need for emergency services were identified in the community.

As Mayor, I would like to thank the Municipal Manager, all staff members, Councillors, residents, Interest Groups, Associations and Forums for working with us to better our Municipality and the lives of all our people. Constructive criticism remains a pillar of public participation and is always welcomed. I also want to express my sincere appreciation for all the positive comments and support from all over WC024.

Although the Municipality faces challenges, we are very optimistic that we will successfully manage these challenges and succeed in my dream to position Stellenbosch as one of the most successful municipalities in South Africa.

---

**ADV GESIE VAN DEVENTER**  
**EXECUTIVE MAYOR**



## 1.2 COMPONENT B: EXECUTIVE SUMMARY

### 1.2.1 MUNICIPAL MANAGER'S OVERVIEW



Stellenbosch Municipality, lies at the heart of the Winelands and we are committed to fulfil our constitutionally mandated powers and functions. The 2018/19 financial year proved very busy and challenging, yet also exceptionally rewarding. As this annual report will show, the Stellenbosch Municipality has made steady progress towards realising its vision of becoming a valley of opportunity and innovation. We have consistently strived towards creating more opportunities and delivering quality services to our residents while staying true to our values of innovation, transformation, integrity and accountability.

Delivering our vision requires the dedicated application of many resources, ranging from the Municipality's own financial inputs and ongoing investment by those who recognise our valley's growth potential, to the hard work of our capable and devoted officials, managers and executives. The 2018/19 annual report offers an overview of the extent of that work and investment for the past financial year, and more importantly, of the positive outcomes that the Municipality has delivered.

To achieve our goals, we have been guided by our key strategic planning document – the Integrated Development Plan (IDP) and we have gone to great lengths to ensure that our IDP is a true reflection of the needs of all our residents. We also recognise the role of provincial and national government and regularly engage on various platforms to share information and best practices. These platforms include SALGA, ISAMAO, CIGFARO, the Premier's Coordinating Forum and Municipal Managers Forum.

During the 2018/19 financial year, the Municipality continued with its successful initiatives to ensure that the community of Stellenbosch has sufficient water as a result of the drought experienced in the Western Cape. These initiatives included water restrictions, water demand analysis, water augmentation schemes and the roll-out of water management devices. The Electrification of Enkanini, Stellenbosch Municipality's largest informal settlement, is well under way. Basic service delivery initiatives have also been implemented to ensure that services are being rendered in the best possible way, to guarantee a dignified living environment which the community can be proud of.

I am incredibly excited about the potential Adam Tas Corridor project. I reported to Council that information had been received of a potential development along the Adam Tas Corridor that could attract significant investment, boost economic growth and lead to the creation of many new jobs for our residents. I was mandated by Council to gain information as to the viability, risks and costs of this potential development of the proposed Adam Tas Corridor. I will be reporting back to Council as soon as the analysis on the project has been completed. The project seems to have the potential to change



the past spatial patterns of Stellenbosch as it will include mixed development with new housing developments. We remain committed to working with any public and private partners for any development that is in the best interest of our residents.

During the course of the 2018/19 financial year, the Municipality continued to experience the benefits of improved stability at senior management level, which has led to greater organisational wellbeing overall. All Senior Management posts are filled and fully functional. The Municipality also concluded its organisational review and restructuring process that has enabled us to modernise and streamline our efforts to improve service delivery.

The Municipality has maintained a healthy payment rate of consumers as a result of effective credit control and debt collection measures. To maintain this situation, it is important to keep services affordable and to continue delivering the same service in the most efficient and cost-effective manner. We are well aware of the increasing pressures on our residents during these difficult economic times and will continue to work in the most economical way possible. Financial sustainability, as reflected by the financial ratios, indicates a healthy financial position.

Risk Management remains an integral part of the planning processes as well as mitigation of any possible eventualities. Significant strategic risks facing the Municipality are amongst other; landfill space; IT systems security and systems integration; and insufficient housing resources for emergency relocations.

In conclusion, I would like to extend my warmest appreciation to our Community, Stakeholders, our Councillors, Ward Committees, as well as my management colleagues and their respective staff for their support during this reporting year. The future of this Municipality requires the collective effort of all its stakeholders and my wish is that we all strive towards achieving this collectivism. To this end, we remain 100% committed to improving the lives of all our residents. Our greatest encouragement is the constant support and commitment of our residents and business community on all service delivery fronts.

It is a pleasure to present the 2018/19 Annual Report of the Stellenbosch Municipality.

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**GERALDINE METTLER**  
**MUNICIPAL MANAGER**



## 1.2.2 INTRODUCTION

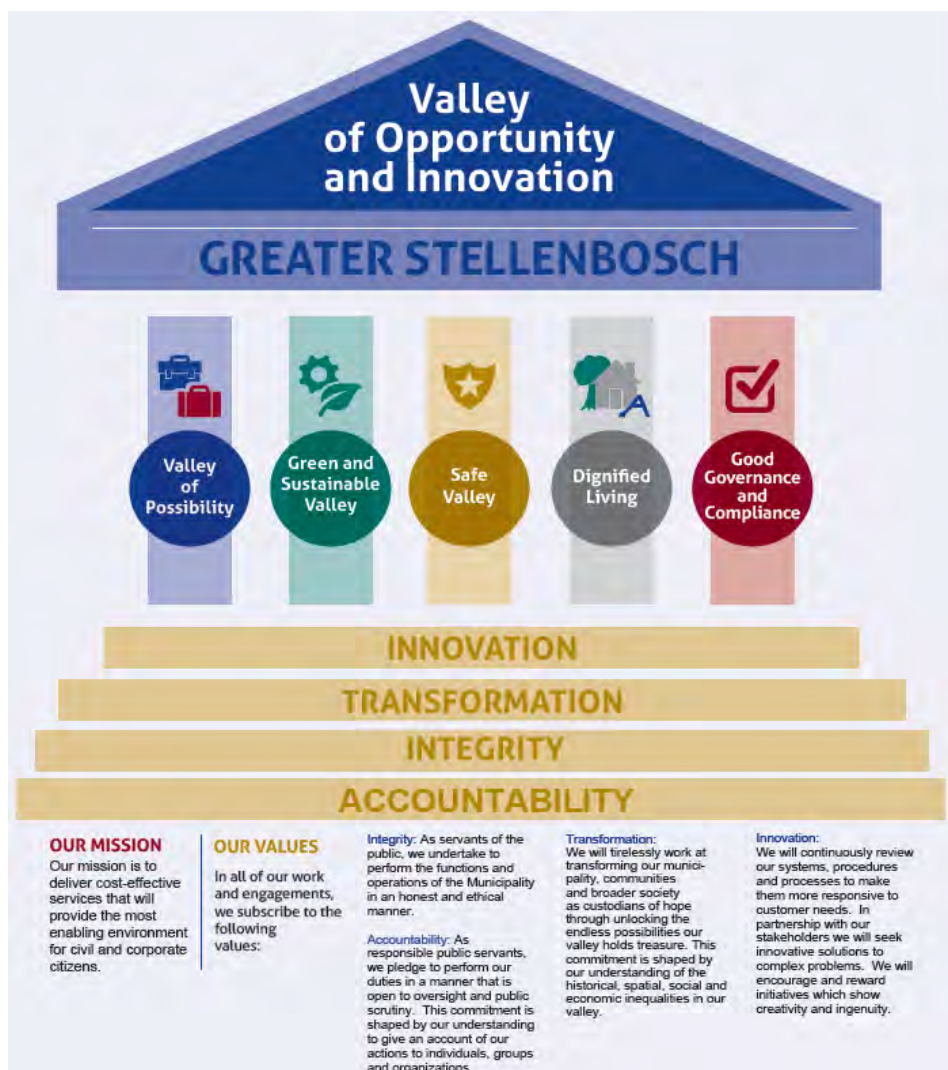
This report addresses the performance of the Stellenbosch Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the municipal councils provide regular and predictable reporting on programme performance and the general state of affairs in their locality.

The 2018/19 Annual Report reflects on the performance of the Stellenbosch Municipality for the period of 01 July 2018 to 30 June 2019. The Annual Report is prepared in terms of section 121(1) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

## 1.2.3 VISION, MISSION AND VALUES OF THE STELLENBOSCH MUNICIPALITY

The figure below illustrates our overarching strategy of Stellenbosch Municipality.

Figure 1:1: House of Values





The Stellenbosch Municipality has committed itself to the following vision and mission:

### VISION

We describe the vision of where we want to be as a Municipality and the Greater Stellenbosch area as the **“Valley of Opportunity and Innovation.”**

### MISSION

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

### VALUES

In all our work and engagements with the community and other stakeholders, we subscribe to the following values:

**Integrity:** As servants of the public, we undertake to perform the functions and operations of the Municipality in an honest and ethical manner.

**Accountability:** As responsible public servants, we pledge to perform our duties in a manner that is open to oversight and public scrutiny. This commitment is shaped by our understanding to give an account of our actions to individuals, groups and organisations.

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

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

## 1.2.4 STRATEGIC FOCUS AREAS

### 1.2.4.1 Strategic Focus Area 1: Valley of Possibility

The Stellenbosch area offers ample possibilities to their stakeholders. The unlocking of these possibilities to encourage opportunity for enterprise, creativity and business development in our cities, towns and villages are an urgent issue in South Africa. Unemployment, poverty, income inequality, and skills shortages are major concerns impacting the economy. This strategic focus area has three broad dimensions that addresses these challenges: The first relates to the provision of services to citizens, and how these services can assist them to facilitate development and job creation. The second relates to the internal working of the Municipality and how municipal procurement of services aids in fostering opportunity for enterprise development and creativity. The third dimension asserts that efficient infrastructure and services lie at the heart of the Municipality's mandate. Infrastructure and services of different kinds fulfil the basic needs of citizens, and also enable enterprise and business development. Without appropriate, well- maintained infrastructure, the greater Stellenbosch area will fail as a place of living, work and learning.





### 1.2.4.2 Strategic Focus Area 2: Green and Sustainable Valley

There are a number of dimensions to the environment that underpinned its importance for the greater Stellenbosch area and for the people living within it. The first is an ecological dimension, which recognises that the natural environment and its processes provide the setting in which, and the basic resources with which, human life is played out.

The second is an economic and productive dimension, which recognises that the natural environment underpins a vitally important tourism and agricultural economy. The third is a psychological, social, and recreational dimension, which recognises that human life is qualitatively affected by a sense of place, and the need for places of 'escape' from urban life. The fourth is a cultural dimension, which recognises the inextricable relationship between the characteristics of a place, peoples' activities in that place, and the emergence of cultural expressions and forms.

There are at least three reasons why spatial direction is important. Firstly, we live our lives in geographic spaces; how activities and infrastructure are organised in space fundamentally impact on people's access to opportunity. For example, prioritising new urban development on agricultural land may harm the overall viability of agriculture and food security of an area. Another example is the location of housing for poor people far away from work opportunities, which impacts on disposable income, work productivity and transport infrastructure provision. Secondly, the Municipal strategy has over the last decade taken a strong sectoral approach. The approach looks at development in sectors as reflected in the LED plans, plans for creative industries, small enterprises, tourism, and so on. Unfortunately, much of this work is silent on the impact of space on specific sectors and has assisted to hide spatial inequity in our settlements. Thirdly, municipal government has considerable influence over the space economy of settlements. By virtue of its mandate, local government can determine the nature and location of key infrastructure and where settlement is to occur and where not. Local government cannot grow the economy, but it impacts on economic success through the provision and maintenance of infrastructure and how activities are organised in space.

### 1.2.4.3 Strategic Focus Area 3: Safe Valley

Establishing safety and law abiding behaviour in greater Stellenbosch is an absolute priority. All our efforts to improve services, opportunity and sound a financial position – including affordable rates – will come to nothing if by-laws are not respected, our assets are vandalised, or our neighbourhoods, roads, business areas and recreational facilities are not safe. Safety and security, together with cleanliness, are often cited as the most important factors in getting investment into a city or town. A safe and secure greater Stellenbosch area is thus not only a functional necessity, but underpins elements of economic and social development strategies.

### 1.2.4.4 Strategic Focus Area 4: Dignified Living

All our citizens should have access to a dignified life, irrespective of their relative material wealth or their background. By a dignified life we mean, inter alia, access to shelter, ethical administration of municipal housing, and sufficient choice in housing opportunity for different income groups, including young people. We also mean neighbourhoods with accessible public facilities and services. Support for vulnerable groups, including the youth, women and the elderly is critical, as is a close working relationship with other government and social agencies that focus on the needs of these groups.



### 1.2.4.5 Strategic Focus Area 5: Good Governance and Compliance

As more people become urbanised, towns and cities have become increasingly important foci of political and economic power and service provision. As the 13th largest economy nationally, the greater Stellenbosch area and Municipality is a significant seat of power and deliverer of services. Deciding what to do, when, where and to whose benefit it is, however, is a difficult task. The range of services to be provided is wide in scope, and the needs of citizens and enterprises vary significantly. Given the depth of need in many communities and limited resources, tough choices have to be made. To succeed, municipalities have to develop appropriate policy- and decision-making structures and plan carefully for the long and short term (across territorial areas and sectors). They should also ensure synergy between the work of the political and administrative spheres of the Municipality, their own work and that of other spheres of government, civil society and the business sector. Municipalities should communicate well; and monitor processes and procedures in a structured manner. It is also important that excellence in service delivery contributions, external and internal to the organisation, needs to be recognised and built upon.

We cannot service the needs of our citizens without a skilled and customer-focused administration in all the different functional areas and at all levels of the Municipality. Given rapid change in all facets of society, the opportunity must exist for staff to develop their skills, whether in specific functional areas or management. To ensure best use of public resources, regular performance management is essential. Information must be readily available, and contact between citizens and the Municipality should be responsive and as efficient as possible.

The facilities that house the administration also need to be organised in a manner that facilitates integrated and joint work among the staff themselves, and between staff, political leadership and other sectors of the community.

A sound financial basis is central to implementing any strategy. The greater Stellenbosch area is no exception. In order to deliver on the needs of its citizens, the Municipality is required to manage revenue streams in a sustainable manner. It also needs to ensure that funds available are utilised for identified projects and that value for money is achieved. In procuring goods and services, ethical conduct is essential to ensure the integrity of the Municipality. It is most important that the use of municipal resources supports agreed upon objectives; in other words, the municipal budget and on-going expenditure must be strategy-led.

## 1.2.5 CORE PRINCIPLES IN EXECUTING THE STRATEGY

Shared work between political leadership, the administration and community.

The Municipality comprises three core components:

- † Democratically elected political leadership;
- † The administration, comprising officials; and
- † Citizens, as individuals, interest groups and organisations (public, community-based and private).

For sustainable municipal management, it is critical that political leadership and the administration work closely together. Ultimately, democratically elected political leadership is responsible for policy direction. The administration provides advice and implements policy.





International best practice shows that the only way to carry out sustainable urban management is to engage in meaningful partnerships with communities, where communities take full responsibility for the development of their own neighbourhoods. Stellenbosch Municipality is committed to ensure that real social and economic development of our poorest communities is realised through proper community input and ownership. It is not generally realised that communities are legally part of the Municipality. This being the case, however, means that local communities cannot simply play the role of critic or passive bystander. It is vital that local communities play an active part in the planning and implementation of projects and programmes in their neighbourhoods.

A component of community participation focuses on ward-based planning, where the desired outcome is to have a ward-based plan for each of the 22 wards. Ward-based plans are a form of participatory planning designed to promote community action, with clear linkages to the IDP. Such plans mobilise communities and citizens to take responsibility for their own destiny and capture what communities see as their desired outcomes. They also help to speed up the implementation of the IDP. This ensures that the IDP objectives become the collective responsibility of community members, ward councillors, ward committees, the business community, NGOs and CBOs and all other stakeholders in the greater Stellenbosch. This presents an opportunity for visionary local leaders to implement a shared agenda and show tangible and measurable results through collectively addressing the above-mentioned ward priorities.

## 1.2.6 ALIGNMENT WITH INSTITUTIONAL STRUCTURES AND PROCESSES

Conventional strategic planning processes aimed at guiding development and management decisions are time-consuming. Preparing a detailed strategic framework and implementation programme can take months. Unfortunately, these processes do not provide for the “now” – the need to guide decisions today. For municipalities, the “now” has become extremely important. Every month counts. We believe that our challenges have become so significant that if we do not find an integrated and commonly shared response to them fast, we may lose much of what is special about an area and be poorly prepared to meet future challenges successfully. We often find that the fact that a strategy is “under preparation” is used as an excuse for inaction or even poor decision-making. The arm's length approach also appears to neglect local experiential knowledge – what people know through working with services issues on a daily basis. With this in mind we have provided for regular, informal but structured engagements between the MayCo and Director's Forum to discuss strategic matters and how to best respond to these issues.

These planning methods bridge the gap between local experiential knowledge, the technical requirements of strategy preparation, and the need for strategic frameworks to be available to deal with immediate decision-making. This process is aimed at getting an initial position through intense, structured information-sharing and planning workshops on how to direct development and management of the town. Written up as an initial strategy, provision is made for influencing the decisions of today and the nature of further work in a manner that supports the strategy. The strategy becomes the broad strategic framework, elaborated on in further technical work.



## 1.2.7 DEMOGRAPHIC AND SOCIO- ECONOMIC INFORMATION

### 1.2.7.1 Municipal Geographical Information

Stellenbosch Municipality is located at the edge of the City of Cape Town still manages to retain its distinct small-town character. This undoubtedly gives Stellenbosch a strong competitive advantage – sharply contrasting with similarly sized towns located 400 km or more from the nearest metropolis. Aside from being a mere 50 km from Cape Town's central business district (CBD) and being flanked by the N1 and N2 main routes, Stellenbosch is also just 30 km away from the sea (at Somerset West/Strand) and only a few kilometres away from one of the most attractive mountain ranges of the Boland. In addition, Stellenbosch is a mere 28 km from Cape Town International Airport, one of South Africa's top (air) links to the global economy, and not much further away from Cape Town harbour, the shipping portal to both the Atlantic and the Indian Oceans.

This convergence of environmental resources, scenic quality and business opportunities has two other mutually reinforcing spin-offs: The largest number of JSE-listed companies based in any small South African town have their headquarters in Stellenbosch and the town is home to a disproportionately high number of corporate CEO's and executives, which in turn means that it is able to sustain a comparatively high level of economic activity and consumer services for a town of its size. This results in other benefits throughout the value-add chain and for employment. The municipal area covers approximately 900 km<sup>2</sup>. The Municipality's area of jurisdiction includes the towns of Stellenbosch and Franschhoek, as well as a number of rural hamlets such as Wemmershoek, La Motte, De Novo, Kylemore, Pniel, Johannesdal, Languedoc, Groot Drakenstein, Muldersvlei, Klappmuts, Elsenburg, Raithby, Jamestown, Koelenhof and Vlottenburg (most with a population of less than 5 000). Apart from formal settlement areas, the municipal area also includes a number of informal settlements.

Stellenbosch town is the second oldest town in South Africa, dating back to 1679 when an island in the Eerste River was named Stellenbosch by the then Governor of the Cape, Simon van der Stel. The first farming activities in the area were started in 1679. Today, the area has become primarily known for its extraordinary wines and fruits. The towns of Stellenbosch and Franschhoek are renowned for various architectural styles such as Dutch, Georgian and Victorian, which reflect its heritage and traditions, but also divisions of the past.

The area houses excellent educational institutions, including the University of Stellenbosch and a number of prestigious schools. It has a strong business sector, varying from major South African businesses and corporations to smaller enterprises and home industries. The tourism industry alone is responsible for the creation of about 18 000 jobs in the area. Wine farms and cellars abound and the area is the home of the very first Wine Route in South Africa. A variety of sport facilities are available. Coetzenburg, with its athletics and rugby stadiums, has delivered star performances over many generations. The Municipal area has a number of theatres, which include the Stellenbosch University's HB Thom Theatre, Oude Libertas Amphitheatre (renowned for its summer season of music, theatre and dance), Spier Amphitheatre, as well as Klein Libertas Theatre, Dorpstraat Theatre and Aan de Braak Theatre.



### 1.2.7.2 Wards

The Stellenbosch Municipality is currently structured into the following **22** Wards:

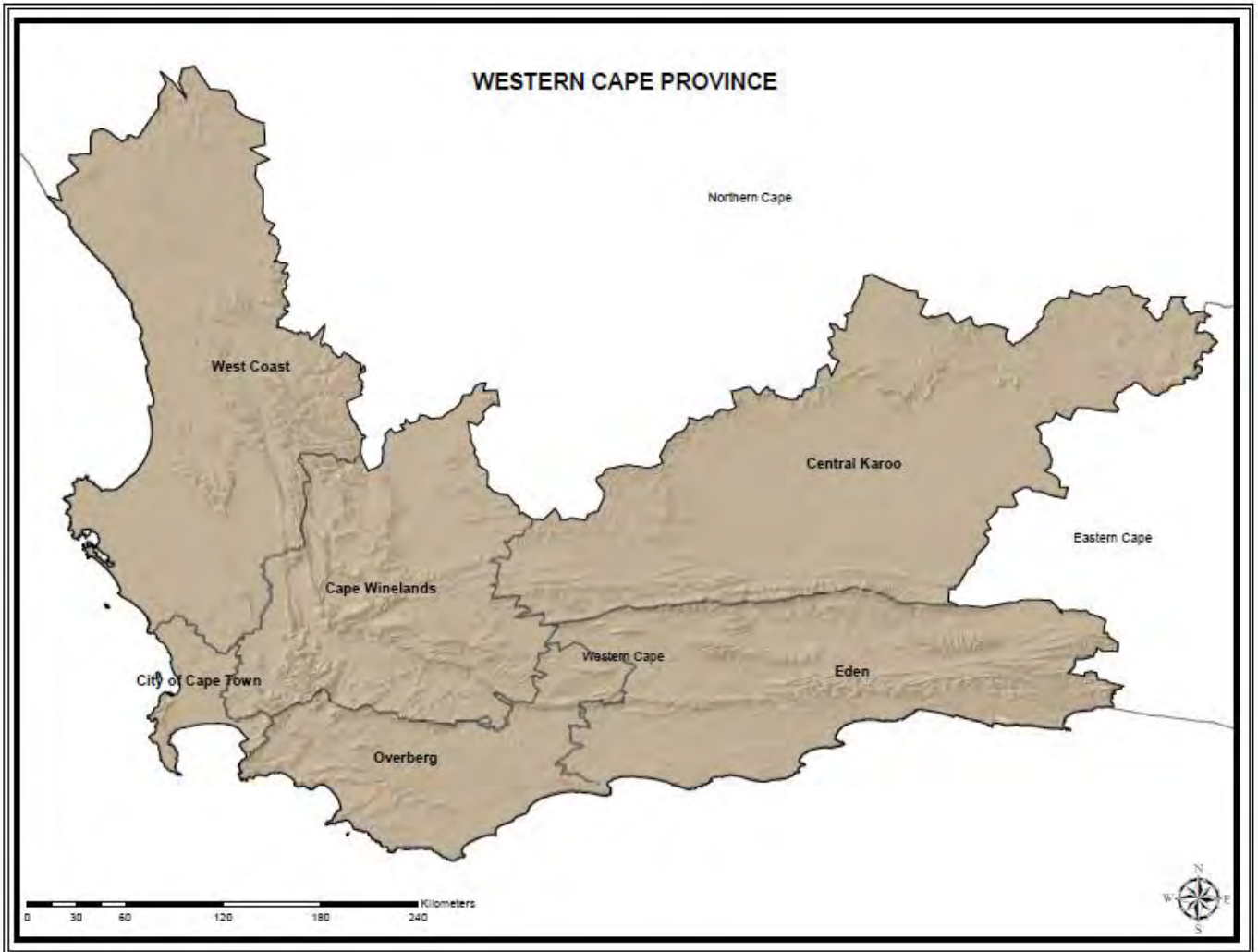
**Table 1:1 Municipal Wards**

WARD	AREAS	Population (2011)
1	Franschhoek Town, Bo-hoek Farms, Mooiwater	12 389
2	Langrug, La Motte, Dennegeur, Groendal	7 519
3	Wemmershoek, Lynquedoc, Meerlust	8 952
4	Pniel, Kylemore, Johannesdal	8 230
5	The Ridge, Lindida, Ida's Valley (The Hydro in the direction of Idas Valley and Omega Street to Jonkershoek)	5 656
6	Idas Valley and farms (Nietvoorbij, Timberlea, Morgenhof, Remhoogte, Muratie, Groenhof, Delheim, Lievland, Kanonkop, Uitkyk, Glenelly, Emerie, Laundry, Packham, L'Avenir)	5 856
7	Mostertsdrift, Kolonieshof, Karindal, Rozendal, Uniepark, Simonswyk, Universiteitsoord, De Weides	3 873
8	Stellenbosch Central and university areas	5 682
9	Boundaries of the Eerste River, Krige, Herte, Skone Uitsig, Bird, Merriman, Bosman, Victoria, Neethling, Van Riebeeck, Drosty and Helderberg Street	822
10	Tenantville, Lappan street to Lackay street, La Colline-Faure, Dr Malan street to Irene Park, Conde Street, Mount Albert, Taylor, Voorplein to Kromriver, Municipal Flats (Lavanda, Aurora, Phyllaria, Molteno Avenue) to Paul Kruger Street and Banghoek Avenue	5 270
11	Dorp Street to Herte Street, Mark Street, Alexander Street, bottom of Bird Street to the Stellenbosch Train Station, all areas in Onder Papegaaiberg and businesses	6 545
12	Kayamandi: Enkanini, Snake Valley, Watergang, Thubelitsha, New Watergang (106), Zone O (next to Enkanini), Chris Hani Drive, Municipal Flats(10TH and 13TH Street), School Crescent, Ekuphumleni, Siyahlala, Zone A and George Blake	8 009
13	Kayamandi: Old Location from Lamla Street to Luyolo Street, Red Bricks and Old Hostels	2 482
14	Kayamandi: Zone I Setona Street), Zone O (lower part) Mgabadeli Crescent, Monde Crescent , Costa Land, Strong Yard, Zone M (8th Avenue)	5 280
15	Kayamandi: Mjandana Street(Zone L), Mputa Close, Zone K, Ndumela Street(Zone J), Distell Hostels, Vineyard, Zone O Middle part(Fire Street), Municipal Workers Flats, Zone N, and M, Old Corrobricks Hostels, Mdala Street(Old Hostels) Eight(8) Close	10 403
16	Long Street to end of Smarty Town, Eike Street, Curry Street, Primrose Street, Pine (Bo en Onder), North End, Vredelust, Gemsbok, Daffodil Single, Steps, Sylvia Street, Eiland Street, Last Street (White City), Frikkadel Dorp, September Street, Smarty Town and Weltevrede	8 626
17	Kloof and Longstreet flats, Welgevonden and Weltevreden	7 728
18	Klapmuts and surrounding farms	8 763
19	Elsenburg, De Novo	10 493
20	Vlottenburg, Raithby, Lynedoch to Meerlust, Eikendal, Mooiberge, Faure	9 628
21	Jamestown, Paradyskloof, De Zalze, Techno Park, Blaauwklippen, surrounding farms	8 651
22	Die Boord, Dalsig, Brandwacht, Krigeville, Libertas Farm	4 873
<b>Total</b>		<b>155 733</b>



Below is a map of the Cape Winelands District in relation to the provincial boundary:

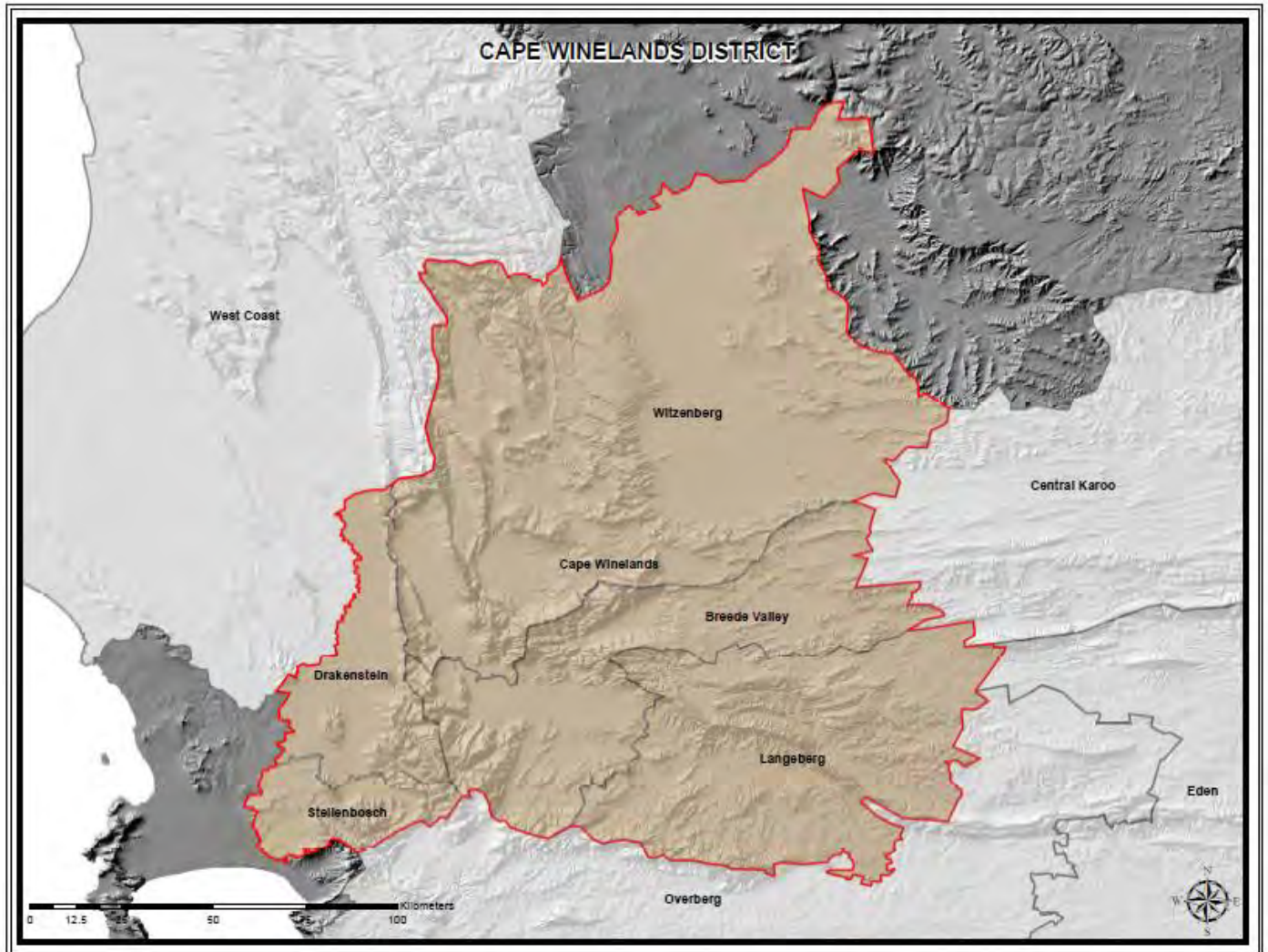
**Figure 1:2: Locality of Cape Winelands District in relation to Provincial Boundaries**





Below is a map of the municipalities in relation to the Cape Winelands District:

Figure 1:3: Locality map of Stellenbosch Municipality in relation to Cape Winelands District Boundaries







Below is a map of the Stellenbosch Municipality's area of jurisdiction:

**Figure 1:4: Locality map of Municipal Boundaries**



### 1.2.7.3 State of the Greater Stellenbosch

Stellenbosch is situated about 50 km from Cape Town and is flanked by the N1 and N2 main routes. The municipal area covers roughly 900 km<sup>2</sup>. According to population growth estimates, of the Community Survey the population figures for Stellenbosch for 2019 indicates a number of 186 274 people and 52 374 households. The Municipality's area of jurisdiction includes the town of Stellenbosch and stretches past Jamestown to Raithby in the South, Bottelary, Koelenhof, and Klapmuts to the North, and over the Helshoogte Pass to Pniel, Kylemore, Groendal and Franschhoek in the East.

Apart from formal settlement areas, the municipal area also includes a number of informal settlements. Stellenbosch town is the second oldest town in South Africa, dating back to 1679 when an island in the Eerste River was named Stellenbosch by the then Governor of the Cape, Simon van der Stel. The first farming activities in the area were started in that year. Today, the area has become primarily known for its extraordinary wines, fruit, world renowned cultural landscapes and exceptional scenic quality. The towns of Stellenbosch and Franschhoek are renowned for various architectural styles such as Dutch, Georgian and Victorian, which reflect their rich heritage and traditions, but also the divisions of the past.

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



A variety of sport facilities are available. Coetzenburg, with its athletics and rugby stadiums, has hosted star performances over many generations while the Danie Craven Stadium is the home of Maties rugby, the largest rugby club in the world. The municipal area has a number of theatres, which include the University's HB Thom Theatre, Spier Amphitheatre, Dorpstraat Theatre, Aan de Braak Theatre, and Oude Libertas Amphitheatre – well-known for its summer season of music, theatre and dance.

The area is known for its quality, award-winning restaurants and is a tourist haven with many boutiques, galleries, and curio shops. There are several museums and art galleries and the area is host to a number of annual cultural, food, wine and sports festivals. A wide array of accommodation is available for visitors to choose from.

Welfare and community organisations play a leading role in assisting to meet the needs of previously neglected communities.

The following municipalities share their borders with Stellenbosch Municipality:


















- The City of Cape Town (South);
- Drakenstein Municipality, Cape Winelands District (North);
- Breede Valley Municipality, (North-east); and
- Theewaterskloof Municipality, (South-west).

Stellenbosch municipal area is now divided into 22 Wards, with recent amendments to some of the ward boundaries by the Municipal Demarcation Board in 2016. The wards consist of urban settlements as well as the surrounding rural areas which contain agricultural and natural environments. The table below describes the urban settlements and rural areas within the different wards and the figure on the next page indicates the ward demarcation for the respective 22 wards within the WCO24 boundary.



## 1.2.7.4 Stellenbosch at a Glance

Table 1:2: Stellenbosch Municipality: Summarised Statistics

Demographics		Population Estimates	
	Population 186 274		Households 52 374
Education		Poverty	
	2018		
	Matric Pass Rate	85.2%	Gini-Coefficient
	Learner-Teacher Ratio	24.9%	0.609
	Gr 12 Drop-out Rate	72.5%	
			Human Development Index
			0.71
Health		2018/2019	
	Primary Health Care Facilities	Immunisation Rate	Maternal Mortality Ratio (per 100 000 live births)
	13	59.2%	62
			Teenage Delivery rate to women U/18
			13.6
Safety and Security		% Change between 2016 and 2017 in # of reported cases/100 000	
	Residential Burglaries	DUI	Drug-related Crimes
	1140	191	2146
			Murder
			57
			Sexual Offences
			182
Access to Basic Service Delivery		% HHs with access to basic services, 2016	
Water	Refuse Removal	Electricity	Sanitation
98.5% 	71.0% 	98.1% 	90.9% 
			Housing
			65.1% 
Road Safety		Labour	
Fatal Crashes	Unemployment		
Road User Fatalities	9.9%		
37 			
Socio-economic Risks			
		Risk 1	Scarcity of landfill space
		Risk 2	Increased community unrests in the run up to the elections 
		Risk 3	Growth in demand for housing exceeds the resources available for development
Finance, insurance, real estate and business services		Wholesale and retail trade, catering and accommodation	
21.5% 	20.3% 		
			Manufacturing
			168.8% 

Source: DLG 2019 Socio- Economic Profile- Stellenbosch Municipality





### 1.2.7.5 Socio-Economic Context

With a population of 186 274 in 2019, Stellenbosch is the third most populated municipal area in the Cape Winelands District (CWD). The area is expected to grow to 200 157 by 2023, equating to an average annual growth rate of 1.8 per cent, and set to become the second most populated area in the District after Drakenstein from 2020 onwards.

The estimated population growth rate of Stellenbosch is slightly higher than that of the CWD at 1.6 per cent and on par with the Western Cape average annual growth rate of 1.8 per cent over the same period.

**Table 1:3: Age Cohorts and Dependency Ratio**

Year	Children: 0 – 14 Years	Working Age: 15 – 65 Years	Aged: 65 +	Dependency Ratio
2019	45,105	131,887	9,282	41.2
2022	47,544	140,077	10,647	41.5
2025	49,749	145,910	11,806	42.2
Growth	1.6%	1.7%	4.1%	-

Source: Western Cape, Socio-Economic Profile 2019

The above table depicts Stellenbosch's population composition per age cohorts. These groupings are also expressed as a dependency ratio which in turn indicates who are part of the workforce (ages 15-64) and those, who are depending on them (children and senior citizens). A higher dependency ratio implies greater pressure on social systems and the delivery of basic services.

Between 2019 and 2025, the largest population growth was recorded in the 65+ aged cohort which grew at an annual average rate of 4.1 per cent. This predicted growth rate increases the dependency ratio towards 2025.

### 1.2.7.6 Access to Services and Housing

Since no new household survey information is available (compared to SEPLG 2017), this section highlights housing and household services access levels from the most recent available information from Statistics South Africa's Community Survey 2016. The next household survey which includes municipal level access to household services will be the Census in 2021.

The table below indicates access to housing and services in the Stellenbosch municipal area. With a total of 52 374 households, only 65.1% have access to formal housing.

**Table 1:4: Access to Services**

Community Survey 2016	Stellenbosch Municipality	Cape Winelands District
Total number of households	52 374	236 006
Formal main dwelling	34 071	191 077
	65,1%	81,0%
Water (piped inside dwelling/ within 200m)	51 581	232 605
	98,5%	98,6%
Electricity (primary source of lighting)	51 386	228 650
	98,1%	96,9%
Sanitation (flush/chemical toilet)	47 594	218 483



Community Survey 2016	Stellenbosch Municipality	Cape Winelands District
	90,9%	92,6%
Refuse removal (at least weekly)	37 207	192 974
	71,0%	81,8%

Source: Western Cape, Socio-Economic Profile 2018

Access to water, electricity and sanitation services were however significantly higher as at 98.5%, 98.1% and 90.9% respectively while household access to refuse removal services was at 71.0%. With the exception of refuse removal service, these figures are on par or above that of the Cape Winelands District.

### 1.2.7.7 Education

Education and training improves access to employment opportunities and helps to sustain and accelerate overall development. Quality Education is the 4th Sustainable Development Goal, whilst the National Development Plan (NDP) emphasises the link between education and employment as well as the significant contribution it makes to the development of the capabilities and wellbeing of the population.

Early childhood development (ECD) is one of the priority areas of the South African government and remains a critical policy issue that the Department of Education aims to address. Early years in life are critical for acquisition of perception motor skills required for reading, writing and numeracy in later years.

**Early childhood development (ECD)** is one of the priority areas of the South African government and remains a critical policy issue that the Department of Education aims to address. Early years in life are critical for acquisition of perception motor skills required for reading, writing and numeracy in later years.

**Table 1:5: Early Childhood Development – attendance levels**

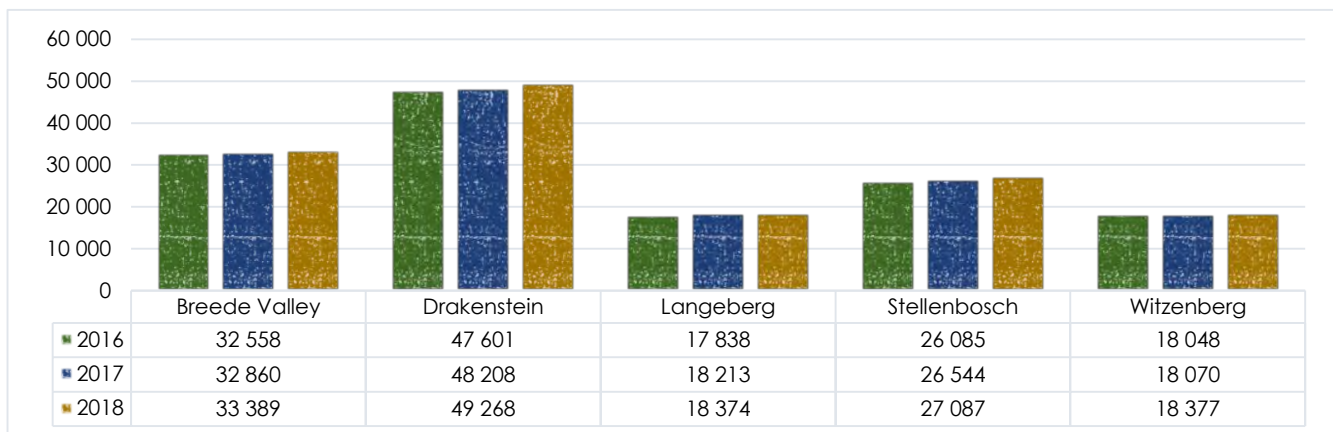
Early Childhood Development (ECD)		
Ages	Stellenbosch Municipality	
1	Attending	26.4%
	Not Attending	73.6%
2	Attending	61.9%
	Not Attending	38.1%
3	Attending	72.9%
	Not Attending	27.1%
4	Attending	71.9%
	Not Attending	28.1%
5	Attending	50.6%
	Not Attending	49.4%

Attendance of children between 1 and 2 years old at educational facilities fluctuates and is largely attributed to working parents in need of child care. Attendance between 3 and 5 years old shows a promising increase of attendance at early childhood facilities, with attendance of 73% for age group 3 and 72% for age group 4. The results for age group 5 is 51% and comparable to other local municipalities. A number of children within this age group still remain home with a parent or guardian.

Annual learner enrolment to schools remains steady between 2015 and 2017.



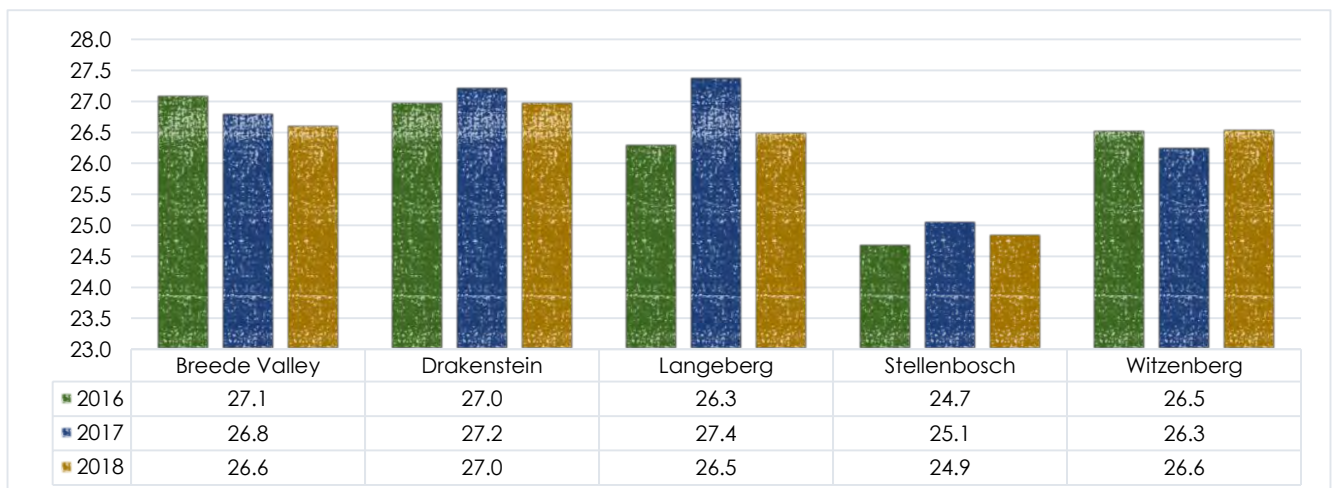
Figure 1:5: Learner enrolment



Source: Western Cape, Socio-Economic Profile 2019

It is commonly assumed that children receive less personalised attention in larger class environments and that high learner-teacher ratios are detrimental to improved educational outcomes. Factors influencing the learner-teacher ratio is the ability of schools to employ more educators when needed and the ability to collect fees.

Figure 1:6: Learner-Teacher Ratio



Source: Western Cape, Socio-Economic Profile 2019

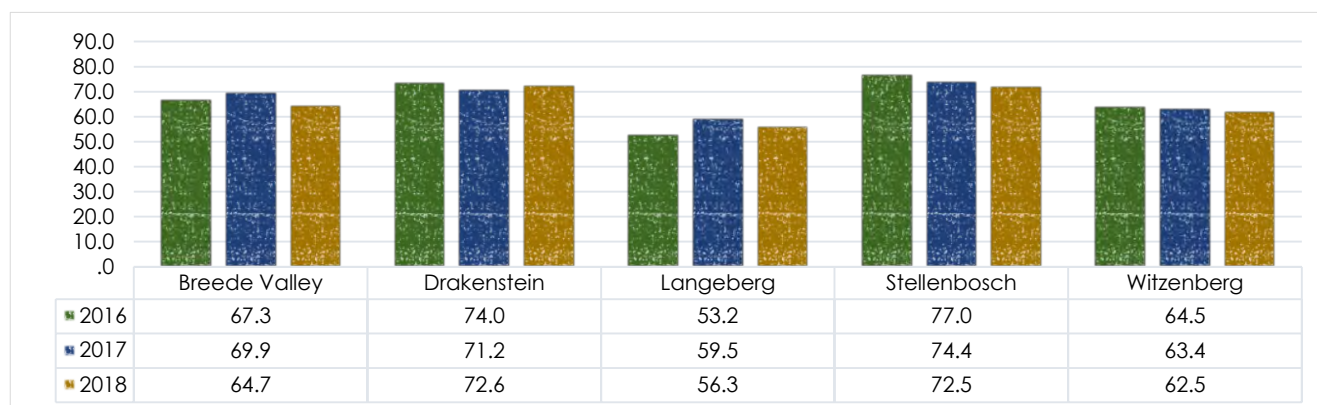
Stellenbosch has the lowest learner-teacher ratio in the District, which bodes well for educational outcomes.

### 1.2.7.8 Learner retention

The learner retention rate refers to the number of students that start Grade 12 as a percentage of the number of students that enrolled in Grade 10 two year prior. The inverse of the learner-retention rate is commonly referred to as the drop-out rate. Learner-retention rates are influenced by multiple social, economic and psychological factors.



Figure 1:7: Learner retention



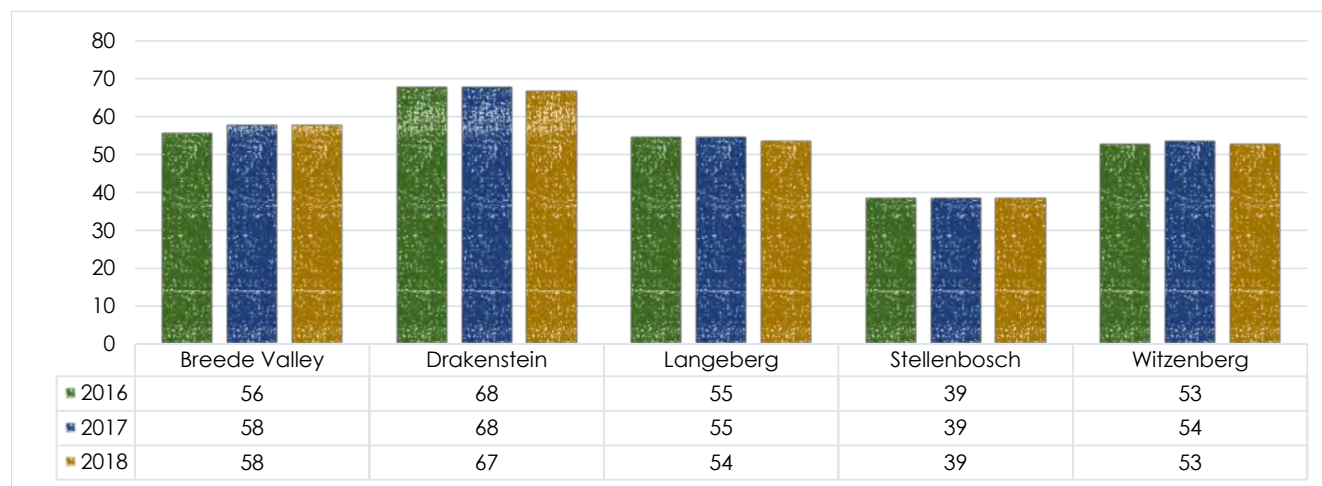
Source: Western Cape, Socio-Economic Profile 2019

The learner retention rate for Stellenbosch has been regressing, from 77.0 per cent in 2016 to 74.4 per cent in 2017 and 72.5 per cent in 2018. Despite the regression, it remains above the retention rate for the Western Cape which was 66.8 per cent in 2018.

### 1.2.7.9 Educational facilities

The increased availability of adequate education facilities such as schools, Further Education and Training (FET) colleges and schools equipped with libraries/media centres could positively affect academic outcomes.

Figure 1:8: Educational facilities



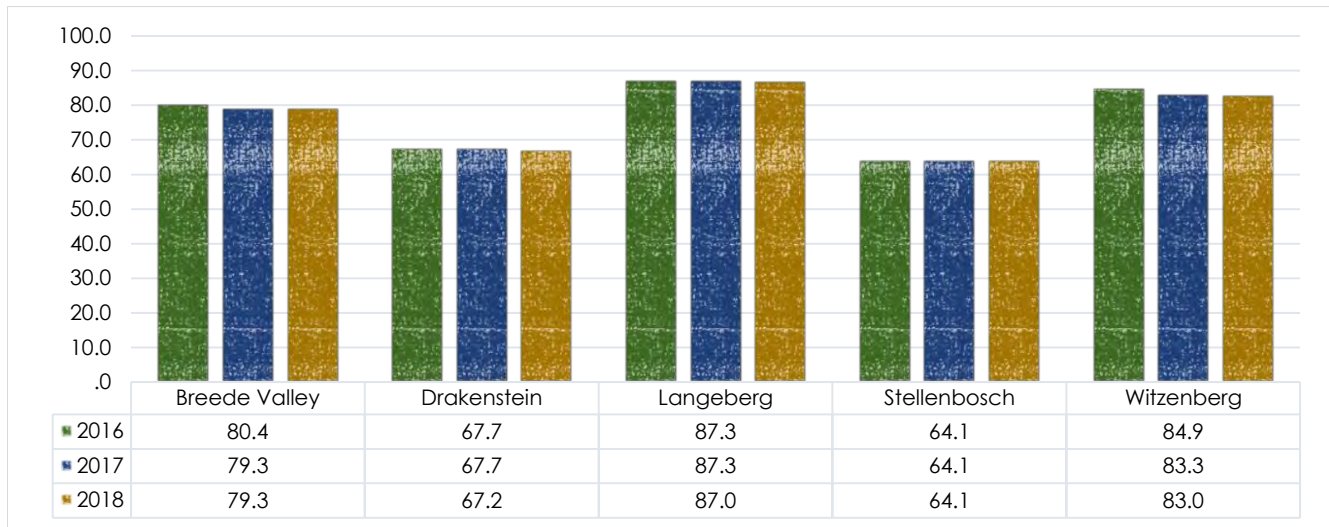
Source: Western Cape, Socio-Economic Profile 2019

The number of schools in the Stellenbosch Municipal area and across the CWD remain mostly unchanged in recent years, the exception being the closure of one school in the Witzenberg and Drakenstein municipal areas between 2017 and 2018. The closure of these schools could have a negative impact on education outcomes given the gradual increase in learner enrolment.



### 1.2.7.10 No-fee schools

Figure 1:9: No – fee schools

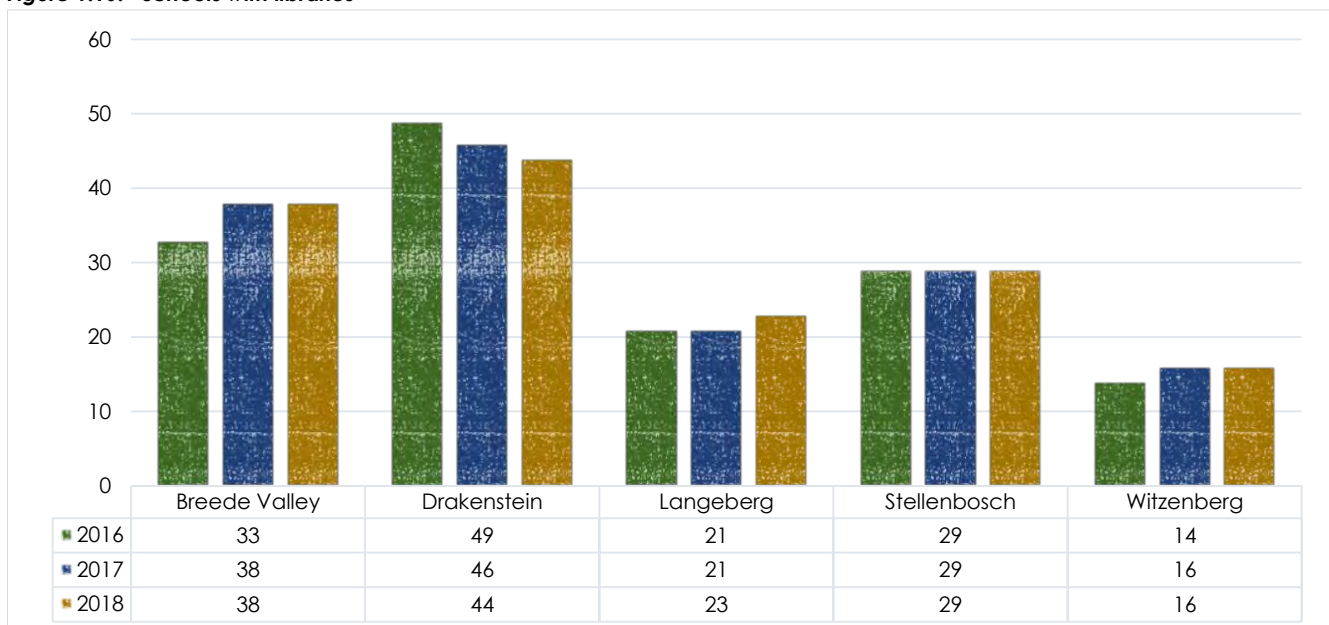


Source: Western Cape, Socio-Economic Profile 2019

The proportion of no-fee schools in the Stellenbosch municipal area remained the same at 64.1 per cent from 2016 to 2018. The proportion of no-fee schools decreased in Breede Valley, Drakenstein, Langeberg and Witzenberg. A decrease in the number of no fee schools could have a negative impact on education outcomes.

### 1.2.7.11 Schools with libraries

Figure 1:10: Schools with libraries



Source: Western Cape, Socio-Economic Profile 2019

There was no change in the number of schools with libraries in the Stellenbosch area from 2016 to 2018. The availability of library facilities within schools contribute towards narrowing the academic attainment gap by allowing students access to information which in turn directly links to improved education outcomes.

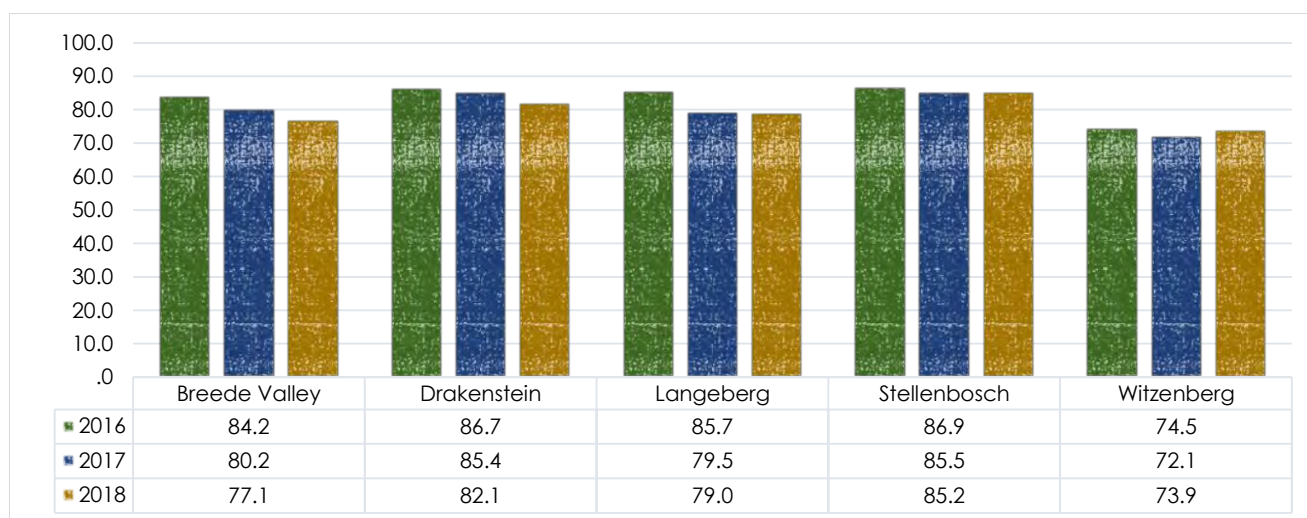




### 1.2.7.12 Education outcomes

Education remains one of the key avenues through which the state is involved in the economy. In preparing individuals for future participation in the broader market, policy decisions and choices in the education sector play a critical role in determining the extent to which future economic growth and poverty reduction plans can be realised. This section reflects on the matric pass rates amongst the various local municipal areas in the CWD.

**Figure 1:11: Education Outcomes**



Source: Western Cape, Socio-Economic Profile 2019

The matric pass rates for the CWD declined overall in 2018, with all areas except for Witzenberg experiencing an increase in their matric pass rates. The 2018 pass rate in the Stellenbosch municipal area (85.2 per cent) is the highest in the District and above the District average (79.5 per cent).

### 1.2.7.13 Health

Decreasing pass rates should be seen within context where more students potentially pass matric within a certain region than the previous year (in terms of actual numbers), but that less passed as a percentage of the overall enrolment figure. It could also very well be the case where pass rates overall declined, but that the quality of the pass result improved i.e. more students passed with subjects such as maths and science or more students passed with matriculation exemption (requirement for first-degree study at a South African university).

Health is another major factor contributing to the general quality of life in the Western Cape. It is therefore important to monitor the public health facilities as well as a variety of factors such as Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Syndrome (AIDS) or Tuberculosis (TB) and general topics that affect the community, like maternal health. This Socio-economic Profile provides the basic statistics concerning these issues. Since this profile focusses on public health facilities, data on private facilities are not included.

**Table 1:6: Health care facilities**

Area	PHC Clinics		Community Health Centres	Community Day Centres	Hospitals		Treatment Sites	
	Fixed	Non-fixed			District	Regional	ART Clinics	TB Clinics
Stellenbosch	7	6	0	1	1	0	8	15
Cape Winelands District	39	33	0	6	4	2	49	100

Source: Western Cape, Socio-Economic Profile 2019

In 2018, there were a total of 13 primary healthcare clinics (PHC) in Stellenbosch – 7 fixed and 6 mobile facilities. Although there are no community health centres in Stellenbosch, there is one community day centre. There is also 1 district hospital as well as 8 antiretroviral treatment clinics/sites and 15 Tuberculosis clinics/ sites.

Access to emergency medical services is critical for rural citizens due to distances between towns and health facilities being much greater than in urban areas. Combined with the relatively lower population per square kilometre in rural areas, ambulance coverage is greater in rural areas to maintain adequate coverage for rural communities.

In 2018, Stellenbosch had 1 ambulance for every 10 000 inhabitants. It is worth noting that this number only refers to Provincial ambulances and excludes all private service providers.

HIV/AIDS management is crucial given its implications for the labour force and the demand for healthcare services.

**Table 1:7: HIV/AIDS Management**

Area	ART clients that remain with treatment month end		Number of new ART patients	
	2017/18	2018/19	2017/18	2018/19
Stellenbosch	5 702	6 064	801	637
Cape Winelands District	29 019	30 724	4 602	3 851

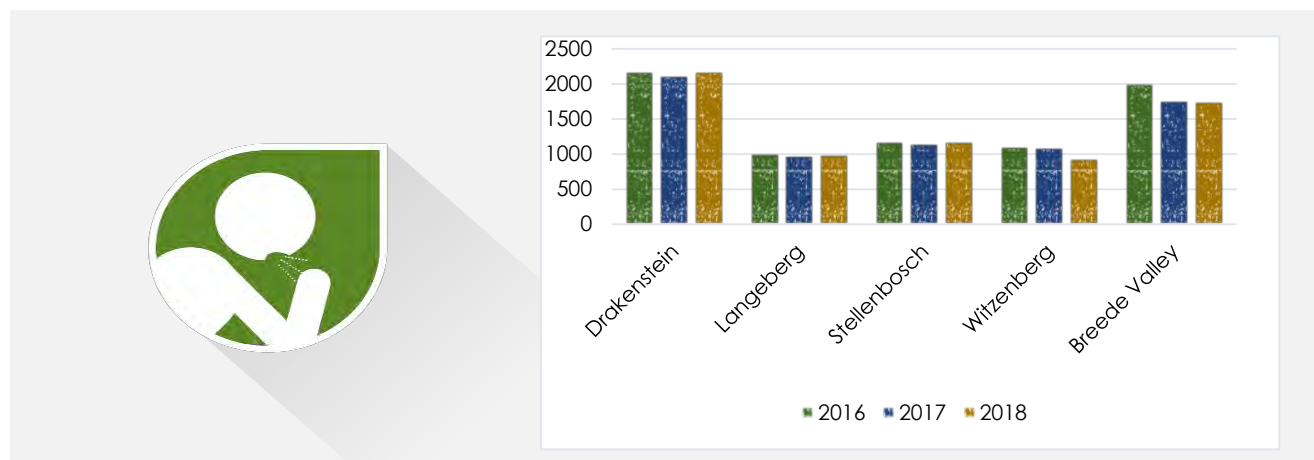
Source: Western Cape, Socio-Economic Profile 2019

The number of clients (patients) that remain committed to their antiretroviral treatment (ART) plan in the Stellenbosch municipal area increased by 6.3 per cent from 5 702 patients in 2017/18 to 6 064 in 2018/19. There is a notable decrease in the number of new clients starting ART treatment – the number of new patients in the Stellenbosch municipal area decreased by 20.5 per cent from 801 in 2017/18 to 637 in 2018/19. This could be an indication that the HIV infections are decreasing or an indication that less people are being tested and access HIV treatment.



### 1.2.7.14 Tuberculosis (TB)

Figure 1:12: Tuberculosis



Source: Western Cape, Socio-Economic Profile 2019

Tuberculosis accounted for 7.6 per cent of the premature deaths in the Province in 2016. The number of TB patients within the Stellenbosch municipal area has gradually decreased from 1 173 in 2016/17 to 1 151 in 2017/18 before increasing to 1 175 in 2018/19. The 1 175 registered TB patients received treatment at 15 TB clinics/treatment sites. Above figures refer to registered patients and should not be interpreted as a general decline in TB infections.

### 1.2.7.15 Child health

Table 1:8: Child Health

Area	Immunisation Rate		Malnutrition		Neonatal Mortality Rate		Low birth weight	
	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19
Stellenbosch	52.3	59.2	2.6	1.8	5.6	6.6	9.6	9.2
Cape Winelands District	58.9	61.8	4.7	4.4	9.5	9.3	16.0	15.8

Source: Western Cape, Socio-Economic Profile 2019

The **immunisation coverage rate** for children under the age of one in the Stellenbosch municipal area increased from 52.3 per cent in 2017/18 to 59.2 per cent in 2018/19. This is the second lowest immunisation rate within the CWD.

In 2018/19, there were 1.8 **malnourished children** under five years of age (severe acute malnutrition) per 100 000 people in the Stellenbosch municipal area. This is an improvement from 2.7 the previous year. In 2018/19, the Cape Winelands District was the worst performing district for malnourished children.

The **neonatal mortality rate** (NMR) (deaths per 1 000 live births before 28 days of life) for the Stellenbosch municipal area declined from 5.6 deaths in 2017/18 to 6.6 in 2018/19. A fall in the NMR may indicate improvement in new-born health outcomes, or it may potentially reflect reporting constraints.

A total of 9.2 per cent of all babies born in facility in the Stellenbosch municipal area in 2018/19 **weighed less than 2 500 grams**. This is an improvement from the 9.6 per cent recorded in 2017/18 and below the District average of 15.8.





### 1.2.7.16 Safety and Security

South African society is becoming more and more violent. This was confirmed by the 2017/18 crime statistics released by the South African Police Service (SAPS) and Stats SA.

**Table 1:9: Safety and Security Statistics**

Safety and Security		2017		2018		2019	
		Cape Winelands District	Stellenbosch	Cape Winelands District	Stellenbosch	Cape Winelands District	Stellenbosch
Murder	Actual number	345	56	353	58	336	57
	Per 100 000	38	31	38	31	31	37
Sexual Offences	Actual number	954	188	970	201	835	182
	Per 100 000	106	103	105	108	92	99
Drug-Related Offences	Actual number	13 882	2 272	16 008	2 724	10 751	2 146
	Per 100 000	1 249	1 538	1 459	1 727	1 186	1 166
Driving under the Influence	Actual number	814	131	875	189	818	191
	Per 100 000	90	72	94	101	90	104
Residential Burglaries	Actual number	6 278	1 579	5 820	1 525	5 454	1 140
	Per 100 000	696	868	628	817	602	620
Road User Fatalities	Actual number	307	47	243	34	237	37

Source: Western Cape, Socio-Economic Profile 2019

According to the official 2018/19 crime statistics, the Western Cape murder rate increased by 4.4 per cent between 2017 and 2018. In comparison, the rate decreased within the Stellenbosch municipal area and most of the broader CWD over the same period, with the exception of Drakenstein. The number of murders in the Stellenbosch municipal area decreased by 1.7 per cent even though the number per 100 000 people remains at 31 whilst in turn decreasing by 2.6 per cent from 38 in 2017 to 37 in 2018 in the District.

The actual number of reported sexual offences in Stellenbosch has decreased from 2017 to 2018. The number of reported occurrences per 100 000 people decreased from 108 in 2017/18 to 99 in 2018/19 (8.3 per cent decrease). The sexual offences rate for Stellenbosch for 2018/19 was higher than that of the District which also decreased from 105 in 2017/18 to 92 in 2018/19 (12.4 per cent decrease).

Although there was an improvement between 2017/18 and 2018/19, the Western Cape still has the highest drug-related crime rate in the country at 1 203 reported incidents per 100 000 people in 2018/19. The drug-related crime rate for Stellenbosch decreased from 1 459 reported incidents per 100 000 people in 2017/18 to 1 166 in 2018/19, a 20.1 per cent drop. The incidences of drug-related crime rate decreased amongst all local municipal areas across the District between 2017/18 and 2018/19 with the District average decreasing from 1 727 to 1 186 respectively, a 31.3 per cent decrease.



The number of reported cases of driving under the influence (DUI) of alcohol or drugs per 100 000 people in the Stellenbosch municipal area increased by 3.0 per cent from 101 incidences in 2017/18 to 104 in 2018/19. The DUI rate across the CWD decreased from 94 incidences per 100 000 people in 2017/18 to 90 in 2018/19 (4.3 per cent). Overall, the DUI rate for the Western Cape on average has declined.

The 2018/19 crime statistics indicate that residential burglaries per 100 000 people in the Western Cape decreased from 644 in 2017/18 to 583 in 2018/19 (9.5 per cent decrease). Overall the incidence of residential burglaries in the CWD and Stellenbosch also decreased by 4.1 per cent and 24.1 per cent respectively.

According to a recent study, most road fatalities in Africa fall within the working age cohort - between the ages of 15 – 64 years – whilst three out of four fatalities were found to be male (Peden et al., 2013). The untimely death of these primary breadwinners therefore impacts directly upon not only the livelihood of family structures, but deprive society of active economic participants that contribute towards growth and development. The socio-economic impact of such road fatalities has proven to be particularly devastating in South Africa where most road users hail from poor and vulnerable communities.

### 1.2.7.17 Economic Outlook

The number of road user fatalities in the Stellenbosch municipal area increased from 29 in 2017 to 37 in 2018. (27.6 per cent increase). In comparison, the number of fatalities across the broader CWD region increased by 10.2 per cent from 215 in 2017 to 237 in 2018. Contributing factors to road fatalities include driver fatigue and distractions, excessive speeding and reckless driving as well as road obstacles such as pedestrians and animal.

In 2017, the total GDP for Stellenbosch amounted to R15.639 billion with economic activity mostly focussed within the tertiary sector (R10.953 billion; 70.0 per cent). The overall economy grew by 1.9 per cent between 2008 and 2017. From 2014 – 2018 (estimated) economic growth in the municipal area slowed to 1.4 per cent compared to the District's growth of 1.0 per cent over the same period. Stellenbosch's GDP economy is expected to grow at 0.8 per cent 2018.

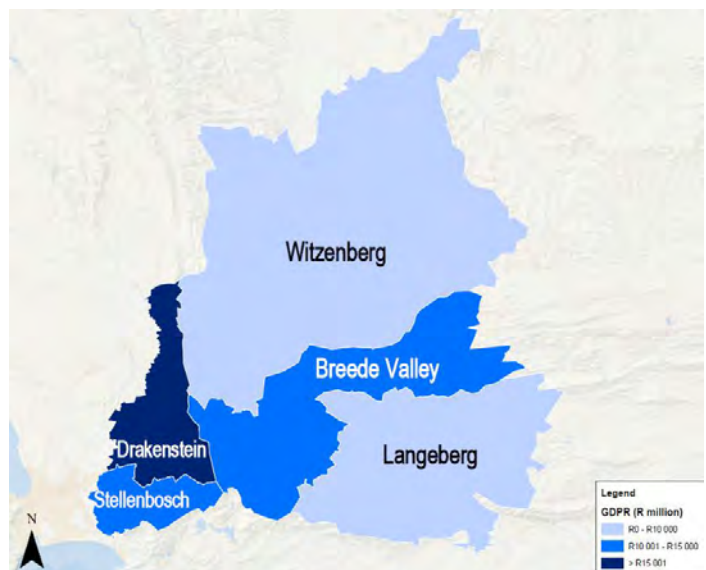




Table 1:10: Stellenbosch: GDP performance per sector, 2008 - 2018

Stellenbosch: GDP performance per sector, 2008 - 2018									
Sector	Contribution to GDP (%) 2017	R million value 2017	Trend		Real GDP growth (%)				
			2008 - 2017	2014 – 2018e	2014	2015	2016	2017	2018e
<b>Primary sector</b>	<b>6.4</b>	<b>1 003.6</b>	<b>2.1</b>	<b>-0.3</b>	<b>6.7</b>	<b>-3.3</b>	<b>-9.6</b>	<b>9.0</b>	<b>-4.3</b>
Agriculture, forestry & fishing	6.2	974.0	2.1	-0.3	6.7	-3.4	-9.8	9.2	-4.4
Mining & quarrying	0.2	29.6	1.4	1.6	7.2	0.3	0.6	2.2	-2.5
<b>Secondary sector</b>	<b>23.5</b>	<b>3 682.4</b>	<b>-0.6</b>	<b>-0.2</b>	<b>0.3</b>	<b>0.0</b>	<b>-0.4</b>	<b>-0.9</b>	<b>-0.2</b>
Manufacturing	16.8	2 627.0	-1.5	-0.8	-0.7	-0.8	-1.0	-1.3	-0.2
Electricity, gas & water	1.4	221.4	0.1	-0.3	0.1	-1.3	-2.5	1.1	1.4
Construction	5.3	834.0	4.0	2.2	4.9	3.5	2.7	0.5	-0.6
<b>Tertiary sector</b>	<b>70.0</b>	<b>10 952.5</b>	<b>2.9</b>	<b>2.1</b>	<b>3.0</b>	<b>2.4</b>	<b>2.0</b>	<b>1.5</b>	<b>1.6</b>
Wholesale & retail trade, catering & accommodation	20.3	3 179.2	3.3	2.3	3.1	3.6	3.1	0.7	1.1
Transport, storage & communication	10.8	1 693.0	4.7	3.8	5.9	3.2	3.3	3.4	3.3
Finance, insurance, real estate & business services	21.5	3 359.4	2.9	2.4	2.7	2.9	1.8	2.4	2.1
General government	10.7	1 669.7	1.9	0.1	2.4	-0.5	-0.6	-0.9	0.2
Community, social & personal services	6.7	1 051.3	1.2	0.9	1.2	0.6	1.2	1.0	0.3
<b>Total Stellenbosch</b>	<b>100</b>	<b>15 638.5</b>	<b>1.9</b>	<b>1.4</b>	<b>3.0</b>	<b>1.4</b>	<b>0.6</b>	<b>1.4</b>	<b>0.8</b>

Source: Quantec Research, 2017 (e denotes estimate)

The **primary sector** is almost exclusively supported by the agriculture, forestry and fishing sector which contributed 6.2 per cent (R974.0 million) to total GDP in 2017. The agriculture, forestry and fishing sector grew at an average rate of 2.1 per cent between 2008 and 2017, slower when compared to the other sectors. The sector contracted by 0.3 per cent from 2014 to 2018 dropping off mainly due to the impact of the drought.

Challenges were encountered in the **secondary sector**, specifically in the manufacturing and electricity, gas and water sectors. The secondary sector contributed 23.5 per cent (R3.682 billion) to total GDP in 2017 and contracted by 0.6 per cent between 2008 and 2017. Strong growth within the construction sector (4.0 per cent) was offset by weakened performance in the manufacturing (-1.5 per cent) and electricity, gas and water (0.1 per cent) sectors. From 2014 to 2018 growth in the construction sector slowed to 2.2 per cent while the manufacturing sector shrunk by -0.8 per cent.

The finance, insurance, real estate & business services sector is the most dominant sector in the tertiary sector and the largest contributor to GDP in 2017 (R3.359 billion; 21.5 per cent), followed closely by the wholesale and retail trade, catering and accommodation sector (R3.179 billion; 20.3 per cent). From 2008 to 2017, the fastest growing sector was the transport, storage and communication sector, growing



at 4.7 per cent on average per annum. It is also expected to be the fastest growing sector in 2018, with a growth rate of 3.3 per cent.

### 1.2.7.18 Labour

Stellenbosch contributed 76 585 jobs to formal employment in the CWD in 2017.

**Table 1:11: Stellenbosch employment growth per sector 2006 – 2017**

Stellenbosch employment growth per sector 2006 – 2017									
Sector	Contribution to employment (%) 2017	Number of jobs 2017	Trend		Employment (net change)				
			2008 - 2017	2014 – 2018e	2014	2015	2016	2017	2017e
<b>Primary Sector</b>	14.0	10 726	-4 528	425	-581	2 245	-517	-463	-259
Agriculture, forestry and fishing	14.0	10 692	-4,526	424	-583	2 243	-518	-463	-255
Mining and quarrying	0.0	34	-2	1	2	2	1	0	-4
<b>Secondary Sector</b>	15.6	11 921	404	666	176	163	135	135	57
Manufacturing	10.2	7 847	-546	-28	-37	89	-89	68	-59
Electricity, gas and water	0.2	157	45	17	6	6	8	0	-3
Construction	5.1	3 917	905	677	207	68	216	67	119
<b>Tertiary Sector</b>	70.4	53 938	13 735	6 726	1 553	1 855	320	1 833	1 165
Wholesale and retail trade, catering and accommodation	25.4	19 444	5 631	3 125	451	951	253	1,073	397
Transport, storage and communication	4.3	3 255	1 504	455	118	250	-151	168	70
Finance, insurance, real estate and business services	16.7	12 794	3 541	2 214	387	550	238	395	644
General government	9.7	7 439	1 152	148	365	-156	122	-261	78
Community, social and personal services	14.4	11 006	1 907	784	232	260	-142	458	-24
<b>Total Stellenbosch</b>	<b>100%</b>	<b>76 585</b>	<b>9 611</b>	<b>7 817</b>	<b>1 148</b>	<b>4 263</b>	<b>-62</b>	<b>1 505</b>	<b>963</b>

Source: Quantec Research, 2017 (e denotes estimate)

In 2017, employment in Stellenbosch was mostly concentrated within wholesale and retail trade catering and accommodation (25.4 per cent; 19 444), the finance, insurance, real estate & business services sector (16.7 per cent; 12 794) and the Community, social and personal services (14.4 per cent, 11 006) sectors. Collectively, these three sectors in contributed 56.5 per cent to total employment in the municipal area.

Between 2008 and 2017, a net total of 9 611 jobs were created in Stellenbosch – notable job creation in the wholesale and retail trade catering and accommodation (5 631) and the finance, insurance, real estate & business services (3 541) sectors were offset by job losses in the agriculture, forestry and fishing (-4 526) and manufacturing (-546) sectors. Job losses in the agriculture, forestry and fishing sector can mostly be attributed to the impact of the drought, although other factors such as mechanisation also contributed to job losses.

**Table 1:12: Stellenbosch: Trends in labour force skills, 2014 – 2018**

Stellenbosch: Trends in labour force skills, 2014 - 2018				
Formal employment by skill	Skill level contribution (%)	Average growth (%)	Number of jobs	
	2017	2014 – 2018e	2017	2018e
Skilled	23.9	2.6	13 199	13 545
Semi-skilled	43.1	3.5	23 824	24 606
Low skilled	33.0	2.5	18 273	18 368
<b>Total Stellenbosch</b>	<b>100%</b>	<b>3.0</b>	<b>55 296</b>	<b>56 519</b>

Source: Quantec Research, 2017 (e denotes estimate)

In 2017, Stellenbosch's labour force mostly consisted of semi-skilled (43.1 per cent) and low-skilled (33.0 per cent) workers. The semi-skilled category (3.5 per cent) grew faster than the skilled (2.6 per cent) and the low-skilled (2.5 per cent) categories. The demand for more skilled labour is on the rise which implies the need to capacitate and empower low-skilled workers.

**Table 1:13: Narrow definition unemployment rate for the Western Cape**

Narrow Definition Unemployment Rates for the Western Cape (%)											
Area	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Stellenbosch</b>	6.8	8.0	9.2	9.4	9.3	9.0	9.3	8.6	9.5	10.0	9.9
<b>Cape Winelands District</b>	6.9	8.1	9.4	9.6	9.4	8.9	9.3	8.3	9.1	9.6	9.5
<b>Western Cape</b>	12.7	14.0	15.4	15.5	15.6	15.5	15.9	15.9	17.1	17.8	17.7

Source: Quantec Research, 2017 (e denotes estimate)

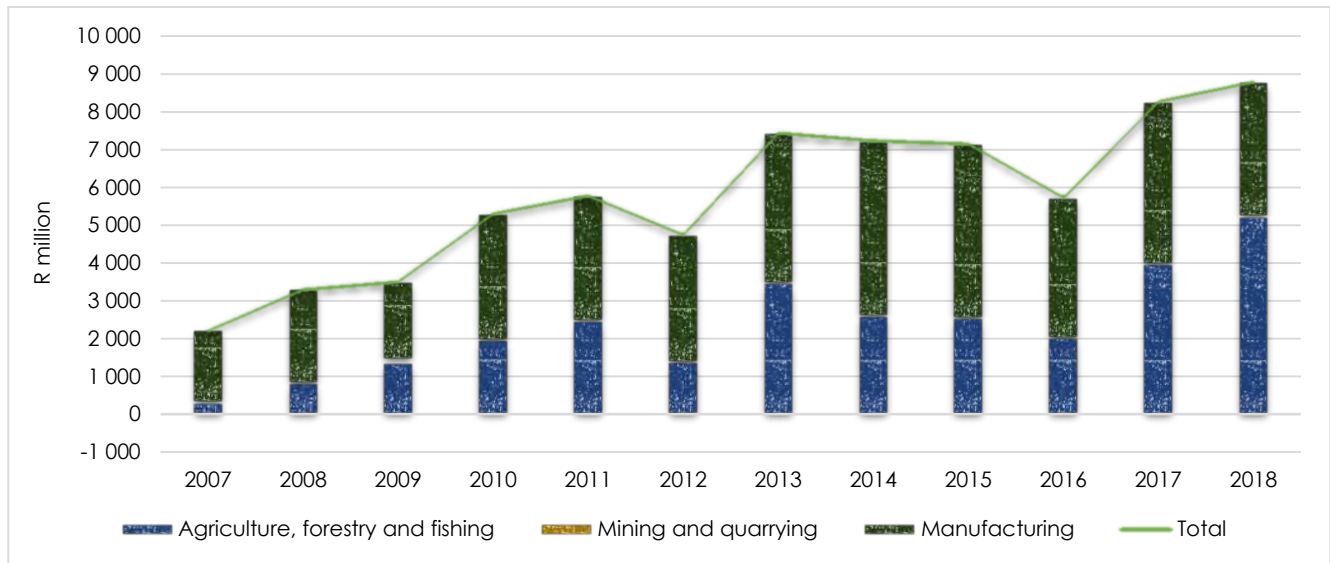
In 2018, unemployment in Stellenbosch stood at 9.9 per cent, higher than the CWD at 9.5 per cent, but still significantly lower than the Provincial average of 17.7 per cent. This estimate is based on the narrow definition of unemployment i.e. the percentage of people that are able to work, but unable to find employment.

### 1.2.7.19 International trade dynamics

The economy of the Stellenbosch municipal area has achieved trade surpluses in each year between 2007 and 2018. In 2018, the local economy exported goods to the value of R12.5 billion, while imports into the local economy were valued at R3.7 billion. The balance of trade in the Stellenbosch municipal area between 2007 and 2018 is depicted below.



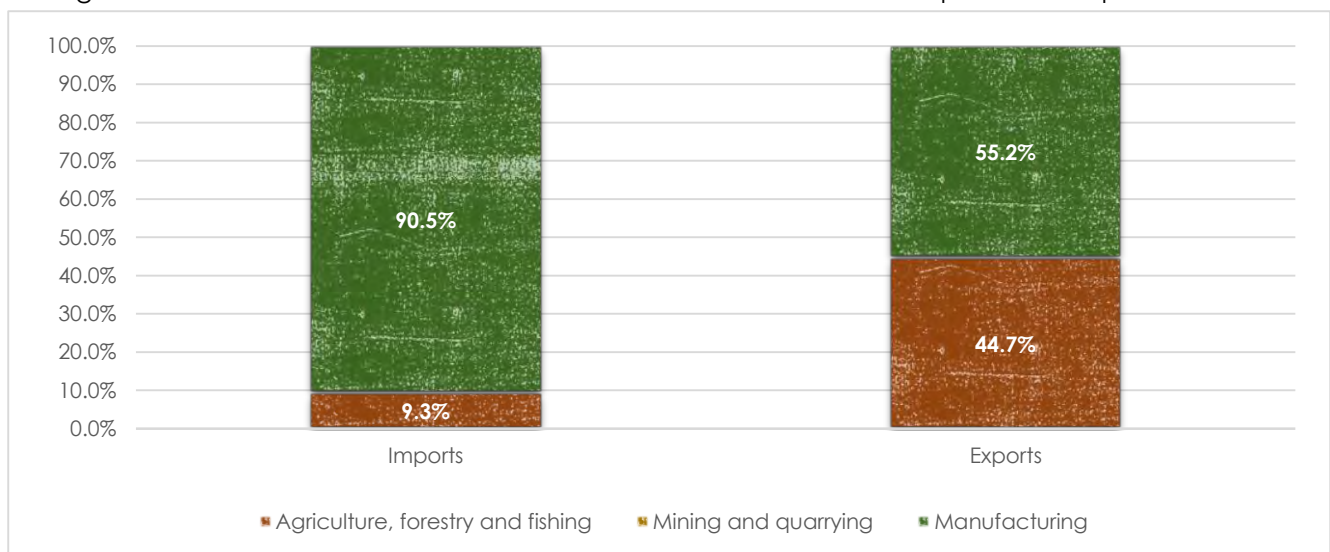
Figure 1:13: International trade dynamics



Source: Quantec Research, 2017 (e denotes estimate)

In 2018, Stellenbosch's trade balance was a surplus of R8.7 billion. This is the highest surplus that has been achieved throughout the period analysed. While most of the surplus was derived from exports from the manufacturing sector between 2007 and 2017, produce from the agriculture, forestry and fishing sector accounted for the greatest proportion of the trade surplus in 2018.

The figure below illustrates the distribution between sectors in terms of imports and exports.



Source: Quantec Research, 2017 (e denotes estimate)

Imports of products into the municipal area were mainly manufacturing products (90.5 per cent) in 2018, followed by agricultural products (9.3 per cent). The manufacturing sector accounted for the greatest proportion of the value of exports (55.2 per cent), followed by goods from the agriculture, forestry and fishing sector.

The Drakenstein and Stellenbosch municipal areas have the most SMMEs registered on their databases. These two municipalities have the largest economies in the CWD with more opportunities for small enterprises.



SMMEs in the CWD require the most support in the following areas (Provincial Treasury Municipal survey, 2018):

- Access to funding and working capital;
- Affordable space and equipment;
- Planning for and managing competitors and rising input costs;
- Access to markets;
- Red tape reduction; and
- Skills development, particularly business management.

Support programmes in the CWD for SMMEs (besides SEDA) include the Cape Winelands Entrepreneurial Seed Fund and Mentorship Programme, the Cape Winelands Business Retention and Expansion Programme aimed at businesses in the tourism industry as well as outreach programmes and support offered by local municipalities. The successful implementation of these programmes will capacitate SMMEs to grow and create job opportunities thereby contributing to the economic growth of the CWD.

Other local programmes that capacitate individuals that can have a positive impact on the District's economy are the CWD Experiential and Internship Training Programme and the Small Farmer Support Programme.

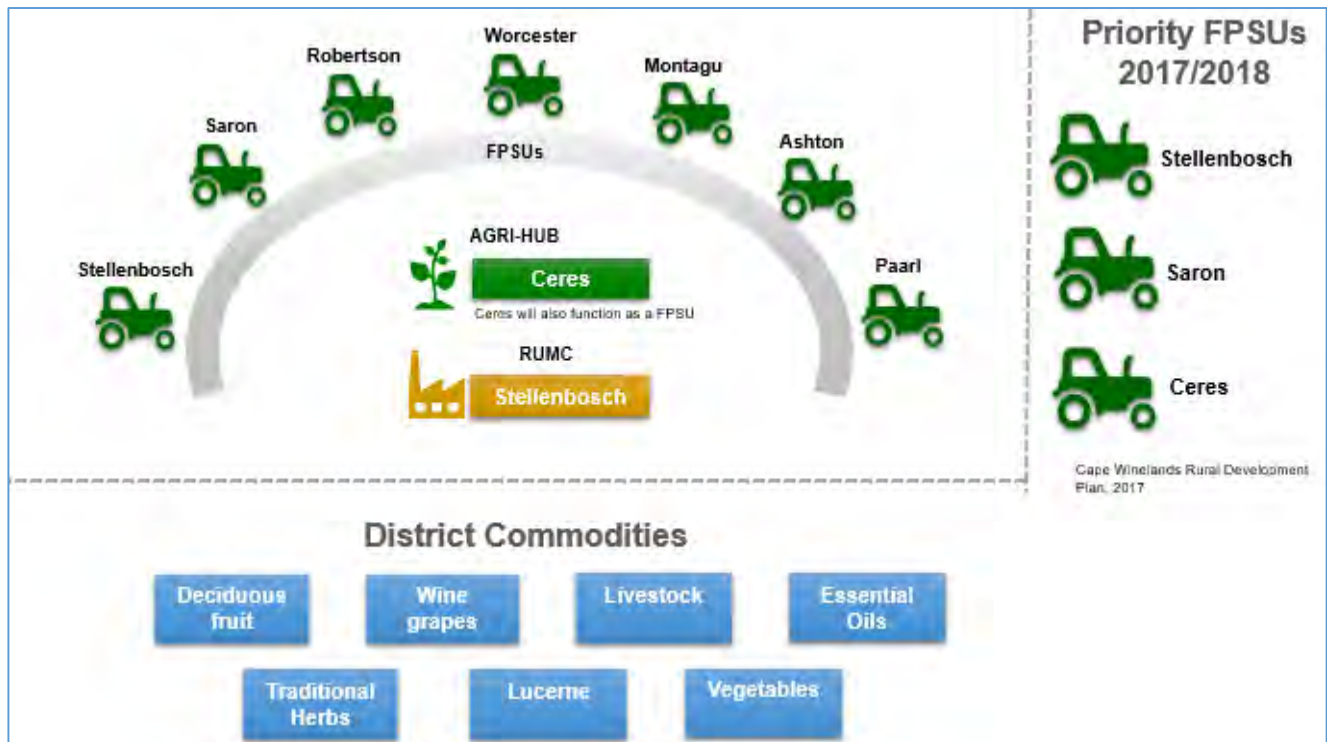
#### **1.2.7.20 Agri-Parks**

Agro-processing opportunities, such as vegetable packing facility, an abattoir and feedlot, cold storage for fruit as well as a fruit pulp processing plant, is fast becoming a key economic contributor in Stellenbosch. The below diagram outlines the locations for Farmer Production Support Units (FPSUs), the Agri-Hub and the RUMC within the CWD. The Agri-Park Programme will not only focus on the main commodities (wine grapes and fruit), but also on other commodities that are unique to the areas around each FPSU. These commodities include livestock and lucerne, as well as essential oils, traditional herbs and vegetables.





Figure 1:14: Agri - Park Implementation



Source: Cape Winelands Rural Development Plan, 2017

Due to the importance of the agricultural value chain, initiatives such as the Agri-Park Programme has the potential for widespread economic benefits since it will not only support farming activities but also promote local processing. Not only will these development support and generate new farming activities in the District, it will also stimulate the economy through the construction sector, the manufacturing sector (forward and backward linkages), the wholesale and retail trade, catering and accommodation sector and the transport, storage and communication sector, contributing to economic growth and employment creation.

Due to the importance of the agricultural value chain within the District, initiatives such as the Agri-Park Programme has the potential for widespread economic benefits since it will not only support farming activities but also promote local processing.

### 1.2.7.21 General Demographics of Farmworkers

The Farmworker Household Survey Report of 2014/15 reports on general demographic trends of farmworker households within the Cape Winelands area. According to the study, Stellenbosch had 811 households and approximately 3 351 people living and working on farms.

The study further indicated that there is approximately an equal split between males and females with an average age of 27.37 years. It was also found that over 66% of individuals were below the age of 35, i.e. classified as youth.

The study found that an overall of 62.63% of individuals living in farmworker households have permanent jobs both on and off the farm on which they reside. Approximately 18.1% of individuals living on farms were unemployed, while 19.27% had either temporary or seasonal work.



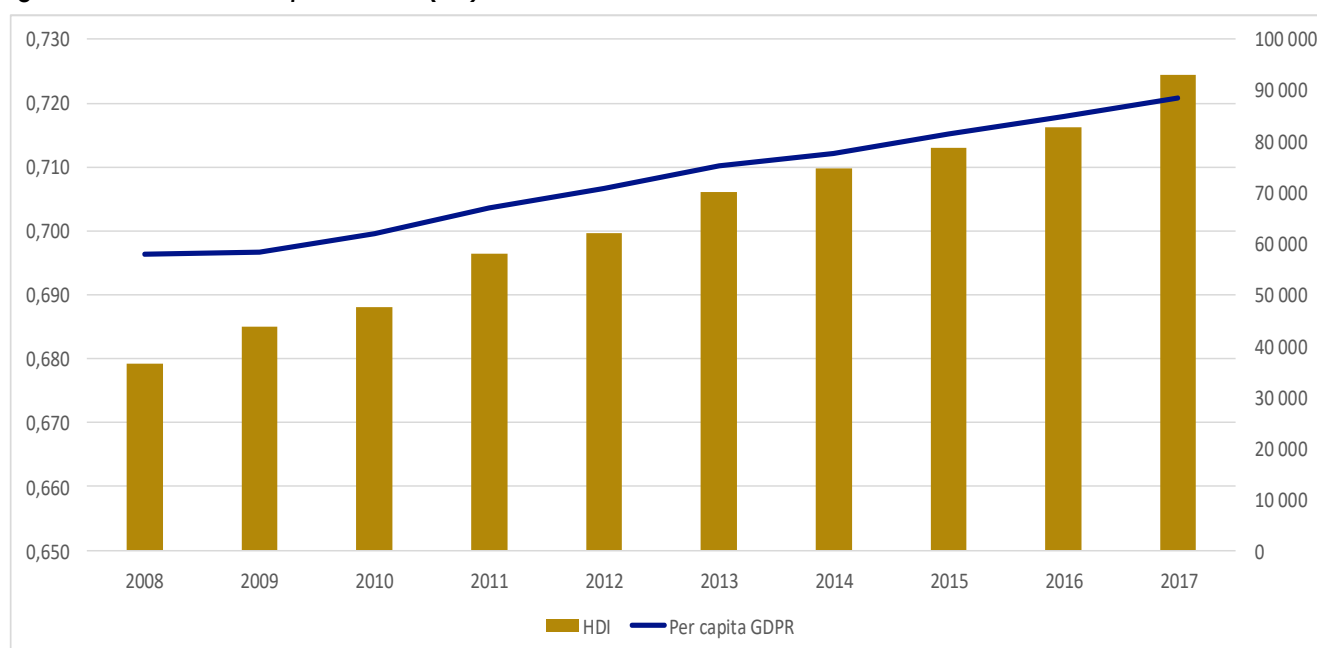


### 1.2.7.22 Poverty Context

Inflation adjusted poverty lines show that food poverty increased from R219 in 2006 to R531 per person per month in 2017. The lower-bound poverty line has increased from R370 in 2006 to R758 per person per month in 2017 while the upper-bound poverty line has increased from R575 in 2006 to R1 138 per person per month in 2017.

The United Nations uses the Human Development Index (HDI) to assess the relative level of socio-economic development in countries. Indicators used to measure human development include education, housing, access to basic services and health indicators. Per capita income is the average income per person of the population per year; per capita income does not represent individual income within the population. The life expectancy and infant mortality rates are other important criteria for measuring development.

**Figure 1:15: Human Development Index (HDI)**



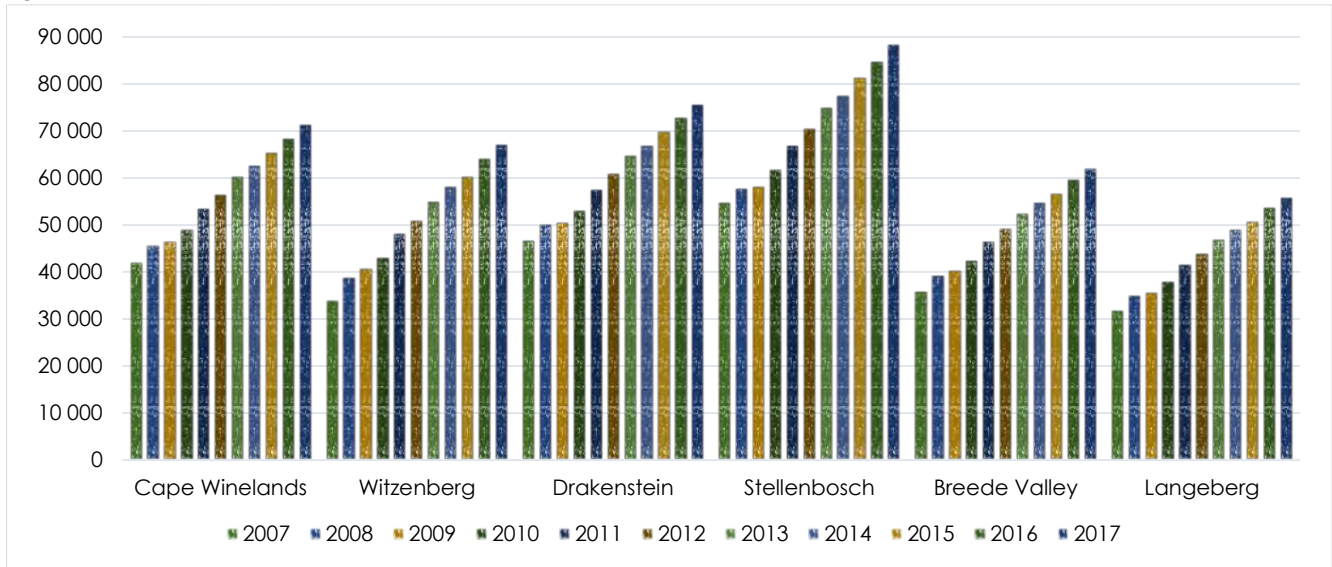
Source: Global Insight, 2017

There has been a general increase in the HDI in Stellenbosch, Cape Winelands and the whole of the Western Cape between 2011 and 2015. With the exception of a drop in HDI levels for the Western Cape for 2016. The human development index increased to 0.72 in Stellenbosch, 0.71 in the Cape Winelands District, and 0.73 in the Province.

An increase in real GDP per capita, i.e. GDP per person, is experienced only if the real economic growth rate exceeds the population growth rate. Even though real GDP per capita reflects changes in the overall well-being of the population, not everyone within an economy will earn the same amount of money as estimated by the real GDP per capita indicator.



Figure 1:16: GDP per Capita – 2008 to 2017



Source: Stats SA 2017, own calculations

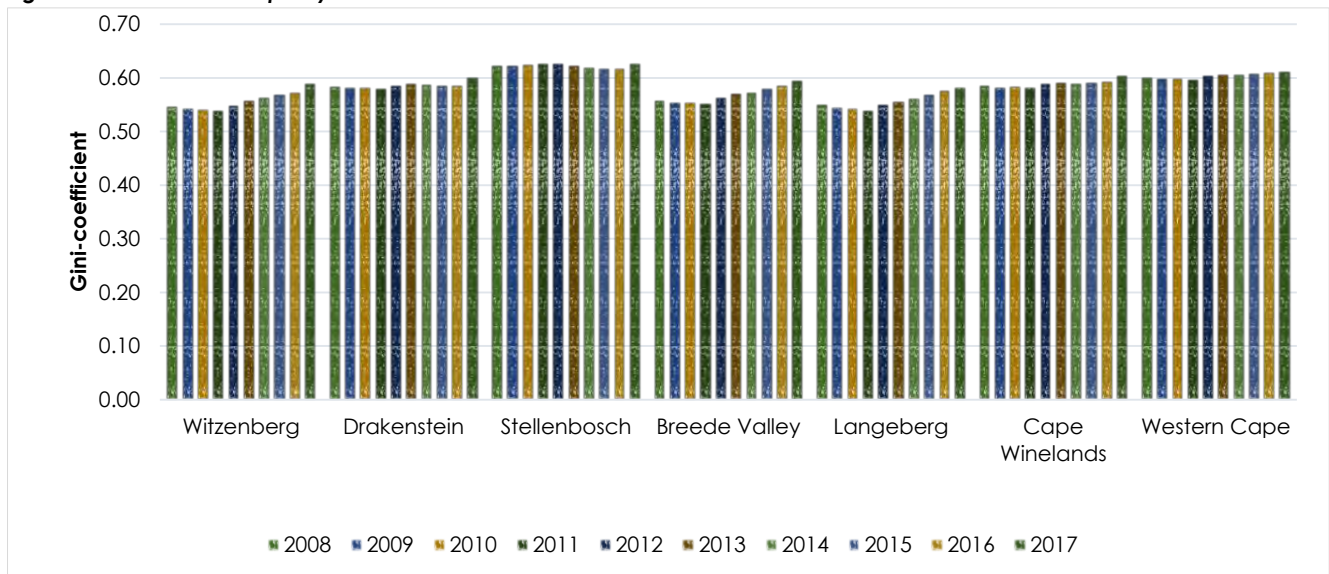
At R88 431 in 2017, Stellenbosch municipal area's real GDP per capita is significantly above that of the Cape Winelands District's figure of R71 426 as well as slightly above that of the Western Cape (R87 110).

The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a gini-coefficient<sup>1</sup> of 0.7 in 2010 to 0.6 by 2030. Income inequality in the Stellenbosch municipal area has generally increased between 2008 and 2011, decreasing to 2015 before picking up again, reaching 0.63 in 2017. For the entire period it has been beyond the NDP's 0.6 target and the increasing trend could see it moving further beyond this level.

<sup>1</sup> Gini-coefficient or income inequality is the measure of deviation of the distribution of income among individuals or households within a country. A value of 0 represents absolute equality and a value of 1 represents absolute inequality.



Figure 1:17: Income Inequality – 2008 to 2017



Source: Global Insight, 2017

Income inequality levels were slightly higher in Stellenbosch than in the Cape Winelands District and the Western Cape. According to the United Nations Development Report on Human Development for 2018, South Africa ranked 113 on the list after the Philippines, classified as medium Human Development.

The objective of the indigent policies of municipalities is to alleviate poverty in economically disadvantaged communities.

Table 1:14: Indigent Households – 2014 to 2017

Area	2016/2017	2017/2018	2018/2019
Stellenbosch	6 626	5 686	6 813*
Cape Winelands District	42 756	42 292	50 265
Western Cape	516 321	349 484	370 639

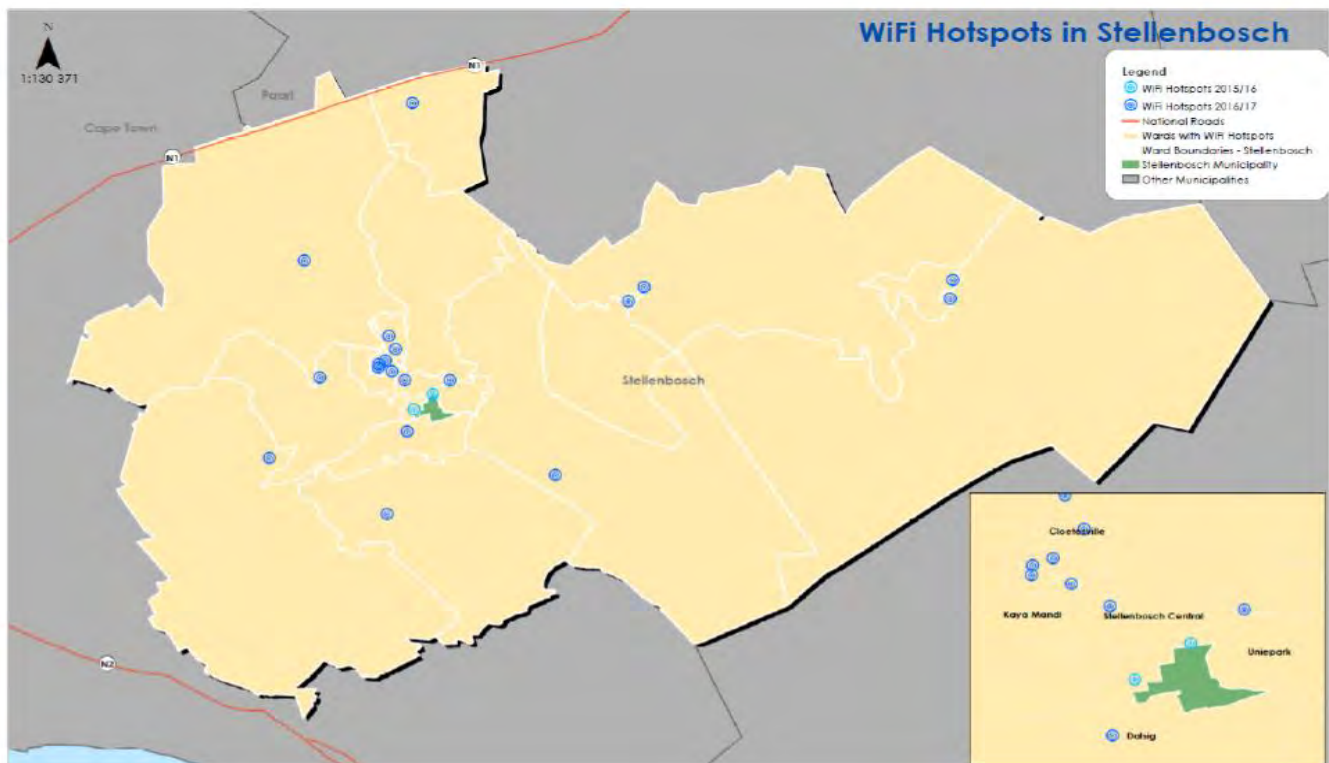
\*Source: Stellenbosch Municipality - Annual Performance Report 2018/19



The Stellenbosch municipal area experienced an increase in the number of indigent households between 2014 and 2016, implying an increased demand for indigent support and additional burden on municipal financial resources. Similarly, the number of indigent household.

The location of the wifi hotspots is reflected in the map illustrated below.

**Figure 1:18: Wi-Fi: Department of Economic Development and Tourism, 2016**



### 1.2.7.23 Broadband Penetration

Broadband penetration offers immense economic benefits by fostering competition, encouraging innovation, developing human capital and by building infrastructure. Improved connectivity will attract new business and investments, reduce the cost of doing business and will offer small, medium and micro-enterprises access to new markets.

### 1.2.7.24 Environmental Management

The 2011 National Strategy for Sustainable Development for South Africa describes the concept of sustainability as composing three overlapping developmental spheres, namely, the natural environment, social context and economic activity. These spheres, which are underpinned by a system of governance, are interlinked and fully dependent on the extent and functionality of the others.

A trade-off in one sphere will compromise the functionality of another with significant knock-on effects.

The natural environment, inclusive of elements such as land, inland water, biodiversity, oceans and coastlines are increasingly under pressure as a result of certain socio-economic factors such as population growth rates and increased land use. These pressures on natural resources also pose limitations to economic growth. Climate change also poses significant bio-physical and economic risks and as such, sustainable and effective resource-use and climate change responses, should be both a provincial as well as municipal strategic priority.



The Environmental section outlines key focus areas relevant to the current state of the natural environment and the associated need for environmental management in terms of broad focus areas: legislative reform, integrated waste management and climate change.

#### **1.2.7.25 Law Reform – Implementation of SPLUMA/LUPA in municipalities**

The Spatial Planning and Land Use Management Act, Act No. 16 of 2013 (SPLUMA), implemented on 1 July 2015, and the Western Cape Land Use Planning Act of 2014 (LUPA) ushers in a new era of planning and development decision-making where the responsibility rests largely on local municipalities to fulfil their role as land use planning decision-makers as per constitutional mandates and obligations. Section 24(1) of SPLUMA determines that a municipality must, after consultation as prescribed in the Act, adopt and approve a single land use scheme for its entire area within five years from the commencement of this Act.

Stellenbosch Municipality currently has a Land Use Management Scheme in the form of Zoning Schemes compliant with the provisions of the Land Use Planning Ordinance 15 of 1985 (LUPO). Stellenbosch Municipality has developed a draft Integrated Zoning Scheme and is busy with the stakeholder engagement process.

#### **1.2.7.26 From Waste Management to Integrated Waste Management**

There is a shortage of available landfill airspace across the province. The recovery of waste material for the waste economy is only at 9%. It is paramount to move away from the landfill bias to integrated waste management. To achieve this, more integrated waste management infrastructure is urgently needed. This will increase the recovery of waste material and thereby save landfill airspace, promote the waste economy, reduce the environmental impacts of waste management and create jobs. A mind shift is also needed from municipalities to move away from seeing waste just as a nuisance and risk to realise the intrinsic value of waste and to utilise the potential value of it.

#### **1.2.7.27 Climate Change**

To date, the implementation of climate change responses to this changed climate has been slow, but it has to be incorporated into every facet of spatial and land use planning, service delivery, infrastructure development and economic planning. Failure would compromise basic service delivery, exacerbate poverty and undermine the most vulnerable communities.

There is a unique opportunity in the immediate short term to radically shift planning and infrastructure development to become climate resilient and to reduce greenhouse gas emissions that are directly driving the problem. The window of opportunity is however short and closing rapidly, implying that climate change response is urgently needed if the Western Cape aims to continue with a thriving local economy and to continue reducing inequality and poverty.



## 1.2.8 MUNICIPAL PERFORMANCE HIGHLIGHTS AND CHALLENGES

### 1.2.8.1 Municipal performance highlights

The following performance highlights for the 2018/19 financial year is worth mentioning:

**Table 1:15: Performance Highlights**

Highlight	Description
Development Services	Development Charges are calculated by this Department and set as a development condition for new developments. Income of R 16m (excl. VAT) has been received by means of the payment of Development Charges.
Watergang, Kayamandi (20 units)	The Municipality provided 20 families that resides in Zone O, Kayamandi with dignified housing units.
TRA, Watergang	The upgrading of Zone O is of immense importance to the housing development in Kayamandi. 277 families received temporary units with toilet facilities. Their informal structures in Zone O were demolished and this will create the opportunity to install civil services and built proper housing units.
Longlands, Vlottenburg	The rezoning and the sub-divisional plan was approved. The three parties (land-owner, PDoHS and Stellenbosch Municipality) relevant to this project endeavoured to draft a Tripartite Agreement to the benefit of the Vlottenburg community.
Idas Valley housing project (Erf 11330)	Installation of 195 services had been installed. Construction of Phase 1, consisting of 84 GAP housing units.
Mandela City, Klapmuts	The amount of 169 families were relocated to the new temporary units of Phase 1. Phase 2 is currently under construction.
Kayamandi Town Centre	A comprehensive survey was done to determine the different businesses in the Town Centre of Kayamandi. This information enabled the professional team to revisit the entire layout of the Town Centre and thereby addressing high density developments and business opportunities for the effected residents.
Smartie Town, Cloetesville	The amount of 20 housing units were successfully completed and the balance of the units will be repaired during the next financial year.
Erf 7001, Cloetesville	In accordance with the market challenges to provide GAP housing, the Municipality did a backyard survey in Cloetesville and revisited the Call for Proposal in line with community statistics.
Vandalism and burglary of ward offices	Resulted in computer equipment being stolen. Claims process is quite cumbersome. Need to expedite the process to ensure effective service delivery.

### 1.2.8.2 Municipal Challenges

The following general challenges were experienced by the Municipality:

**Table 1:16: Municipal Challenges**

Challenge	Actions to address
Watergang, Kayamandi (20 units)	The contractor after the community unrest that took place during May 2018, experienced many challenges to complete the units. The security needed to repair the damaged houses and electrical infrastructure were of the major challenges the contractor encountered.
TRA, Watergang	The contractor after the community unrest that took place during May 2018, experienced many challenges to create new platforms as well as the type of housing typology that was approved by Council and PDoHS.
Longlands, Vlottenburg	A LUPA process had to be followed which included the amendment of the rezoning and sub-divisional plan. This had to co-inside with a Tripartite Agreement which included a Memorandum of Agreement (MoA) and an Engineering Service Level Agreement (SLA).
Idas Valley housing project (Erf 11330)	The amendment to the sub-division plan and further environmental processes created a substantial delay with the installation of the services and top structures. Unsuitable soil conditions had to be removed and be replaced with suitable soil. Community challenges had to be managed which created certain delays.





Challenge	Actions to address
Mandela City, Klapmuts	<p>Clearing of space for construction. There is no available land to assist with the relocation of families out of the construction area. Constant Invasion of open pockets within the informal settlement. The Municipality is currently considering amending the designs from single storey units to double storey units. This will assist with accommodating more families and fast-tracking the clearing of space for construction.</p> <p>The contractor has been requested to submit a quotation for the construction of the double storey units.</p>
Kayamandi Town Centre	<p>The layout for the Town Centre had to be revised to accommodate more formal and informal businesses. These changes minimises the amount of housing opportunities that was originally created. The community acceptance of high density development stays an ongoing challenge.</p>
Smartie Town, Cloetesville	<p>A contractor was appointed to do the rectification of 106 existing housing units. Due to the extent of defects in the houses, some of the families had to be relocated to temporary structures whilst their housing units were repaired. The appointment of local labour from the effected community was a major challenge and cause delays on-site.</p>
Erf 7001, Cloetesville	<p>A Call for Proposal was advertised and two bids were received. Unfortunately, both bids was deemed non-responsive and a new Call for Proposal has to be drafted.</p>
Erf 2175, Enkanini	<p>A contractor was appointed to install the electricity to ±300 informal structures as well as to upgrade the ablution facilities and the number of water points (taps). All preparatory construction was completed by end of 2018/19 financial year and connections to the structures are currently on the way.</p>
Roads, Transport and Storm water	<p>Road network operating at capacity and not adequate to meet peak travel demands, resulting in frequent and high levels of congestion.</p>
Roads, Transport and Storm water	<p>Theft and vandalism of infrastructure, for example theft of manhole covers resulting in additional expenditure of resources and increasing public liability due to pedestrian injury.</p>
Illegal electrical connections	<p>Budget to be put aside for electrification of Enkanini and Azania in Kayamandi</p> <p>Support is needed from the Law Enforcement, Mayor, MM, SAPS and Councilors when electricity department is running an operation to remove illegal connections.</p> <p>The communities need also to be informed and educated with regard to the implications and consequences of the dangers of illegal connections.</p> <p>In the absence of formal electricity connections, illegal connections are made from houses or informal structures already equipped with electrical supply, which give rise to unsafe situations.</p>
Staff shortage	<p>Vacant positions must be advertised and filled as a matter of urgency.</p> <p>The Municipality must put adequate incentives to attract competent, skilled and sufficiently experienced personnel.</p> <p>Number 2 is applicable in retaining existing staff as the specialised skills and experience required to operate the electrical network in Stellenbosch areas.</p>
Vandalism and cable theft	<p>Vandalism of the electrical infrastructure is experienced on a daily basis. Cage installation over mini- subs and replacement of kiosks with strongboxes in progress. All cable purchased must be marked with a unique Stellenbosch identification number.</p>
Safety of the staff	<p>The safety of staff is also in jeopardy when working in high risk areas and special arrangements must be made with Law enforcement to accompany staff to ensure their safety when called out to high-risk areas.</p>
Electrification of Informal Settlements	<p>Structures that were recently erected must have approval from the Department of Informal Settlements.</p> <p>Department of Informal Settlement must have stricter control over approval and placement of structures, before electricity can be installed.</p>
Unqualified staff appointed at libraries	<p>Identified relevant library courses which have been included in the Work skills Plan developed for the Libraries Department.</p>
Security at Cloetesville Library	<p>Reported security issues addressed with Law enforcement department. Security system at the libraries' currently being upgraded.</p>
Land Use Management: Vacancies	<p>Due to various vacancies, a huge backlog was created with regards to the processing of land use applications. However, the department commenced with recruitment and selection processes and approximately 82% of the positions have been filled.</p>



## 1.2.9 SERVICE DELIVERY OVERVIEW

### 1.2.9.1 Basic Service Delivery Performance Highlights

**Table 1:17: Basic Service Delivery Highlights**

Highlight	Description
Drought Response Plan: Klapmuts	Five production boreholes were drilled and equipped in Klapmuts to provide basic water for the Klapmuts area. A Borehole was also drilled on the sports fields to supply water to the Fire Station and sports field. This will be equipped in future.
Drought Response Plan: Franschhoek/ La Motte/ Wemmershoek	Four production boreholes were drilled in Franschhoek/ La Motte/ Wemmershoek and equipped in the Wemmershoek area to provide basic water. A Borehole was also drilled on the sports fields at Wemmershoek to supply water to the sports field in future. A borehole was also drilled at Fire Station in La Motte. These will be equipped in future.
Fire and Disaster Services	Official opening of Klapmuts fire station on 17 April 2019.
Fire and Disaster Services	Provincial wide - Commemoration of International fire fighters day in Stellenbosch on 4 May 2019.
Fire and Disaster Services	More than 5 000 reached through continuous fire, flood and drought awareness campaigns.
Fire and Disaster Services	Smoke alarms project intensified.
Grant-in-Aid (GiA)	The SOP for GiA has been reviewed. Donations to the value of R 2 536 520 were approved on the budget.
Mayoral Youth Skills Development Programme	The 7th annual Mayoral Youth Skills Development Programme was concluded as part of the 2019 Youth Month activities. It originated in 2013 from the high unemployment rate among local youth and the need for access to skills development. Successful candidates received free access to an accredited skills development programme after undergoing a recruitment process. As part of the recruitment and selection process they were introduced to the different industries. The Cooking Skills course included a practical placements component along with a job preparedness programme focussing on life-skills. Sixty Two youth were trained this year 2018-2019 included training for learner and driver licenses.
Social Relief of Distress	The Standard Operating Procedures for Social Relief of Distress during emergency incidents has been reviewed and provide clear guidance on the roles and responsibilities of all internal departments during these incidents.
Policy Development	Early Childhood and Development Policy (Adopted). Grant in Aid Policy (Reviewed).
Persons living on the street	In partnership with the Stellenbosch Night Shelter, Straatlig and Heartflow, the Municipality launched the Give Responsibly Campaign through which citizens can ensure access to services for persons on the street without giving cash.
Stellenbosch WWTW main outfall sewer	Phase two of the construction is in process.
Water Services	95.36% Capital Expenditure achieved.
Successful implementation of Rubble Crushing project	Iselula Construction appointed- builders rubble crushed, screened and lab tested for secondary civil use. High diversion achieved from landfill.
Parks, Rivers and Open Spaces	Lawn at Main building Plein street, Klapmuts town entrances and selected parks were replaced with artificial grass due to Water saving initiatives
Parks, Rivers and Open Spaces	<ul style="list-style-type: none"> <li>● Pallisade Fencing installed in Curry street park Cloetesville.</li> <li>● Fencing, Play equipment and outdoor gym installed in Kreefgat Park Ida's Valley.</li> </ul>
Parks, Rivers and Open Spaces	<ul style="list-style-type: none"> <li>● Play equipment and outdoor gym installed in Kudu Park Klapmuts.</li> <li>● Play equipment installed in Adam Street Klapmuts</li> <li>● Outdoor gym equipment installed in ward 3, 21 ,19 ,18, 16</li> </ul>
Parks, Rivers and Open	Flower pots were installed in ward 8 Victoria street; ward 11 Adam Tas Road centre island and ward 17 Welgevonden Circle.





Highlight	Description
Spaces	
Parks, Rivers and Open Spaces	Parks and cemeteries received new fleet, water trailers, trucks and bakkies.
Social Housing	The Municipality was awarded an amount of R500 000 for a feasibility study by the Social Housing Regulator Authority (SHRA) on selected Restructuring Zones. SHRA followed a procurement process and appointed a service provider to do the necessary feasibility studies which will assist the Municipality to appoint a Social Housing Institution (SHI) or Other Development Agency (ODA).
New Integrated Zoning Scheme	Council approved the Stellenbosch Municipality Zoning Scheme By-law, 2019 which was implemented on the 1st of December 2019. This new zoning scheme replaces all other zoning schemes.

### 1.2.9.2 Basic services delivery challenges

**Table 1:18: Basic Service Delivery Challenges**

Service Area	Challenge	Actions to address
Development Services	Department has been without a permanent manager for a number of years now. The current staff shortage leads to excessive workload on remaining staff and in turn has an effect on meeting deadlines etc. Developers can suffer financial losses if Municipality doesn't respond to their applications and requests timeously. Similarly non-compliance with DoRA MIG conditions could lead to MIG funds being stopped. Therefore sufficient capacity within this Department is of critical importance.	A Senior Manager: Development Services and Project Management was appointed in the 2018/19 financial year.
Illegal and unsafe electricity connections Vandalism of electrical Infrastructure	Kayamandi and Langrug have illegal and unsafe electrical connections that pose danger to the communities.	An arrangement with law enforces to provide required protection to the officials when removing the illegal and unsafe connections have been made, however with no success. The department will keep on trying. The department of Labour has been advised of the challenge and will provide advice in the next few weeks.
	The department is faced with a challenge of vandalism and forceful opening of its infrastructure to: 1. Steal copper 2. Connect the illegal connections	The Department has fenced three of the critical mini-substations. A tender for the fencing of the remaining mini-substation and kiosks is at evaluation stages.
Organisational Design	Two Managers in the Electrical Departments needs to be appointed to take pressure off Senior Manager particularly on operational issues.	Job descriptions to be completed, posts evaluated and advertised. Managers appointed in 2018/19.
Organisational Structure WC 024	The approved structure is not ideal and must be amended to fit needs of department.	Once placement process is completed, amended design to be taken to LLF and Council.
All informal settlements	Accessibility difficult with mechanical equipment to render cleaning and collections service.	EPWP employed to manually clean areas. Access road programme developed and to be implemented in the medium term.
Recycling	Collection from Separation at source is still below optimum levels e.g. 80t/month, when pickers at landfill are recovering 130t/month.	Greater and constant awareness and education required.
Revenue enhancement	There are a number of residents putting out black bags for collections, and not wheelie bins. This hampers revenue collection and poses a big risk to staff e.g. needle pricks, back injuries.	Enumeration of areas where bags are put out, evaluation of revenue loss, and then take item to Council to stop all bag collections and only remove wheelie bin waste.



Service Area	Challenge	Actions to address
Security at facilities	Highly problematic, especially Beltana depot where access control is less than desirable.	Beltana committee established to deal with all issues pertaining to facility. Law Enforcement to be more effective.
Social Relief of Distress	Access to a functional reliable vehicle to deliver social relief of distress becomes problematic as the department needs to make multiple trips to the area of incident in order to transport all the support material.	The department budgeted for an all-purpose vehicle to be acquired.
Informal settlement in Veldwagters river adjacent to landfill site	The establishment of this informal settlement is not only a high risk to surrounding communities, but to themselves in close proximity to landfill gases.	The buffer must be maintained and settlement to be removed.
Theft of Infrastructure	Theft of manhole covers, a safety risk to pedestrians.	Measures being put in place to replace with temporary covers as soon as practically possible, however, the risk of injury for pedestrian has increased.
Parks and Rivers	Vandalism and theft in Kayamandi Parks. Fencing stolen in Thubelitsha Park and Play equipment stolen and vandalised in other parks.	
Parks and Rivers	Lack of Security leading to vandalism and dumping on selected Parks and Cemeteries Lack of immediate cemetery space remaining a challenge whilst we await authorisations for new zoned cemeteries.	
Parks and Rivers	Lack of approved tenders affecting the operational programme.	

### 1.2.9.3 Proportion of Households with access to Basic Services

**Table 1:19: 2011 Households with minimum level of Basic Services**

Service	2011
Formal Dwellings	90.7%
Informal Dwellings	9.3%
Formal Dwelling Backlog	3 149
Electricity Connections (% Share of HHS)	98.8%
Hygienic Toilets	97.2%
Water (Piped Water)	96.7%
Formal Refuse Removal (% share of HHS)	89.9%

Source: Statistics South Africa

### 1.2.9.4 Financial Viability Highlights

**Table 1:20: Municipal Viability Highlights**

Highlight	Description
Capital Expenditure Framework	Developed a capital expenditure framework for the period 2019 - 2029 compliant with the requirements of the Integrated Urban Development Framework and the Spatial Planning and Land Use Management Act (SPLUMA).
Long Term Financial Plan	Developed a 10-year Long Term Financial Plan that is incorporated in the capital expenditure framework.



Highlight	Description
Current ratio	The Municipality maintained a very good current ratio of 1.75:1. This compares well with the norm of 1.5 to 2:1.
Collection rate	The Municipality maintained a good collection rate of 100.24% which is above the norm of 95%. This indicates that the Municipality creditor control and debt collection processes are in place and the revenue is management effectively.
Finance Charges	Finance charges represent 1.56% of the total operational expenditure. This compares favourably with the norm of 6% to 8%.
Liability Management	Capital Cost (Interest Paid and Redemption) represent 2.12% of total operating expenditure. This indicates that the Municipality has the capacity to take on additional financing from borrowing to invest in infrastructure projects.
Debt Management	The Municipality's total debt represents 21.43% of the total operational expenditure. This compares favourably with the norm of 45% and is an indication that the Municipality has the capacity to take on additional financing from borrowings.
Debt Management	The Municipality's total debt represents 13% of the total operational expenditure. This compares favourably with the norm of 45% and is an indication that the Municipality has the capacity to take on additional financing from borrowings.

### 1.2.9.5 Financial Viability Challenges

**Table 1:21: Financial Viability Challenges**

Challenge	Description
Financial Viability	The traceability of all debtors poses a challenge to the debt collection process. Low economic growth, increase in unemployment and above inflation increases of cost of water impacts on affordability of municipal accounts.
Revenue Leakage	An integrated revenue enhancement approach followed to combat revenue leakages.

### 1.2.9.6 National Key Performance Indicators – Municipal Financial Viability and Management (Ratios)

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations no. 796 of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area namely Municipal Financial Viability and Management.

**Table 1:22: Financial Viability and Management (Ratios)**

KPA and Indicator	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Debt coverage (total operating revenue - operating grants received): debt service payments due within the year	46.83	42.45	64.13	41.29	40.87	46.49
Service debtors to revenue – total outstanding service debtors: revenue received for services.	17.66%	18.22%	10.22%	18.09	20.7%	30.96%
Cost coverage (available cash + investments): monthly fixed operating expenditure.	7.84	9.89	1.4	5.71	5.75	0.33



### 1.2.9.7 Financial Overview

**Table 1:23: Financial Viability and Management Financial Overview**

Details	Original budget	Adjustment Budget	Actual
	R		
<b>Income</b>			
Grants(Operating and Capital)	204 837	263 487	229 555
Taxes, Levies and Tariffs	1 267 079	1 252 079	1 150 718
Other	217 767	215 267	231 866
<b>Sub-Total</b>	<b>1 689 683</b>	<b>1 730 833</b>	<b>1 612 139</b>
<b>Less Expenditure</b>	<b>1 716 331</b>	<b>1 719 105</b>	<b>1 487 578</b>
<b>Net surplus/(deficit)</b>	<b>-26 648</b>	<b>11 728</b>	<b>124 561</b>

### 1.2.9.8 Operating Ratios

**Table 1:24: Operating Ratios**

Detail	Expected norm	Actual	Variance
Employee Cost	25 %– 40 %	31%	9%
Repairs and Maintenance	8%	1.11%	6.89%
Finance Charges	6%-8%	1.56%	6.44%

Employee cost is below the national norm of between 35% to 40%, representing a positive outcome, Repairs and maintenance are below the norm, which indicates that expenditure on repairs and maintenance would have to be increased in future budgets to properly maintain Council's assets. Finance charges are 14% lower than the norm of 15%, this can be attributed mainly to our ability to fund our capital programmes to some extent from our own sources (CRR) and not external finance.

### 1.2.9.9 Total Capital Expenditure

**Table 1:25: Total Capital Expenditure**

Detail	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Original Budget	200 065 525	294 188 484	452 759 209	463 791 713	418 056 510	528 041
Adjustment Budget	187 940 297	251 030 778	437 183 145	482 580 383	499 855 135	563 550
Actual	174 740 852	230 350 691	348 861 006	410 562 394	433 681 837	493 303

### 1.2.9.10 Municipal Standard Chart of Accounts

MFMA Circular No. 80: Municipal Financial Systems and Processes requirements in support of the Municipal Standard Chart of Accounts (mSCOA) issued in terms of the Municipal Finance Management Act No. 56 of 2003. In MFMA SCOA Circular 1 it was indicated that mSCOA is a business reform rather than a mere financial reform and requires a multi-dimensional relationship.

The municipal standard chart of accounts was implemented in Stellenbosch Municipality. The Municipality is in continuous engagement with the service provider and other municipalities through various working groups to improve mSCOA compliance and functionality.



## 1.2.10 ORGANISATIONAL DEVELOPMENT OVERVIEW

During 2018/19, Stellenbosch Municipality embarked on the 2<sup>nd</sup> revision of its 4th generation 2017/22 Integrated Development Plan and Medium-Term Revenue and Expenditure Framework.

Section 66 of the Municipal Systems Act, Act 32 of 2000 allows a Municipal Manager to develop a staff establishment and submit it to Council for approval. On the 26th of April 2017 the Municipal Council resolved for the development of a draft macro and micro organogram.

A process plan, paving the way for ensuring an inclusive and comprehensive IDP process and culminated in the adoption of the 2019/20 (revised) IDP on 29 of May 2019. The process was also marked by a renewed commitment to ensuring that the organisational structure, human resources, skills and capacity entrenched in its officials and councillors all contribute immensely to the successful execution of the municipal strategy.

### 1.2.10.1 Municipal Transformation and Organisational Development Highlights

**Table 1:26: Municipal Transformation and Organisational Performance Highlights**

Highlight	Description
Review of update critical human resource related policies	Overtime Policy - policy approved on 28 November 2018. Time and Attendance Policy – policy approved on 26 September 2018. Bursary Policy - policy approved on 26 September 2018.
Human Resources	OHS Committee established and members elected.
Staff Capacity	All critical posts filled.
Organisational Stability	New organisational structure accepted and adopted on 25th October 2017 and 27th February 2019. All Senior Management level posts filled in 2018/19.

### 1.2.10.2 Municipal Transformation and Organisational Development Challenges

**Table 1:27: Municipal Transformation and Organisational Development Challenges**

Challenge	Actions to address
ICT	ICT structure does not align to best practices and thus cannot be agile enough to support the Municipality. Lack of system integration.
Staff capacity	Staff shortages could impact on service delivery performance.
Communication	The municipal website is in need of redesign for ease of access to the public.

## 1.2.11 MFMA COMPETENCIES

In terms of section 83(1) of the MFMA, the accounting officer, senior managers, chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury prescribed such financial management competencies in Government Notice 493, dated 15 June 2007.

To assist the aforementioned officials in acquiring the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect,



as of 1 January 2013 (exempted until 30 September 2015 as per Government Notice 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

The table below provides details of the financial competency development progress as required by the regulation (Government Notice 493 of 15 June 2007):

**Table 1:28: Financial Competency Development: Progress Report**

Description	A Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Senior Managers	5	0	5	5	5	5
Any other financial officials	59	0	59	59	59	58
<b>Supply Chain Management Officials</b>						
Heads of supply chain management units	0	0	0	0	0	0
Supply chain management senior managers	1	0	1	1	1	1
<b>TOTAL</b>	<b>67</b>	<b>0</b>	<b>67</b>	<b>67</b>	<b>67</b>	<b>66</b>

## 1.2.12 AUDITOR GENERAL REPORT

Stellenbosch Municipality received an unqualified audit with findings from the Auditor-General. Stellenbosch Municipality received an unqualified audit for the 10th consecutive year from the Auditor-General. In the Auditor General's opinion the financial statements present fairly, in all material respects, the financial position of the Stellenbosch Municipality as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act. No 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (Dora). An unqualified audit means that the financial statements and on reporting on performance objectives are fairly and appropriately represented and are in compliance with accounting standards, with findings. The findings raised by the Auditor-General are detailed in Annexure C of this report.



### 1.2.12.1 Audited Outcomes

**Table 1:29: Audit Outcomes Source: Auditor General of South Africa, 2019**

Year	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Status</b>	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified (clean audit)	Unqualified (clean audit)	Unqualified (clean audit)	Unqualified with findings	Unqualified with findings



## 2 CHAPTER 2: GOVERNANCE

Good Governance is an approach of government that is committed to creating a system founded strengthening democracy, promoting transparency, building public administrative capacity, responsive to public need and respect for human rights. Good Governance is measured by the eight factors including participation, rule of law, transparency, responsiveness, consensus oriented, accountability, effectiveness and efficiency, equitability and inclusivity. With a context of good governance corruption is minimised, the views of minorities are taken into account and the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

### 2.1 NATIONAL KEY PERFORMANCE INDICATORS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

**Table 2.1: National KPIs - Good Governance and Public Participation Performance**

KPA and Indicators	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan.	88.79	92.97	91.52	79.74	85.08	86.5	87.5

#### 2.1.1 PERFORMANCE HIGHLIGHTS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

**Table 2.2: Performance Highlights - Good Governance and Public Participation**

Highlight	Description
Council	Council has remained stable and well-functioning throughout 2018/19.
Audit Outcomes	Unqualified with findings
Organisational	The new organisation structure was approved and the placement process is largely completed.
Review of System of Delegations	The review of the System of Delegations was in its final stages by the end of the FY.
S.80 and S.79 Committees of Council	The S.80 and S.79 Committees of Council as establishment commenced actively and a number of these committees meet regularly.
Public Participation	Public participation sessions were held with all 22 ward committees in September 2018 and March 2019. This followed by sessions with the public in all 22 wards in October 2018 and April 2019. The Municipality hosted 3 focussed group engagements which was well attended. Various forums are established and functioning, such as the Mobility Forum.
Management of land occupation in Kayamandi	The Municipality has been actively engaging with SAPS, the Sheriffs and the justice to effectively manage the land invasion in Kayamandi.
Functioning of the Municipal Planning Tribunal (MPT) meeting	The Municipal Planning Tribunal is established and fully functioning.
Grant in Aid (GiA)	The SOP for GiA has been approved.
Master Planning	Updates to the following master planning had commenced: <ul style="list-style-type: none"> <li>• Stellenbosch Municipality's Roads Master Plan;</li> <li>• Comprehensive Integrated Transport Plan (CITP);</li> </ul>





Highlight	Description
	<ul style="list-style-type: none"> <li>Stellenbosch Municipality's Storm Water Master; and</li> <li>Planning for the implementation of a parking strategy, to aid Alleviate the parking shortage in the CBD.</li> </ul>
Communication	<p>The Communication Policy was reviewed in 2018 and tabled before the Corporate and Strategic Services Portfolio Committee.</p> <p>Stakeholder engagement has improved significantly and media releases / media responses for local, regional and national publications and broadcasters are released on a weekly basis.</p> <p>Activity on our social media platforms and municipal website has improved. Social media platforms have grown significantly and now reaches a much larger, ever-growing audience.</p> <p>The Interdepartmental Communication Forum started meeting at least quarterly in 2018 to improve internal communication and streamline all communication efforts.</p>
Drought Management	The Municipality proved sufficiently responsive to the drought crisis and sufficiently pre-empted initiatives to remain resilient and mitigate the possibility of day zero. Investing in boreholes and purification of borehole water proved successful to mitigating the water crisis.
External waste management audit	Service provider appointed as external auditor. Improvement in performance of landfill site in terms of permit compliance.
Transfer of Area Cleaning to Solid Waste Management	Area Cleaning was transferred to Solid Waste Management from January 2018. As all waste management issues are consolidated in one department, a concerted effort has been put in to clean informal areas, commencing with Enkanini. There has been a significant improvement in the cleanliness of most areas, as per correspondence received.
Electrification of Klapmuts	After nearly 4 years without electrification due to vandalism, this was re-established by moving the transformers onto the premises (from previously across the road). The site is also well protected with Betafence.
Mobility Forum	A Mobility Forum has been established to discuss on all municipal roads and transport strategies and initiatives (including NMT) with representatives of interested and affected parties.

## 2.1.2 CHALLENGES - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

**Table 2:3: Challenges - Good Governance and Public Participation**

Description	Actions to address
Delay in housing delivery	Protest in Kayamandi has caused damage to the Temporary Relocation Area and new structures which will need to be repaired before households can be moved for further development.
Communication	The municipal website is in need of redesign for ease of access to the public.
Fraud and Corruption Management	Through the fraud hotline, direct calls received and walk-ins, active reporting has been ongoing. Unfortunately it has become apparent that the fraud hotline and in-particular the Regulations for Senior Managers (Misconduct and Financial Misconduct) is being abused to unfairly target individual and management. Most of the allegations against senior management (MM and section 56) has had no basis other than causing disrepute. Continuous threats of charging people with no basis is also ongoing. This gives rise to excessive use of resources and risk to the reputation of individuals and the Municipality to remain compliant with relevant legislation.
Unrest and Protest	Protest action in Kayamandi has caused substantial damage to the Temporary Relocation Area and new structures and the Kayamandi Corridor. Protest action has extended on occasion to the CBD.
Illegal and unsafe electrical connections	Illegal and unsafe electrical connections in Kayamandi and Langrug poses serious danger to the communities.
Vandalism of electrical infrastructure	Attempts to steal copper and illegal connections has contributed to vandalism and forceful opening of electrical infrastructure.
Illegal dumping	Illegal dumping has been on the increase especially around open areas and parks.



## 2.2 COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

### 2.2.1 POLITICAL GOVERNANCE STRUCTURE

The council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles, and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Its primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as policy makers, Councillors are also actively involved in community work and in the various social programmes in the municipal area.

### 2.2.2 COUNCIL – 01 JULY 2018 TO 30 JUNE 2019

Below is a table that categorises the councillors within their specific political parties and wards:

**Table 2:4: Council for the period 01 July 2018 to 30 June 2019**

Name of councillor	Capacity	Political Party	Ward representing or proportional
F Adams	Part-time	DNCA	Proportional Representative (PR)
G Cele	Part-time	ACDP	PR
FJ Badenhorst	Part-time	DA	Ward Councillor: Ward 21
G Bakubaku-Vos (Ms)	Part-time	ANC	PR
F Bangani-Menziwa (Ms)	Part-time	ANC	Ward Councillor: Ward 13
P Biscoombe	Single Whip	DA	Ward Councillor: Ward 17
P Crawley (Ms)	MayCo member	DA	PR
A Crombie (Ms)	Part-time	DA	Ward Councillor: Ward 20
Z Dalling (Ms)	Part-time	DA	Ward Councillor: Ward 9
R Du Toit (Ms)	Part-time	DA	Ward Councillor: Ward 10
J Fasser	Part-time	DA	PR
A Florence	Part-time	DA	PR
A Frazenburg	MayCo member	DA	Ward Councillor: Ward 1
E Fredericks (Ms)	Part-time	DA	Ward Councillor: Ward 18
E Groenewald (Ms)	MayCo member	DA	Ward Councillor: Ward 22
J Hamilton	Part-time	DA	PR
A Hanekom	Part-time	DA	Ward Councillor: Ward 7
D Hendrickse	Part-time	EFF	PR
J Hendriks	Part-time	DA	Ward Councillor: Ward 19
LK Horsband (Ms)	Part-time	EFF	PR
N Jindela	Deputy Executive Mayor	DA	PR
M Johnson	Part-time	DA	Ward Councillor: Ward 4
DD Joubert	Speaker	DA	Ward Councillor: Ward 5
NS Louw	Part-time	DA	PR
N Mananga-Gugushe (Ms)	Part-time	ANC	Ward Councillor: Ward 12
C Manuel	Part-time	DA	Ward Councillor: Ward 3
L Maqeba	Part-time	ANC	PR
N Mcombring (Ms)	Part-time	DA	Ward Councillor: Ward 6
XL Mdemka (Ms)	MayCo member	DA	PR
R Nalumango (Ms)	Part-time	ANC	PR
N Olayi	Part-time	DA	PR
MD Oliphant	Part-time	ANC	PR



Name of councillor	Capacity	Political Party	Ward representing or proportional
S Peters	MayCo member	DA	PR
WC Petersen (Ms)	Speaker	DA	Ward Councillor: Ward 2
M Pietersen	Part-time	DA	PR
WF Pietersen	Full-time MPAC Chairperson	PDM	PR
S Schäfer	Part-time	DA	PR
J Serdyn (Ms)	MayCo member	DA	Ward Councillor: Ward 11
N Sinkinya (Ms)	Part-time	ANC	Ward Councillor: Ward 15
P Sitshoti (Ms)	Part-time	ANC	Ward Councillor: Ward 14
Q Smit	MayCo member	DA	Ward Councillor: Ward 8
G Van Deventer (Ms)	Executive Mayor	DA	PR
E Vermeulen (Ms)	Part-time	DA	Ward Councillor: Ward 16

The table below indicates the Council meetings attendance for the 2018/19 financial year:

**Table 2.5: Council meetings for the 2018/19 financial year**

Meeting dates	Number of items (resolutions) submitted	Percentage Attendance of Council Meetings	Percentage Apologies for non-attendance
26 July 2018	39	81%	19%
30 July 2018	2	86%	14%
22 August 2018	16	84%	16%
26 September 2018	18	79%	21%
05 October 2018	1	77%	23%
31 October 2018	32	84%	16%
09 November 2018	6	77%	23%
15 November 2018	2	79%	21%
28 November 2018	31	86%	14%
10 December 2018	8	70%	30%
24 January 2019	1	74%	26%
30 January 2019	36	88%	12%
27 February 2019	19	79%	21%
27 March 2019	22	72%	28%
02 April 2019	1	86%	14%
24 April 2019	31	91%	9%
29 May 2019	38	86%	14%
05 June 2019	2	60%	40%
12 June 2019	13	74%	26%

### 2.2.3 EXECUTIVE MAYORAL COMMITTEE

The Executive Mayor of the municipality heads the executive arm of the municipality and is assisted by the Mayoral Committee. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in her to manage the day-to-day affairs. This means that the Executive Mayor has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the council, as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the municipality, the Executive Mayor and Mayoral Committee are acting in sync with one another.



The Executive Mayoral position were occupied as follows:

**Table 2:6: Executive Mayor for the period**

Executive Mayor for the period	Period
Adv. G. Van Deventer	1 July 2018 – 30 June 2019

**Table 2:7: Executive Mayoral Committee for the 2018/19 financial year**

Executive Mayoral Committee 01 July 2018 – 30 June 2019	
Name of member	Capacity
G Van Deventer (Adv.)	Executive Mayor
Cllr N Jindela	Deputy Executive Mayor, incl. Human Settlements
P Crawley (from November 2018)	MayCo member: Financial Services
Q Smit	MayCo member: Infrastructure Services
Q Smit (Acting)	MayCo member: Community and Protection Services
A Frazenburg	MayCo member: Corporate Services
M Pietersen (from November 2018)	MayCo member: Youth, Sports and Culture
S Peters	MayCo member: Rural Management and Tourism
E Groenewald	MayCo member: Planning and Economic Development
X Mdemka	MayCo member: Parks, Open Spaces and Environment

The table below indicates the dates of the Executive Mayor-in-Committee meetings and the number of reports submitted to council for the 2018/19 financial year:

**Table 2:8: Committee Meetings 2018/19**

Meeting dates	Number of items submitted
18 July 2018	16
08 August 2018	8
12 September 2018	6
17 October 2018	16
9 November 2018	14
23 January 2019	22
13 February 2019	4
13 March 2019	8
18 March 2019	5
16 April 2019	10
21 May 2019	13

## 2.2.4 PORTFOLIO COMMITTEES

In terms of section 80 of the Municipal Structures Act of 1998, if a council has an executive committee, it may appoint, in terms of section 79, committees of councillors to assist the executive committee or executive mayor. Section 80 stipulates that committees are permanent committees that specialise in a specific functional area of the municipality and, in some instances, may make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to council.



The portfolio committees for the 2018/19 mayoral term and their chairpersons are as in the tables below.

### 2.2.4.1 Planning and Economic Development Portfolio Committee

**Table 2:9: Planning and Economic Development Committee**

Period 1 July 2018 – 30 June 2019	
Name of member	Capacity
E Groenewald	Portfolio Chairperson
FJ (R) Badenhorst	Committee member
T Gosa	Committee member
AJ Hanekom	Committee member
RS Nalumango	Committee member

**Table 2:10: Planning and Economic Development Meetings**

Meeting dates	Number of reports submitted
07 August 2018	7
02 October 2018	6
05 March 2019	1
15 May 2019	6
08 May 2019	8
11 June 2019	2

### 2.2.4.2 Infrastructure Committee

**Table 2:11: Infrastructure Services Portfolio Committee**

Period 1 July 2018 – 30 June 2019	
Name of member	Capacity
Q Smit (Acting)	Portfolio Chairperson
AJ Hanekom	Committee Member
NE Mcombring	Committee Member
C Moses	Committee Member
Ald JP Serdyn	Committee Member

**Table 2:12: Infrastructure Services Portfolio Committee meeting**

Meeting dates	Number of reports submitted
06 September 2018	1
07 March 2018	1



### 2.2.4.3 Finance Portfolio Committee:

**Table 2:13: Finance Portfolio Committee**

Period 1 July 2018 – 30 June 2019	
Name of member	Capacity
PR Crawley (Ms)	Portfolio Chairperson
A Florence	Committee Member
J Hamilton	Committee Member
RS Nalumango (Ms)	Committee Member
M Oliphant	Committee Member

**Table 2:14: Finance Portfolio Committee Meeting Dates**

Meeting dates	Number of reports
14 August 2018	1

### 2.2.4.4 Community and Protection Services Portfolio Committee

**Table 2:15: Community and Protection Services Portfolio Committee**

Period 1 July 2018 – 30 June 2019	
Name of member	Capacity
Q Smit	Portfolio Chairperson
JK Hendricks	Committee Member
C Manuel	Committee Member
N Olayi	Committee Member
P Sitshoti (Ms)	Committee Member
LL Stander	Committee Member

**Table 2:16: Community and Protection Services Portfolio Committee Meeting Dates**

Meeting dates	Number of reports
01 August 2018	9
07 August 2018	11
04 September 2018	1
05 September 2018	2
03 October 2018	3
06 March 2019	5
05 June 2019	40



### 2.2.4.5 Corporate Services Portfolio Committee

**Table 2:17: Corporate Services Portfolio Committee**

Period 1 July 2018 – 30 June 2019	
Name of member	Capacity
AR Frazenburg	Portfolio Chairperson
FJ ( R ) Badenhorst	Committee Member
F Bangani-Menziwa (Ms)	Committee Member
R Du Toit	Committee Member

**Table 2:18: Corporate Services Portfolio Committee Meeting Dates**

Meeting dates	Number of reports
NONE	

### 2.2.4.6 Human Settlements Portfolio Committee

**Table 2:19: Human Settlements Portfolio Committee**

Period 1 July 2018 – 30 June 2019	
Name of member	Capacity
N Jindela	Portfolio Chairperson
G Cele (Ms)	Committee member
A Crombie (Ms)	Committee member
LK Horsband (Ms)	Committee member
DD Joubert	Committee member

**Table 2:20: Human Settlements Portfolio Committee Meetings**

Meeting dates	Number of reports
NONE	

### 2.2.4.7 Rural Management and Tourism Portfolio Committee

**Table 2:21: Rural Management and Tourism Portfolio Committee**

Period 1 July 2018 – 30 June 2019	
Name of member	Capacity
MM Pietersen	Portfolio Chairperson
R Du Toit (Ms)	Committee Member
DA Hendrickse	Committee Member
N Sinkinya (Ms)	Committee Member
E Vermeulen (Ms)	Committee Member

**Table 2:22: Rural Management and Tourism Portfolio Committee Meeting Dates**

Meeting dates	Number of reports
02 August 2018	1
04 April 2019	5
06 June 2019	4

### 2.2.4.8 Youth, Sport and Culture Portfolio Committee

**Table 2:23: Youth, Sport and Culture Portfolio Committee**

Period 1 July 2018 – 30 June 2019	
Name of member	Capacity
MM Pietersen	Portfolio Chairperson
R Du Toit (Ms)	Committee Member
DA Hendrickse	Committee Member
N Sinkinya (Ms)	Committee Member
E Vermeulen (Ms)	Committee Member

**Table 2:24: Youth, Sport and Culture Portfolio Committee Meeting Dates**

Meeting dates	Number of reports
02 August 2018	1
04 April 2019	5
06 June 2019	4

### 2.2.4.9 Parks, Open Spaces and Environment Portfolio Committee

**Table 2:25: Parks, Open Spaces & Environment Portfolio Committee**

Period 1 July 2018 – 30 June 2019	
Name of member	Capacity
X Mdemka	Portfolio Chairperson
F Adams	Committee Member
J Serdyn	Committee Member
E Vermeulen	Committee Member

**Table 2:26: Parks Open Spaces & Environment Portfolio Committee Meeting Dates**

Meeting dates	Number of reports
04 April 2019	11





## 2.2.5 SECTION 79 COMMITTEES

### 2.2.5.1 Municipal Public Accounts Committee (MPAC)

**Table 2:27: MPAC Committee**

Period 1 July 2018 – 30 June 2019	
Name of member	Capacity
WF Pietersen	Chairperson
E Fredericks (Ms)	Committee Member
MC Johnson	Committee Member
N Mananga-Gugushe (Ms)	Committee Member
SR Schäfer	Committee Member

**Table 2:28: MPAC Committee Meeting Dates**

Meeting dates	Number of reports
17 July 2018	1
14 August 2018	1
18 September 2018	6
20 March 2019	5
10 May 2019	9

### 2.2.5.2 Appeals Committee

**Table 2:29: Appeals Committee**

Name of member	Capacity
WC Petersen (Ms)	Portfolio Chairperson
MD Oliphant	Committee Member
Q Smit	Committee Member

**Table 2:30: Appeals Committee Meeting Dates**

Meeting dates	Number of reports
NONE	

### 2.2.5.3 Local Labour Forum (LLF)

**Table 2:31: Local Labour Forum (LLF)**

Name of member	Capacity
E Groenewald (Ms)	Portfolio Chairperson
R Du Toit (Ms)	Committee Member
E Fredericks (Ms)	Committee Member
LK Horsband (Ms)	Committee Member
XL Mdemka (Ms)	Committee Member



Name of member	Capacity
RS Nalumango (Ms)	Committee Member

**Table 2:32: Local Labour Forum Meeting Dates**

Meeting dates	Number of reports
30 July 2018	4
27 August 2018	4
05 October 2018	3
29 October 2018	3
30 November 2018	4
28 January 2019	6
25 February 2019	2
25 March 2019	4
29 April 2019	4
04 June 2019	5

#### 2.2.5.4 Employment Equity Committee

**Table 2:33: Employment Equity Committee**

Name of member	Capacity
E Groenewald (Ms)	Portfolio Chairperson
J Hamilton	Committee Member
L K Horsband (Ms)	Committee Member
X Mdemka (Ms)	Committee Member
WC Petersen (Ms)	Committee Member

**Table 2:34: Employment Equity Committee Meeting dates**

Meeting dates	Number of reports
NONE	

#### 2.2.5.5 Councillor Disciplinary Committee

**Table 2:35: Councillor Disciplinary Committee Portfolio Committee**

Name of member	Capacity
Q Smit (from 27 Feb 2019)	Portfolio Chairperson
MB De Wet (until 26 Feb 2019)	Portfolio Chairperson
L Maqeba	Committee Member
WC Petersen (Ms)	Committee Member
N Sinkinya (Ms)	Committee Member
Q Smit	Committee Member

**Table 2:36: Councillor Disciplinary Portfolio Committee Meeting Dates**

Meeting dates	Number of reports
10 September 2018	3
03 October 2018	3
22 October 2018	1

## 2.2.5.6 Rules Portfolio Committee

**Table 2:37: Rules Portfolio Committee**

Name of member	Capacity
WC Petersen (Ms)	Portfolio Chairperson
PW Biscombe	Committee Member
G Cele (Ms)	Committee Member
PR Crawley (Ms)	Committee Member
JG Hamilton	Committee Member
P Sitshoti (Ms)	Committee Member

**Table 2:38: Rules Portfolio Committee Meeting dates**

Meeting dates	Number of reports
20 September 2018	1
18 February 2019	1
20 February 2019	1
28 February 2019	1
11 March 2019	1



## 2.2.6 STRATEGIC GOVERNANCE STRUCTURE

The Municipal Manager is the Chief Accounting Officer of the municipality. She is the head of the administration and serve as chief custodian of service delivery and implementation of political priorities. She is assisted by her directors, which constitutes the Management Team, whose structure is outlined in the table below:

**Table 2:39: Administrative Governance Structure**

Name of Official	Department	Performance agreement signed
		(Yes/No)
Annalene De Beer	Director: Corporate Services	Yes
Tabiso Mfeya	Director: Planning and Economic Development	Yes
Marius Wüst	Chief Financial Officer ( Until 31 December 2018)	Yes
Kevin Carolus	Chief Financial Officer ( 01 March 2019)	Yes
Gerald Esau	Director: Community and Protection Services ( Until 30 November 2018)	Yes
Gary Boshoff	Director: Community and Protection Services ( 01 March 2019)	Yes
Deon Louw	Director: Infrastructure Services	Yes



## 2.3 COMPONENT B: PUBLIC ACCOUNTABILITY

MSA section 15(b) requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16(i) states that a municipality must develop a system of municipal governance that complements formal representative governance with a system of participatory governance. Section 18(i) (d) requires a municipality to supply its community with information concerning municipal governance, management and development.

The participation outlined above is required in terms of the:

- preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;
- monitoring and review of performance, including the outcomes and impact of such performance; and
- preparation of the municipal budget.

### 2.3.1 INTERGOVERNMENTAL RELATIONS

#### 2.3.1.1 National Intergovernmental Structures

The National Forum, i.e. The Municipal Managers Forum, facilitated by the Department of Cooperative Government and Traditional Affairs (COGTA) meets twice per annum. New legislation and its implications, as well as challenges for local government, e.g. financial sustainability, professionalism and oversight structures are discussed.

The Directorate: Infrastructure Services represented by the Director: Infrastructure Services as a member of the national WRC/SALGA Municipal Benchmarking Initiative in Water Services, which collaborates in a national programme towards the improvement of water services, co-driven by SALGA and the Water Research Commission (WRC) and in collaboration with Ethekwini Municipality, MILE (Municipal Institute of Learning), representatives of other municipalities, the Institute of Municipal Engineers (Imesa) and the Department of Water and Sanitation (DWS).

#### 2.3.1.2 Provincial Intergovernmental Structures

##### Office of the Municipal Manager

The Municipality is a keen participant of joint intergovernmental planning initiatives of Provincial Government. MinMay (Provincial Ministers, Provincial Heads of Departments, Mayors and Municipal Managers) and the Premier's Coordinating Forum are provincial forums for fruitful interaction regarding local government cooperation and challenges. These meetings are held twice per annum. The Provincial Municipal Managers Forum meets quarterly.

Chief Audit Executive and Chief Risk Officer fora are held on a quarterly basis in conjunction with Provincial Treasury where all municipalities share best practises and consult on areas of improvement.

Stellenbosch is represented on the Provincial IDP Managers Forum, the Provincial Public Participation and Communication Forum, all of which are facilitated by the Provincial Department of Local Government.



### Financial and Corporate Services

The Finance Directorate participates in several provincial fora on a quarterly basis. The fora include the Supply Chain Management forum, the Municipal Property Rates Act forum, the Management Accountants forum as well as the Chief Financial Officer Forum.

The Municipal Court is in full operation and collaborates with the Department of Justice on a regular basis.

### Planning and Economic Development

The Municipality is represented by the Manager: Spatial Planning on the task team set up by DEA&DP to revise the Provincial Spatial Development Framework (PSDF). Through this inter-governmental process Stellenbosch Municipality is able to provide input into the format and substance of this document that will have a legal bearing on all local municipalities in the Western Cape.

The DEA&DP and the Municipality established a working group to consult monthly or more regularly as the need arises about environmental authorisation applications and land use (spatial planning) matters. Slow response times to applications by developers, entrepreneurs, farmers, service providers (Eskom, Telkom, cellular operators, etc.), waste management bodies, mining operators and roads authorities, cause delayed investment and infrastructure provisions. This has negative effects on the economy, hence the working group was established to increase the speed with which the applications are administered.

The working group consists of the technical role players and it is overseen by the portfolio councillors of the Municipality. This structure ensures prior commitment to and understanding of matters to be reported to the relevant portfolio committees or council. The working group is administered by the DEA&DP and meetings are in liaison with the Directorate: Planning and Economic Development, who must invite and ensure attendance by affected internal role players.

Quarterly meetings involving Pniel Primary School as a pilot school is looking at combined initiatives from the Municipality, Department of Health, Department of Social Development, Education and DCAS to address issues relating to poor school performance.

Regional Forum Meetings between Provincial Department of Human Settlements (PDoHS) and Municipalities in the Cape Winelands region:

- The PDoHS and the municipalities in the Cape Winelands Region meet on a quarterly basis to discuss all new housing policies and budget related matters in housing delivery. During the meeting, all the housing officials of the various municipalities are present to share their new innovative ideas. The overall performance of each municipality is discussed in detail as well as mitigating options if the need arises.
- Applications of new and existing projects are also discussed with the feedback from the PDoHS. The municipalities receive information relating to: beneficiary administration, outstanding approvals, informal settlement challenges, title deed transfers, farm worker evictions and other matters with regards to the housing delivery. Legislation and court rulings are also discussed to ensure that senior officials are aware of any new implementation programmes, circulars and legal precedents. Each of the five municipalities is given the opportunity to host this engagement.
- The Informal Settlements Department also represents the Municipality at the bi-monthly Informal Settlements Support Programme (ISSP) meetings of the Provincial Department of Human Settlements (PDoHS). The latter program aims to interpret National and Provincial guidelines with respect to



upgrading of informal settlements. The purpose of these monthly meetings is to discuss best practices in informal settlements within the Cape Winelands region.

- The Informal Settlements Department furthermore collaborates between various Municipal Departments and Stats SA. The collaboration is aimed at regularising the Municipality's data collection efforts into a format that is acceptable to Stats SA and that the collected data eventually will meet the standards as required by Stats SA.

### **Engineering Services**

The Directorate participates in the Stellenbosch River Collaborative Steering Committee with the aim of developing a multi-stakeholder collaborative governance process within which to deal with issues of water quality and pollution in the Stellenbosch rivers. The participants include the Winelands Water Users Association, Stellenbosch Municipality, Department of Water Affairs, the Department of Environmental Affairs, Cape Nature, WWF, Wildlands and key stakeholders in the wine industry such as Spier and the Distell group.

The Department of Waste Management is currently finalising their draft 3rd generation Integrated Waste Management Plan (IWMP), which is undertaken by GreenCape, a non-profit organisation that drives the widespread adoption of economically viable green economy solutions from the Western Cape. The IWMP gives direction regarding Waste-to-Energy, Alternate Waste Management options and Waste Management projects proposals.

The Department of Waste Management also embarked on a Waste Characterisation Study, to provide the information base in drafting a new approach towards waste management, which has been captured in the new generation, Integrated Waste Management Plan (IWMP). The 3rd Generation Integrated Waste Management Plan (IWMP), gives direction regarding Waste-to-Energy, Alternate Waste Management options and Waste Management projects proposals. This innovative approach was recognised by the DEA&DP when the Municipality was requested to assist three other local municipalities in taking this approach. The municipalities of Beaufort West, Prins Albert and Laingsburg were assisted in this manner by the visit of the Waste Management Department team, who trained the local officials as well as assisted in the first data collection exercise.

The Western Cape Provincial Government has identified Stellenbosch Municipality as a priority municipality for the implementation of the Provincial Sustainable Transport Programme (PSTP). To this end, the Western Cape Government through its Department of Transport and Public Works, has entered into a partnership with Stellenbosch Municipality (a Memorandum of Agreement was concluded in July 2016) to plan and implement sustainable transport initiatives. As part of this initiative, the Municipality has started investigating the possibility of implementing a scheduled public transport service within Stellenbosch.

The Western Cape Government as part of the Provincial Sustainable process also made money available for small systems improvement and R4m was given for non-motorised transport projects in Kayamandi, Cloetesville, Klapmuts and Idas Valley. The Department of Waste Management also embarked on a second Waste Characterisation Study, five years after the initial pioneering study was undertaken, to provide the information base in drafting a new approach towards waste management, which has been captured in the new generation, (IWMP). The 3rd Generation Integrated Waste Management Plan (IWMP) was the first in the province; this innovative approach was recognised by the DEA&DP when the Municipality was requested to assist three other local municipalities in taking this approach. The municipalities of Beaufort West, Prins Albert and Laingsburg were assisted in this manner by the visit of the Waste Management Department team, who trained the local officials as well as



assisted in the first data collection exercise. Provincial government (D:EA&DP) officials were trained by Stellenbosch Municipality in 2012/13, and are now implementing a number of waste categorisation studies in other municipalities in the Western Cape. The national department, Department: Environmental Affairs (DEA) would like to have this implemented throughout the country.

Stellenbosch Municipality is also represented at the quarterly Waste Management Officers Forums, where best practices, changing legislation, feedback from national and provincial government policy changes, etc. are discussed to keep all municipalities in the Western Cape abreast of all issues pertaining to waste management. The Western Cape Recycling Action Group (RAG) quarterly forums, although more geared at private sector contributions to waste minimisation, also provide the platform for municipalities to engage with each other and the private sector for waste minimisation opportunities.

The Council for Scientific and Industrial Research (CSIR) has also engaged with this Municipality as its primary reference source in terms of testing a separation at source model on behalf of DEA, which the latter would like to implement nationally.

The Electrical Department is extensively involved with the other local municipalities' electricity departments through the Association of Municipal Electricity Utilities (AMEU). This project is an initiative to implement energy saving and load shifting capacity within the municipal area and is being used with great success.

In collaboration with the Department of Energy (DOE) further energy saving projects were implemented. At the Stellenbosch Waste Water Treatment Works (WWTW) energy efficiency Technologies on pumps were implemented. The Directorate: Engineering Services supports innovation and research and collaborates with various entities in this regard. Research was undertaken at one of Council's Waste Water Treatment works to test nano-fibre technology as a new cost-effective and robust technology which could revolutionise the wastewater treatment sector in South Africa.

### Community and Protection Services

Traffic Services liaises with Western Cape Government: Department Transport and Public Works on a continuous basis on matters related to transport administration and licensing, traffic law administration regarding motor-vehicle licensing and issuing of learner and driving licenses.

The department further engages with RTIA, RTMC, Director Public Prosecutions, Department of Justice regarding legislative requirements and adherence.

To execute the Safely Home Programme, the department interacts with various engineering entities such as provincial engineers and Cape Winelands District Council. The Western Cape Government developed the Provincial Strategic Plan (PSP) which gave rise to policies, programmes and projects forming partnerships amongst government, citizens, civil society and business. Various spheres of government are being engaged to co-create a culture of wellness and safety in the workplace and to promote wellness and safety through integrated service delivery models in order to address the social determinants of health through interaction with Department Education, Health Department and SAPS.

The Municipality engages in numerous partnerships to facilitate service delivery.

**Table 2:40: Municipal Partnerships**

Name of Partner/ Partnership	Purpose
Mayor/Rector Forum	A partnership with the University of Stellenbosch to ensure aligned development planning and that the Municipality draws from the university's expertise and resources.





Name of Partner/ Partnership	Purpose
Memorandum of Cooperation between the Stellenbosch Municipality and Stellenbosch University (SU)	Cooperation in terms of closed circuit television in the interest of the security of the town and the campus with a view to a crime-free university town.
Landfill Monitoring Committee	A partnership with the Devon Valley residents, whereby residents monitor the Stellenbosch landfill site.
IMESA (Institute for Municipal Engineers South Africa)	A partnership with IMESA aimed at strengthening knowledge and capacity related to municipal infrastructure and service delivery.
Integrated Development Committee (IPC)	A partnership with the university and other stakeholders aimed at exploring spatial and urban planning possibilities for Stellenbosch to meet the needs of the Municipality and university.
Department Social Development, DCAS, Cape Winelands District Municipality	Joint implementation of programmes focussing on common issues within WC024.
SALGA Municipal Benchmarking Initiative	A partnership aimed at improving efficiency and effectiveness through comparative process benchmarking, peer-to-peer operational knowledge sharing and iterative performance improvements.
Stellenbosch River Collaborative	A partnership was formed between various role players to improve the water quality in the Eerste River catchment, with the focus on the Plankenbrug river.
Bergriver Improvement Programme	A partnership was formed to improve the quality of the storm water run-off from the Langrug Informal Settlement. The project entails the implementation of biomimicry, waste recycling and a Sustainable Urban Drainage lab.
LTAB	A partnership was formed between political leaders to discuss Land Transport-related matters that affect transport in the area.
Transport Working Group	A Transport Working Group was established to discuss transport related matters that affect Stellenbosch, including all relevant governmental institutions and other role players.
IPC	The Integrated Planning Committee is a working group between the City of Cape Town, Stellenbosch, Saldanha, Overstrand, Theewaterskloof, and Drakenstein Municipality that discuss all transport related matters to effectively promote regional planning
NMT Working Group	A working group that discusses all Non-Motorised Transport matters in the Stellenbosch area. The group consist of NMT users, officials, representatives from the university and the disabled fraternity.
Drought Steering Committee	This is a committee consisting of a panel of roll players in the drought intervention plan including consultants to discuss, plan, manage and action the Drought Intervention strategies that culminated from various source documents including WCWDM strategies, WSDP, AUDIT REPORTS and various Master Plans and processes. It also oversees the SCM and construction phase of the plans.
GreenCape	The GreenCape partnership represents a cooperation with the province's 110% green initiatives, focussing on alternative waste management initiatives and energy efficiency.
CSIR	A partnership aimed at multidisciplinary research and development by supporting innovation in Stellenbosch.
Genius of Space	This initiative developed from, and forms part of the Western Cape 110% Green Initiative. The Biomimicry Genius of Space project is a registered flagship project of 110% Green. This initiative combines two priorities of the Western Cape Government – the Berg River and the Green Economy – to find an innovative solution to water pollution in the Berg River.
General	Municipal Partnerships

#### District Intergovernmental Structures

The Cape Winelands District Municipality's Executive Mayor is Chairperson of the District Coordinating Forum which has been established in accordance with the Intergovernmental Relations Framework Act, No. 13 of 2005. This forum meets quarterly and seeks to promote and facilitate intergovernmental relations between the district municipality and the local municipalities in the district. The Stellenbosch Municipality participates in this forum and the Cape Winelands District Municipal Managers Forum and benefits immensely from this involvement by being exposed to good practises in other municipalities and strengthening the relationship with the district municipality in forging joint partnerships in the interest of good governance and service delivery. The Cape Winelands District Municipality supports community development and use indigenous sports



Name of Partner/ Partnership	Purpose
	to create social cohesion amongst communities in the district. Special focus and attention was given to our communities in rural areas. Stellenbosch, Drakenstein and Breede Valley Municipalities have participated in various indigenous games which were hosted by the Cape Winelands Municipality. The relationship between Stellenbosch Municipality and the district municipality has dramatically improved and the Community Services Department has managed to exceed all expectations in this regard. A targeted approach was followed and sports were used as a catalyst to cement this relationship with the district.
	The areas that the Department of Community Services targeted were communication, sharing of resources, capacity building and financial resources. The improved relationship between the district municipality and Stellenbosch Municipality enabled the communities to also participate in the Provincial and National Indigenous Games.

## 2.3.2 REPRESENTATIVE FORUMS

### 2.3.2.1 Local Labour Forum

The table below lists the members of the Local Labour Forum for the 2018/19 financial year:

**Table 2:41: Local Labour Forum**

Name of representative	Capacity	Meeting dates
E Groenewald	Councillor	
R Du Toit	Councillor	
E Fredericks	Councillor	
LK Horsband	Councillor	
XL Mdemka	Councillor	
RS Nalumango	Councillor	
A De Beer	Director: Corporate Services	
D Louw	Director: Infrastructure Services	30 July 2018
G Boshoff	Director: Community and Protection Services	27 August 2018
K Carolus	Chief Financial Officer	05 October 2018
A Kannemeyer	Senior Manager : Human Resources	29 October 2018
N Kwintshi	SAMWU Representatives	30 November 2018
T Ncoko	SAMWU Representatives	28 January 2019
S Ndleleni	SAMWU Representatives	25 February 2019
I Nkunkumana	SAMWU Representatives	29 April 2019
H Coffee	IMATU Representatives	04 June 2019
T Gilbert	IMATU Representatives	
R Louw	IMATU Representatives	
H Theart	IMATU Representatives	
E Vergotine	IMATU Representatives	
D Williams	IMATU Representatives	

### 2.3.3 WARD COMMITTEES

The advent of democracy in 1994, and the maturing system of local government in 2000, brought about a new democratic local governance system which promotes certain basic values and principles. Such values and principles include transparency, accountability and an open and inclusive system of governance through community involvement in governance, and planning and democratisation of development. This certainly placed South Africa in par with other democratic governments throughout



the world and positioned it as a reputable reference form of effective decentralised system of government.

The notion of participation remains a key cornerstone of good governance and constitutes an integral component in the policy making process, development planning and budgeting. Section 152 of the Constitution, places the participation of communities at the centre of service delivery and other matters of Local Government. Correspondingly, the Local Government: Municipal Structures Act, 1998 and Local Government: Municipal Systems Act, 2000 provides the legislative framework for the establishment of Ward Committees by municipalities.

The Local Government: Municipal Systems Act of 2000 states in section 42 that a municipality, through appropriate mechanisms, processes and procedures established in terms of Chapter 4, must involve the local community in the development, implementation and review of the municipality's performance management system and, in particular, allow the community to participate in the setting of appropriate key performance indicators and performance targets for the municipality.

A general understanding has emerged that a ward committee is an area-based committee whose boundaries coincide with ward boundaries.

Ward Committees:

- are made up of representatives of a particular ward;
- are made up of members who are elected to represent a specific geographical area/block;
- are chaired by the ward councillor;
- are meant to be an institutionalised channel of communication and interaction between communities and municipalities;
- give the community members the opportunity to express their needs and opinions on issues that affect their lives, and to be heard at the municipal level via the ward councillor; and
- are advisory bodies created within the sphere of civil society to assist the ward councillor in carrying out his or her mandate in the most democratic manner possible.

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councillor serves on the ward committee and acts as the chairperson. Although ward committees have no formal powers, they advise the ward councillor, who makes specific submissions directly to the council. These committees play a critical role in the development and annual revision of the integrated development plan of the area.

The ward committees support the ward councillor, who receive reports on development, participate in development planning processes and facilitate wider community participation. The Municipality constantly strives to ensure that all ward committees function optimally in terms of the provision of community information, convening meetings, ward planning, service delivery, IDP formulation and performance feedback to communities.

**Ward 1:** Franschhoek town, Bo-Hoek Farms, Mooiwater

**Table 2:42: Ward 1 Committee Members**

Name of representative	Capacity representing
Aldridge Frazenburg	Councillor
AH Bauer	Bo-hoek farms
H Diedericks	Beaucop De Leau to School Street
AP Kilian	Calais Street to Hugenote Road



Name of representative	Capacity representing
PG Mihalopoulos	Akademie to De Villiers Street
N Ntsunguzi	Beaucop De Leau to Dalibushile School
M Nyanga	Beaucop De Leau to Dalibushile School
F Ahmed	Upper farms
R Plaatjies	Lower Farms
C Daniels	Beaucop De Leau to School Street
Elzona Morris	Ward Administrator

**Ward 2:** Langrug, La Motte, Dennegeur, Groendal, Domain Agnes

**Table 2:43: Ward 2 Committee Members**

Name of representative	Capacity representing
Wilhelmina Petersen	Councillor
M Boonzaaier	Jaffhas to Boonzaaier Road
N Fata	Zwalitcha
A Jeffhas	Jaffhas to Boonzaaier Road
J Lottering until Jun 2019	La Motte
S Selahla until Nov 2018	Mazaleni
M Vermeulen	Domain Des Anges
H Lackay	Berg River Dam Houses
SC Jeffhas until Oct 2018	School Street to R45
W Boonzaaier until Nov 2018	Santa Rosa to R45 Unknown
J Lottering until Jun 2019	La Motte
S Selahla until Nov 2018	Mazaleni

**Ward 3:** Lanquedoc, Meerlust, Wemmershoek, Maasdorp and Surrounding

**Table 2:44: Ward 3 Committee Members**

Name of representative	Capacity representing
Charles Manuel	Councillor
N Jack until Nov 2018	Vygie, Kerk, Hoof Street - Lanquedoc
MP Krediet	Vygie, Kerk, to Gravel Road - Lanquedoc
J Plaatjies from Apr 2019	Meerlust and Farms
J Nomdoe	Angelier, Prins Afrika, Leeubekkie, Vygie Streets - Wemmershoek
C Stuurman	Hoof, Kerk, Vygie Streets - Lanquedoc
G Moody from Apr 2019	Vygie, Angelier Streets - Wemmershoek
L Cloetes	Wemmershoek
D Booyen from Jun 2019	Vygie, Kerk, Hoof Street - Lanquedoc
Gregory Viljoen	Ward Administrator

**Ward 4:** Pniel, Kylemore and Johannesburg

**Table 2:45: Ward 4 Committee Members**

Name of representative	Capacity representing
Malcolm Johnson	Councillor
S Charles	Malva, Arum, Gousblom, Freesia, Daffodil, School streets and Farms
G Jacobs	Johannesdal
A Williams	Panorama, Simonsberg, Pine and Silvermine Streets



Name of representative	Capacity representing
D Lackay	Panorama, Simonsberg, Pine and Silvermine Streets
P van Wyk	PC Pietersen, Swart, Abrahams Streets, Capolavdoro
B November	Arcade, Santa Rosa, Starking, Helshoogte Streets
J Myburgh	Kloof, Hill, Dahlia, Oak Kleigat Streets
R van Wyk	Kerk, Brand, De Wet, Adams, Rooi, Jooste, Cupido Streets
B Lewak	Malva/ Arum/Gousblom/ Freesia/ Daffodil/ Skool Streets and Farms
R Sauls	Johannesdal
Melicia Simpson	Ward Administrator

**Ward 5:** The Ridge, Lindida and Idas Valley (Hydro into the direction of Idas Valley and Omega Street to Jonkershoek)

**Table 2:46: Ward 5 Committee Members**

Name of representative	Capacity representing
Donovan Joubert	Councillor
A Pieterse	Hydro and Surrounding Farms
RB Van Rooyen	The Ridge
L Hendricks	Bo-vlei
K Marais	Schoongezicht Farms
P Herandien	Lindida, Kreefgat, Uppervlei
W Johannes	Jonkershoek Upper
J Naude	Lindida, Kreefgat, Uppervlei
L Persensie	Lindida, Kreefgat, Uppervlei
N Rhode	Jonkershoek
Sinobia Zass	Ward Administrator

**Ward 6:** Idas Valley and farms (Nietvoorbij, Timberlea, Morgenhoff, Remhoogte, Muratie, Groenhof, Delheim, Lievland, Kanonkop, Uifkyk, Glenelly, Emerie, Laundry, Packham, L'Avenir)

**Table 2:47: Ward 6 Committee Members**

Name of representative	Capacity representing
Nateshia Mcombring	Councillor
O Bergstedt	Tindall to Luckhoff Streets
M Hendricks	Botmaskop
Johannes Brandt	Speler to Botmaskop
Patricia Constable	Farms Areas to North
F Fortuin	Tindall to Luckhoff Street
P Gordon	Rustenburg Road to Lelie Street
D Jones	Lindley to Weber Streets
F Poole	Old Helshoogte to Lelie Streets
P Roets	Rustenburg Road to Lelie Street
Cerelmiel Van Rooyen	Ward Administrator



**Ward 7:** Mosterdsdrif, Kolonieshof, Karindal, Rozendal, Uniepark, Simonswyk, Universiteits Oord and De Weides

**Table 2:48: Ward 7 Committee Members**

Name of representative	Capacity representing
Alwyn Hanekom	Councillor
CD Cillie	Simonswyk
PE Classen	Mostertsdrif
JD Coetzee	Rozendal
GA Giliomee	Karindal
GG Groenewald	Mostertsdrif
AB Meiring	Karindal
JP Swanepoel	Uniepark
WJ Van Aswegen	Simonswyk
Janetta Giliomee	Ward Administrator

**Ward 8:** University Areas: Marais, Merriman, Helderberg Street

**Table 2:49: Ward 8 Committee Members**

Name of representative	Capacity representing
Quintin Smit	Councillor
R De Villiers	Van Riebeeck, The Avenue, Coetzenburg Road
T Hlatswayo	Victoria, Neethling, Bosman, Van Riebeeck
CL Macleod	Van Riebeeck, Die Laan, Neethling, Eerste River
M Wannenburg	Merriman, Marais, Hofmeyer, Bosman
E Beukman	Merriman, Marais, Hofmeyer, Bosman
D Madire	Victoria, Neethling, Bosman, Van Riebeeck
Janetta Gilliomee	Ward Administrator

**Ward 9:** Eerste River, Krige, Herte, Skone Uitsig, Bird, Merriman, Bosman, Victoria, Neethling, The Avenue

**Table 2:50: Ward 9 Committee Members**

Name of representative	Capacity representing
Marnes De Wet until 9 April 2019	Councillor
ZJ Dalling from 10 Apr 2019	Councillor
JM Calitz	Geographic
GG Cillie	Geographic
ZJ Dalling until 9 Apr 2019	Geographic
JMK Meyer	Geographic
M Pauw	Geographic
J Rust until Feb 2019	Geographic
A Louw	Geographic
H Esterhuizen	Geographic
I Dean from May 2019	Geographic
L Combrink from May 2019	Geographic
Janetta Giliomee	Ward Administrator



**Ward 10:** Tennant Street, Bell Street, Lappan Street, Lackey Street, Langstraat- Suid , La Colline – Faure Street, Dr Malan Street to Irene Park, Conde Street, Mount Albert, Taylor, Voorplein to Kromriver, Municipal Flats (Lavanda, Aurora, Phyllaria), Molteno Avenue to Paul Kruger Street and Banghoek Avenue

**Table 2:51: Ward 10 Committee Members**

Name of representative	Capacity representing
Rozette du Toit	Councillor
P Hough	Tennantville
B Samuels	Tennantville
P Stone	Lapland
S Williams	Lapland
K Malgas from 7 Aug 2018	Lacoline
Moses Michaels	Ward Administrator

**Ward 11:** Dorp Street to Herte Street, Mark Street, Alexander Street, bottom of Bird Street to the Stellenbosch Train Station, all areas in Onder-Papegaaiberg and surrounding businesses.

**Table 2:52: Ward 11 Committee Members**

Name of representative	Capacity representing
Johanna Serdyn	Councillor
P Carinus	Onderpapegaaiberg – Flamingo Street to Devon Valley Road
D Cupido	Devon Valley and Farms
I Fourie	Onderpapegaaiberg – Flamingo Street to Devon Valley Road
J Lombard (until Nov 2017)	Onderpapegaaiberg – Flamingo Street to Devon Valley Road
M Snyman	Onderpapegaaiberg – Flamingo Street to Devon Valley Road
B Brand	Dorp Street
CF Schreiber (3rd Q)	Tarentaal Street to Patrys Street
Janetta Giliomee	Ward Administrator

**Ward 12:** Kayamandi: Enkanini, Snake Valley, Watergang, Thubelitsha, New Watergang(106), Zone O (next to Enkanini), Chris Hani Drive, Municipal Flats(10th and 13th Street), School Crescent, Ekuphumleni, Siyahlala, Zone A, George Blake

**Table 2:53: Ward 12 Committee Members**

Name of representative	Capacity representing
Nokuthula Managa-Gugushe	Councillor
L Dangisa	Geographic
M Galada	Geographic
S Mdozana	Geographic
S Mduyana	Geographic
N Ntanjana	Geographic
M Qondani	Geographic
N Sifumba	Geographic
S Siguba	Geographic
Y Makuleni	Geographic
S Mafenyang	Ward Administrator



**Ward 13:** Kayamandi: Old Location from Lamla Street to Luyolo Street, Red Bricks, Old Hostels

**Table 2:54: Ward 13 Committee Members**

Name of representative	Capacity representing
Faith Bongani-Menziwe	Councillor
N Bhayibhile	Geographic
NVV Finini	Geographic
M Gqibelo	Geographic
V Hani	Geographic
JZ Jekem	Geographic
S Magade	Geographic
PN Makasi	Geographic
S Mcako	Geographic
B Takisa	Geographic
M Zondiwe	Geographic
N Tolibisa	Ward Administrator

**Ward 14:** Kayamandi: Zone I (Setona Street), Zone O (lower part) (Mgabadelo Crescent, Monde Crescent, Costa Land, Strong Yard, Zone M (8th Avenue), Zone P

**Table 2:55: Ward 14 Committee Members**

Name of representative	Capacity representing
Phelisa Sitshoti	Councillor
MH Gxilishe	Geographic
MD Masimini	Geographic
O Manthsi	Geographic
E Mgoqi	Geographic
N Mpemnyama	Geographic
NA Mthiya	Geographic
Boikabetso Lesaoana	Ward Administrator

**Ward 15:** Kayamandi: Mjandana Street (Zone L), Mputa Close, Zone K, Ndumela Street (Zone J), Distell Hostels, Vineyard, Zone O Middle part (Fire Street), Municipal Workers Flats, Zone N, and M, Old Corrobricks Hostels, Mdala Street (Old Hostels)

**Table 2:56: Ward 15 Committee Members**

Name of representative	Capacity representing
Nosibulele Sinkinya	Councillor
T Dishi	Geographic
NJ Kepu	Geographic
G Kota	Geographic
M Kumalo	Geographic
TJ Lepheana	Geographic
EP Masimini	Geographic
P Nyakaza	Geographic
K Shubani	Geographic
L Xelenga	Geographic
Vuyelwa Maramnco	Ward Administrator





**Ward 16:** Long Street, Eike Street, Jakaranda Street, Short Street, Curry Street, Quarry Street, Primrose Street, Pine Street, Hoop Street, North End Street, Vredelust Street Noord, Vredelust West Street, Laai Street, Last Street, Arnolds Street, Anthony Street, Carriem Street, Davidse Street, Cupido Street, Ismael Street, Crombi Street, Chippendale Street, Bergstedt Street, Achilles Street, Africa Street, Cornelson Street Cloeteville

**Table 2:57: Ward 16 Committee Members**

Name of representative	Capacity representing
Elsabe Vermeulen	Councillor
J Beneke	Curry, Pine, Primrose, Silvia, Quarry
L De Klerk	Curry, Pine, Primrose, Silvia, Quarry
A Flink	Last to North End Streets
M Fredericks	Curry, Pine, Primrose, Silvia, Quarry
E Gordon	From Sports Field to last Street
A Meyer	Tennatville and Slabtown
J Williams	Long Short, Jakaranda, Eike Streets
J Henry	Laetitia Park
Yvonne Lamberts	Ward Administrator

**Ward 17:** Longstreet, Kloof Street, Fir Street, Williams Street, Rhode Street, Hendrickse Street, February Street, Weltevrede 2 and Welgevonden, King Street, Hine Street, Fontein Street, Wilger Street, Raziet Street, Pool Street, Valentyn Street, Ortell Street, King Street, Isaac Street, Stellita Park, Gabriel Street, Part of Lackay Street

**Table 2:58: Ward 17 Committee Members**

Name of representative	Capacity representing
Paul Biscombe	Councillor
J Fasser	Soekmekaar and surrounds
J Joon	Rietenbosch
D Smith	Flats: Kloof and Long Streets
A Van der Mescht	Welgevonden
A Van der Westhuizen	Huis Ebenhaezer
M Wagner	Rhode Street Flats
D Robyn	Stellita Park
SH Frederik (3rd Q)	SH Frederik (3 <sup>rd</sup> Q) Unknown
Heidi Sauls	Ward Administrator

**Ward 18:** Klapmuts and surrounding farms

**Table 2:59: Ward 18 Committee Members**

Name of representative	Capacity representing
Emily Fredericks	Councillor
N Chelesi	New Houses, Brickfields
J Fredericks	Koelpark
W Johannes	Sand, Bell, Merchant, Railway Houses
A Michel	Weltevrede Park 1
N Mtaba	Mandela City, Lawson
J September	La Rochelle, Pinotage Village
J Fochessati (April 2018)	New Houses/ Brickfield



Name of representative	Capacity representing
G Wentzel	Rozenmeer, Police Station, Farms
G Hector	Weltevrede Park 2
Belinda Foster	Ward Administrator

**Ward 19:** Elsenburg, Vaaldraai, Slaley, Kromme Rhee, De Novo, Bottelary, De Hoop, Simonsig and surrounding farms

**Table 2:60: Ward 19 Committee Members**

Name of representative	Capacity representing
Jan Karel Hendriks	Councillor
J Andrews until Dec 2018	Elsenburg
H Carolus until Jan 2019	De Novo
F Hansen	De Novo
A Kamfer	Bottelary Farms
C Martins	Bottelary Farms
J May	Koelenhof/ Koelpark
H Robyn until Dec 2018	Weltevrede/Smartietown
D van Wyk (Apr 2018)	Kromme Rhee
James Williams	Ward Administrator

**Ward 20:** Vlottenburg, Raithby, Lynedoch, Mooiberge, Meerlust and Polkadraai

**Table 2:61: Ward 20 Committee Members**

Name of representative	Capacity representing
Ansaaf Crombie	Councillor
AT Joon	Vlottenburg
D Fortuin	Vlottenburg
CHO Gordon	Raithby
P Taai Bosch	Vlottenburg
M James	Raithby
G Pojie	Vlottenburg
E Jacobs	Lynedoch Farms
A Malgas	Meerlust Farms
C van der Merwe	Polkadraai
Juanita February (until Jan 2018)	Ward Administrator
Enathi Mpemnyama (May 2018)	Ward Administrator

**Ward 21:** Jamestown, Paradyskloof, De Zalze, Techno Park, Blaauwklippen and surrounding farms

**Table 2:62: Ward 21 Committee Members**

Name of representative	Capacity representing
Rikus Badenhorst	Councillor
V Malmnas	De Zalze
S McNaughton	Blaauwklippen
H Lemmer until 10 Apr 2019	Paradyskloof
D Simons until 28 Feb 2019	Jameston
HC Eggers	Paradyskloof
A Ferns until 28 Feb 2019	Jamestown



Name of representative	Capacity representing
F van der Merwe	Paradyskloof
NC Hamman	Paradyskloof
B Pieterse from 16 Apr 2019	Jamestown/ Mountainview
Nelmare Williams	Ward Administrator

**Ward 22:** Krigeville, Dalsig, Welgelegen, Brandwacht, Die Boord and Kleingeluk

**Table 2:63: Ward 22 Committee Members**

Name of representative	Capacity representing
Esther Groenewald	Councillor
M Vlok	Bo-Brandwacht, Faber, Kolbe, Mazot, LeSeuer, Linne
P Kruger	Van Taak, Wege, Robbertz, De Wet, Barry
A Pelser	Constantia, Welgevallen Alpen, Draailaan
Andy Marren	Rokewood Mairina, Saffraan, Kaneel, Blenheim
Elize Dick	Piet Retief Bult, Welgevallen, Draailaan, Lourenz, Sering, Bergh, Vlier, Pleunis, Nooitgedacht
A Coetzee	Skadu, Lower, Binnekring, Buitekring
R Lambrechts	Rhodes Noord, Van Rheede, Formosa, Sultan, Swellengrebel, Keiffer, Woltemade
Pieter Schaafsma	Upper-Lovell, Fairways, Peekka and other, Elbertha, Lovell, Forelle, Santa Rosa
S Wilson	Dalsig, Dennerand, Coligny, Dennesig, Park
Wendy Crowley	Ward Administrator

### 2.3.4 FUNCTIONALITY OF WARD COMMITTEES

The purpose of a ward committee is to:

- create formal communication channels between the community and Council ;
- advise the Ward Councillor in identifying the needs and concerns of the ward;
- support the Ward Councillor in informing the community about their rights and responsibilities; and
- support the Ward Councillor in consulting with community members and providing of feedback.

The policies and procedures for Ward Committees was adopted by Council on 29 November 2006 and amended on 26 August 2010, 20 June 2012 and 28 October 2015. This document is currently being reviewed and will be submitted to Council for consideration.

The annual budget for the reimbursement of out-of-pocket expenses for members of ward committees, in respect of their participation in ward committees, was approved by Council on 20 June 2012 and revised by Council on 28 October 2015. To qualify for reimbursement certain criteria, as contained in the policy, must be met.

The local government elections were held on 03 August 2016 and the establishment of Ward Committees took place during January and February 2017 with a further round of elections held during May 2017 in those wards where the full complement of ten members were not elected during the first round.

The table below provides information on the establishment of Ward Committees and their functionality:



Table 2:64: Functionality of Ward Committees

Ward Number	Committee established	Number of items /reports submitted to the Speakers/IDP Office	Number of Public meetings	Meeting dates of ward committees	Committee functioning effectively
	Yes / No				Yes / No
1	Yes	4	1	2 Aug 16 Oct 6 Nov 6 Dec 7 Feb 7 Mar 17 April 16 May 6 Jun	Yes
2	Yes	5	1	26 Jul 16 Aug 13 Sep 30 Oct 3 Dec 14 Feb 12 Mar 15 Apr 16 May 15 Jun	Yes
3	Yes	4	1	3 Jul 4 Sept 4 Dec 22 Jan 19 Feb 5 Mar 9 Apr 21 May 4 Jun	Yes
4	Yes	5	1	14 Aug 13 Nov 11 Dec 14 Feb 9 Apr 21 May 18 Jun	Yes
5	Yes	6	1	3 July 7 Aug 4 Sept 4 Oct 6 Nov 15 Jan 7 Feb 5 Mar 14 May 21 May	Yes
6	Yes	6	1	2 Aug 5 Sept 3 Oct 7 Nov 6 Dec	Yes



Ward Number	Committee established	Number of items /reports submitted to the Speakers/IDP Office	Number of Public meetings	Meeting dates of ward committees	Committee functioning effectively
	Yes / No				Yes / No
				6 Feb 6 Mar 3 Apr 15 May 5 Jun	
7	Yes	2	-	8 Aug 25 Sept 10 Oct 14 Nov 27 Feb	No
8	Yes	4	2	26 July 16 Aug 18 Oct 15 Nov 21 Feb 16 May	Yes
9	Yes	5	2	31 July 28 Aug 20 Sept 30 Oct 26 Feb 26 Mar 28 May	Yes
10	Yes	5	1	7 Aug 4 Sept 2 Oct 6 Nov 4 Dec 5 Feb 5 Mar 2 Apr 4 Jun	Yes
11	Yes	5	1	14 Aug 9 Oct 13 Nov 19 Feb 5 Mar 9 Apr 14 May	Yes
12	Yes	5	-	16 Aug 13 Sept 18 Oct 15 Nov 4 Dec 29 Jan 27 Feb 13 Mar 16 May 12 Jun	Yes
13	Yes	5	-	24 Jul 21 Aug	Yes



Ward Number	Committee established	Number of items /reports submitted to the Speakers/IDP Office	Number of Public meetings	Meeting dates of ward committees	Committee functioning effectively
	Yes / No				Yes / No
				11 Sept 8 Oct 13 Nov 4 Dec 5 Feb 13 Mar 9 April 14 May 4 Jun	
14	Yes	3	-	26 Jul 23 Aug 7 Sept 7 Nov 13 Feb 14 Mar 17 Apr 15 May 12 Jun	Yes
15	Yes	5	-	24 Jul 21 Aug 11 Sept 31 Oct 20 Nov 12 Feb 26 Mar 30 Apr 28 May 18 Jun	Yes
16	Yes	4	1	5 Jul 30 Aug 27 Sept 23 Oct 13 Nov 5 Feb 13 Mar 9 Apr 14 May 11 Jun	Yes
17	Yes	4	1	18 Jul 8 Aug 5 Sept 3 Oct 7 Nov 5 Dec 6 Feb 6 Mar 3 Apr 15 May 5 Jun	Yes
18	Yes	4	2	12 July 23 Aug 13 Sept 11 Oct 15 Nov 21 Feb 25 May 13 Jun	Yes



Ward Number	Committee established	Number of items /reports submitted to the Speakers/IDP Office	Number of Public meetings	Meeting dates of ward committees	Committee functioning effectively
	Yes / No				Yes / No
19	Yes	5	-	5 July 2 Aug 13 Sept 4 Oct 6 Nov 6 Dec 24 Jan 7 Feb 7 Mar 4 Apr 14 May 6 Jun	Yes
20	Yes	4	-	19 Jul 15 Aug 27 Sept 18 Oct 15 Nov 7 Feb 7 Mar 11 Apr 16 May 13 Jun	Yes
21	Yes	5	-	7 Aug 4 Sept 2 Oct 13 Nov 5 Feb 5 Mar 16 Apr 13 May 4 Jun	Yes
22	Yes	4	3	14 Aug 12 Sept 3 Oct 7 Nov 6 Feb 6 Mar 3 Apr 15 May	Yes



## 2.4 COMPONENT C: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

### 2.4.1 RISK MANAGEMENT

Section 62 of the Municipal Finance Management Act (MFMA), No. 56 of 2003, states that the Accounting Officer should take all reasonable steps to ensure that the Municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control, as well as the effective, efficient and economical use of the resources of the municipality.

This responsibility was delegated to the Chief Risk Officer. During this current financial year, the following were done:

- continuous awareness raising throughout the Municipality;
- the Risk Management Committee was established to facilitate and govern the risk management process, with a terms of reference, and has been operational since January 2013;
- the Chief Audit Executive has a seat on the Risk Management Committee where all risk and fraud management related activities are reported;
- the Risk Management Committee reports into the Audit Committee;
- risk registers have also been completed at an operational level;
- the previous year's strategic registers were revisited and an acceptable risk appetite was determined
- the revised risk register was adopted by Council;
- risks were also identified which could prevent the achievement of the predetermined objectives, and were noted in the SDBIP; and
- the Risk Management Policy was reviewed and adopted by Council;

Although the Chief Risk Officer is responsible for coordinating and facilitating risk management at all levels within the Municipality, management plays an active role in risk management and the mitigation of risk exposure.

The top 5 risks identified for 2018/19 are as follows:

1. Scarcity of landfill space.
2. Increase community unrest in the run up to the elections.
3. Growth in demand for housing exceeds the resources available for development and growing asset management constraints.
4. Electricity Supply Constraints.
5. Financial Sustainability.

#### Risk Management Grid

Low	Low 1-8
Moderate	Moderate 9-15
Major	High 16-19
Critical	Critical 20-25





## 2.4.2 STRATEGIC RISKS IDENTIFIED

Table 2:65: Strategic Risks Identified

Revised Strategic Risks						
Risk Item	Risk Description	Risk Background	Strategic Focus Areas	Impact Rating	Likelihood Ratings	Directorate
SR 1	Scarcity of landfill space	Unavailability of suitable land	Green and Sustainable Valley	4	4	Infrastructure Services
		Costs of SLA's and alternative waste disposal				
		Legislative requirements i.e EIA applications and approvals etc.				
SR 2	Increase community unrest in the run up to the elections.	Illegal invasions and landgrabs	Safe Valley	4	5	Municipal Manager/All Directorates
		Job creation/opportunities				
		Housing backlogs				
		Safety of ward Councillors				
SR 3	Growth in demand for housing exceeds the resources available for development and growing asset management constraints	Lack of bulk infrastructure	Dignified Living	4	5	Planning and Economic Development
		Lack of identified and suitable land, unrealistic eviction judgments				
		Aging infrastructure as a result of poor maintenance of existing infrastructure				
		Insufficient resources for new infrastructure				
SR 4	Electricity Supply Constraints	Recurrence of load-shedding	Valley of Possibility	4	5	Infrastructure Services, Community Protection Services, Financial Services
		Possible further constraints to Eskom electricity supply				
SR 5	Financial Sustainability	Debt management	Good governance and Compliance, Green and Sustainable Valley	5	4	Financial Services
		Cash-flow				
		Changes patterns in revenue				
SR 6	Loss of credibility and reputation due to perceived fraud and corruption	Abuse of legislation.	Good Governance and Compliance	4	5	All Directorates
		Reputational risk and credibility				
		Incorrect media statements and role of social media in incorrect negative reports etc.				
SR 7	Material Misstatements in the AFS	System errors	Good Governance and Compliance	5	3	Financial Services
		Transactions and events not recognised as they occur and accordingly nor recorded in the financial period it occurred				
SR 8	Urbanisation and growth	Comprehensive understanding of the developmental needs in the greater Stellenbosch area housing pipeline;	Valley of Possibility	4	3	Infrastructure Services
		Rapid and continued urbanisation				
		Changes in the needs of the community; master plans; housing pipeline				
		IDP and SDF alignment				
SR 9	Losing the historic status of Stellenbosch w.r.t environment (trees, biodiversity, buildings, rivers, etc.)	Keeping the balance - development and the historic status	Dignified Living; Valley of Possibility; Green & Sustainable Valley	4	3	All Directorates
		Occurrence of natural disasters				



Revised Strategic Risks						
Risk Item	Risk Description	Risk Background	Strategic Focus Areas	Impact Rating	Likelihood Ratings	Directorate
Revised Operational Risks						
OR 1	Lack of integrated Information and Communication Technology	Disparate systems	Good Governance and Compliance	4	3	All Directorates
OR 2	Water Scarcity	Limited sustainable water sources	Dignified Living; Valley of possibility; Green & Sustainable Valley	5	2	Infrastructure Services
		Growing population with increase in demand				
		Pollution of sources				
OR 3	Insufficient burial space in the greater Stellenbosch	Planning and funding	Dignified Living	2	5	Infrastructure Services
		Land availability				
OR5	Timeous Capital Spending	Steady increase in budget allocation	Good Governance and Compliance	5	2	Financial Services
		Growing population and demand for services				
		Demand Management				
Revised Emerging Risks						
ER 1	Climate Change	Changing weather patterns	Green and Sustainable Valley; Safe Valley	4	3	Office of the Municipal Manager; Community and Protection Services
		Unpredictable rainfall/flash floods				
		Natural disasters e.g. drought, fires (seasonal and other)				

### 2.4.3 ANTI-CORRUPTION AND ANTI-FRAUD

Section 83(c) of the Local Government: Municipal Systems Act, No. 32 of 2000 (MSA) refers to the implementation of effective bidding structures to minimise the possibility of fraud and corruption, while the Local Government: Municipal Finance Management Act (MFMA) No. 56 of 2003, section 112(1)(m) (i), identifies supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms are put in place and separation of duties in a supply chain management system to minimise the likelihood of corruption and fraud.

As with risk management the Municipal manager, Management and Council have taken ownership of combatting fraud and corruption throughout the Municipality.

The new Anti-Fraud and Corruption Prevention Policy underwent a process of consultation with key internal stakeholders and the Audit and Audit Performance Committee. The intention of the new policy is to strengthen fraud and corruption prevention at all levels within the Municipality and re-invest the management of fraud and corruption management to management at all levels. The new Anti-Fraud and Corruption Prevention Policy was adopted by Council in May 2018.

The fraud hotline or tip-off line is also fully functional and managed by an independent service provider. A toll free number and e-mail service are available to members of the public to report any suspected fraudulent or corrupt activities.



## 2.4.4 AUDIT AND PERFORMANCE AUDIT COMMITTEE

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must – (a) advise the Municipal Council, the political office-bearers, the Accounting Officer and the management staff of the Municipality, on matters relating to:

- internal financial control and internal audit;
- risk management;
- accounting policies;
- the adequacy, reliability and accuracy of financial reporting information;
- performance management;
- effective governance;
- compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
- performance evaluation; and
- any other issues referred to it by the Municipality.

## 2.4.5 FUNCTIONS OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE

The Municipal Audit and Performance Audit Committee's objectives and functions are based on Section 166(2) (a-e) of the Municipal Finance Management Act, 2003, further supplemented by the Local Government: Municipal Planning and Performance Management Regulation, as well as the approved Audit and Performance Audit Committee Charter approved 28 March 2018 by Council.

The objectives of the Audit and Performance Audit Committee of the Stellenbosch Municipality are to:

- Assist the Council in discharging its duties relating to the safeguarding of Council's assets;
- Develop and oversee the operation of an adequate internal process and control system;
- Oversee the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements, corporate governance and accounting standards;
- Provide support to the Council on the risk profile and risk management of the Council; and
- Ensure that there is an internal audit function in place and that the roles of the internal and external audit functions are coordinated.

The Audit and Performance Audit Committee is responsible for the oversight of internal controls, financial reporting and compliance with regulatory matters and mainly make recommendations to management.

The responsibilities of the Audit and Performance Audit Committee is further to review the:

- Effectiveness of the Council's system of internal control and risk management;
- Financial reporting and financial statements;
- Internal Audit function;
- Auditor General's report;
- Council's compliance with legislation and regulation;
- Compliance with the Council's Code of Conduct and ethics; and
- Performance Management System to make recommendations in this regard to Council.



The committee members are as follows:

**Table 2:66: Members of the Audit and Performance Audit Committee**

Name of representative	Capacity	Meeting dates
Reyhana Gani	Chairperson (elected 30 March 2016 – term ended 14 January 2019)	29 August 2018 7 December 2018 7 February 2019 7 May 2019 27 June 2019
Nimrod Llewellyn Mortimer	New Member (appointed 30 March 2016) Chairperson (re-appointed for a second term 1 April 2019)	
Jeremy Fairbairn	New Member (appointed 30 March 2016, re-appointed for a second term 1 April 2019)	
Vincent James Botto	New Member (appointed 1 September 2017)	
Tsepo Walter Lesihla	New Member (appointed 1 September 2017)	
June Williams	New Member (appointed 1 April 2019)	

The Audit and Performance Audit Committee advises Council, political office-bearers, the Accounting Officer and management of the municipality on the matters pertaining to duties as described in the Audit and Performance Audit Committee Charter.

The Audit and Performance Audit Committee is also accountable to identify major risks to which Council is exposed and determine the extent to which risks have been mitigated.

## 2.4.6 INTERNAL AUDITING

Section 165(2) (a), (b) and (c) of the MFMA requires that:

The internal audit unit of a municipality must:–

- a. prepare a risk based audit plan and an internal audit programme for each financial year; and
- b. advise the accounting officer and report to the Audit Committee on the implementation on the internal audit plan and matters relating to:
  - internal audit;
  - internal controls;
  - accounting procedures and practices;
  - risk and risk management;
  - performance management;
  - loss control; and
  - compliance with this Act, the annual Division of Revenue Act and another applicable legislation.
- c. perform such other duties as may be assigned to it by the Accounting Officer.

Stellenbosch Municipality's Internal Audit function comprised of in-house staff. The main focus areas were compliance to applicable laws, regulations, policies and procedures which resulted in both assurance as well as consulting work. During the year under review, the internal audit activity was able to effectively execute 87% of the initial adopted risk-based audit plan.

In addition, process flowcharts for all identified audit areas have been documented, highlighting the key controls and/or control gaps for process owners/line managers to consider and implement. Follow-up reviews were conducted relating to previously reported matters during the previous financial year.



## 2.4.6.1 Risk register and three-year Strategic Plan

Table 2:67: Risk Register and Three-Year Strategic Plan

Audit Activity	2016/17	2017/18	2018/19
<b>Statutory Audits</b>			
MFMA Compliance (Including other Relevant Acts)	✓	✓	✓
Division of Revenue Act (DoRA) Compliance	✓	✓	✓
Pre-determined Objectives	✓	✓	✓
Performance Management System			✓
Performance reviews: MM and Directors			✓
Risk Management Review	✓	✓	✓
<b>Additional Audits After Review of Risks</b>			
Supply Chain Management	✓	✓	✓
ITGC, Applications Review and Support Services Equipment	✓	✓	
IT service desk, Cobit assessment and risk assessment follow up			✓
Cobit assessment			✓
Governance	✓	✓	✓
Quarterly Key Control Reviews	✓	✓	✓
Financial Year-End Stock-Take	✓	✓	✓
Infrastructure Maintenance (Area, Cleaning, Parks and Rivers)	✓		
Leave Management	✓		
mSCOA	✓	✓	✓
Contract Management	✓		
Revenue – Indigent consumer verification	✓		
Water Services		✓	
Human Resources: Labour Relations		✓	
Building plans and applications for re-zoning			✓
<b>Follow-Up Reviews</b>			
AG Follow-Up Review	✓	✓	✓
Infrastructure Maintenance (Area, Cleaning, Park and Rivers)	✓		
Leave Management	✓		
Revenue – Indigent consumer verification		✓	
Risk management follow up			✓

√ Confirms audit activity completed in the financial year

Risk assessment updates were performed during the 2018/ 2019 financial year and all relevant risks were populated into an updated Risk Register for the Municipality. This Risk Assessment Plan forms the basis of the 2018/19 financial year's Risk-Based Audit Plan. New updates to the Stellenbosch Municipality's risk profile were captured during 2018/19 in consultation with the Risk Management Committee. This will ensure that adequate audit coverage be obtained from Internal Audit in consultation with the Auditor General and management.



### 2.4.6.2 Annual Risk Based Audit Plan

Risk-Based Audit Plan for 2018/19 was implemented with available resources. The table below provides detail on audits completed:

**Table 2:68: Annual Risk-Based Audit Plan**

Audit Activity	Total Hours budgeted	Actual hours	Timing
MFMA Compliance	120	120	Included in other reviews/ reporting i.e. MGRO 1 and 2
DoRA Compliance	80	120	November 2019
Governance	120	120	Continuous
Risk Management follow up	400	400	June 2019
MGRO 1 and 2 (MGAP)	200	80	Continuous
AG Follow-Up Review	720	720	Continuous
IA Follow-Up Review	240	0	Only follow up was risk management
Quarterly Key Control Reviews	320	320	Finalised - quarterly
Pre-determined Objectives	720	720	Finalised - quarterly
Performance Management System	300	1,200	June 2019
Performance reviews: MM and Directors	400	300	March 2019
Supply Chain Management	720	920	August 2019
IT service desk, Cobit assessment and risk management follow up	720	800	June 2019
Cobit assessment	500	0	Roll over to 19/20
mSCOA	940	0	No work required
Building plans and applications for re-zoning	720	0	Roll over to 19/20
Stores inventory review		320	June 2019
<b>Total</b>	<b>220</b>	<b>6 140</b>	

### 2.4.6.3 PMS Audits

Actual performance was subjected to an internal audit review and results of their findings submitted to the Performance Audit Committee. Quarterly audits were performed and reported to the Audit Committee.

## 2.4.7 SUPPLY CHAIN MANAGEMENT

The Supply Chain Management Policy applicable to the 2018/19 financial year was revised and adopted by Council on 28 May 2018 (as APPENDIX 29 of the budget-related policies) in terms of section 17(1) – (3) of the MFMA (Act 56 of 2003).

The changes alluded to above will ensure that the Supply Chain Management Unit (SCMU) has the required legislative mandate to further streamline procedures and processes in order to promote more efficient and effective service delivery to all our internal and external stakeholders.



### 2.4.7.1 Competitive bids in excess of R200 000

#### Bid Committee Meetings

The following table details the number of Bid Committee meetings held for the 2018/19 financial year:

**Table 2:69: Bid Committee Meetings**

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
43	132	53

The attendance figures of members of the Bid Specification Committee are as follows:

**Table 2:70: Attendance of Members of Bid Specification Committee**

Member	% Attendance
Supply Chain Management Representative	100
Relevant technical expert responsible for a function	100

The attendance figures of members of the Bid Evaluation Committee are as follows:

**Table 2:71: Attendance of Members of Bid Evaluation Committee**

Member	% Attendance
Senior Accountant: SCM or SCM Practitioner	100
Relevant technical expert responsible for a function	100

The attendance figures of members of the Bid Adjudication Committee are as follows:

**Table 2:72: Attendance of Members of Bid Adjudication Committee**

Member	% attendance
Director Financial Services (Chairperson)	100%
Director Planning and Economic Development	81.1%
Director: Infrastructure Services	84.9%
Director: Community and Protection Services	81.1%
Director: Corporate Services	84.9%

The percentages indicated above include the attendance by those officials acting in the position of a bid committee member and/or chairperson.

### 2.4.7.2 Awards made by the Bid Adjudication Committee

The Bid Adjudication Committee awarded 90 bids with a value of R 241 703 592.30, excluding annual tenders awarded on the basis of approved rates. The ten highest bids awarded by the bid adjudication committee are as follows:

**Table 2:73: Ten Highest Bids Awarded by Bid Adjudication Committee**

Bid number	Title of bid	Directorate and section	Successful Bidder	Value of bid awarded
B/SM 70/19	Financing of Approved Projects By Means Of An External Loan	Financial Services	Nedbank	R 322 855 001,00
B/SM 40/19	Jamestown Bulk Services: Construction Of Bulk Sewer and Associated Infrastructure	Infrastructure Services	Exeo Khokela Civil Eng.	R 68 274 878,41
B/SM 65/18	Construction of Idas Valley/ Merriman Outfall Sewer And Associated Works	Infrastructure Services	Jvz Jv	R 38 522 000,00



Bid number	Title of bid	Directorate and section	Successful Bidder	Value of bid awarded
B/SM 10/19	Construction of A Materials Recovery Facility And Public Drop-Off in Stellenbosch	Infrastructure Services	Exeo Khokela Civil Engineering Construction	R 27 278 113,83
BSM 112 /18	Supply And Delivery of Aerial Ladder / Platform 30m With Articulated Cage Boom	Community Services	Rosenbauer South Africa (Pty) Ltd	R 12 355 117,00
B/SM 90/18	Upgrading of Cloetesville Flats, Erf 6767, Stellenbosch	Corporate Services	Premier Attraction 988 Cc	R 10 881 309,20
B/SM 110/18	Testing Repairs and Installation of Substation Protection Installations	Infrastructure Services	Eya Bantu Professional Services	R 8 965 593,43
BSM 107 /18	The Supply, Deliver And Installation Of A Capped Geographic Information System (Gis) Enterprise Licence Agreement And Support/Maintenance for a Period Ending 30 June 2021	Planning And Economic Development	Esri South Africa (Pty) Ltd	R 8 410 054,08
B/SM 14/19	Web Based Power Quality Monitoring / Management System, for a Contract Period Ending 30 June 2021	Infrastructure Services	Ct Lab (Pty)	R 8 366 457,00
B/SM 72/19	The Provision of Debtor Management Software And Administrative Support to Stellenbosch Municipality	Financial Services	Geodebt Solutions Cc	R 7 385 521,80

### 2.4.7.3 Awards made by the Accounting Officer

In terms of paragraph 2.4 of Council's Supply Chain Management policy, only the Accounting Officer may award a bid which is in excess of R 10 million. The authority to make such an award may not be sub-delegated by the Accounting Officer. The bids awarded by the Accounting Officer are as follows:

**Table 2:74: Awards made by the Accounting Officer**

Bid number	Title of bid	Directorate and section	Value of bid awarded
B/SM 62/18	Supply, Delivery and Off Loading of Building Material, Plant and Waterproofing Material for a Contract Period, Ending 30 June 2021	Financial Services	Rates
B/SM 65/18	Construction of Idas Valley/Meriman Sewer & Associated Works	Engineering Service	Rates
B/SM 14/18	Supply and Delivery of Aerial Ladder / Platform 30m with Articulated Cage Boom	Community And Protection Services: Fire And Rescue Services	R 6 749 817,42
B/SM 39/18	THE Establishment of a Roster for Professional Engineering Services, for a Contract Period, Ending 30 June 2020 contract Period Of 24 Months	Engineering Service: Roads, Storm Water and Traffic Engineering	R 5 584 872,72
B/SM 87/18	Rendering of Security Services for Various Areas within the Wc024 Municipal Jurisdiction, until 30 June 2021.	Community and protection services: Law Enforcement	Rates
B/SM 90/18	Upgrading of Cloetesville Flats, Erf 6767, Stellenbosch	Property Management	R 10 881 309,20





Bid number	Title of bid	Directorate and section	Value of bid awarded
B/SM 111/18	(A) Supply of Materials And (B) Hire of Equipment For Roads, Stormwater and Other Infrastructure Requirements, for a Contract Period of 2 Years. Materials such as Bitumen, Sand, Gravel, Road Stone, Stormwater Pipes, Manhole Covers and Frames, Traffic Signage, Road Marking Paints, Bollards, Bicycle Stands, Herbicides and Equipment such as Excavators, Digger Loaders, Jetvac Machines, Road Rollers Etc.	Engineering Services: Roads, Storm Water and Traffic Engineering	Rates
B/SM 05/19	Works on Traffic Signals Until 30 June 2021	Engineering Services: Roads, Storm Water and Traffic Engineering	Rates
B/SM 109/18	Supply and Delivery Of 11kv Miniature Substations and Distribution Transformers With A Rating of Up To 1 Mva, for a Contract Period Ending 30 June 2021.	Engineering Services	Rates
B/SM 04/19	Parking Management System For Stellenbosch Municipality For A Contract Period Ending 30 June 2021.	Community and protection services: Traffic services	Rates
B/SM 07/19	Alien Clearing In The Wc024 Area, For A Contract Period Ending 30 June 2021	Community and protection services	Rates
B/SM 70/19	Financing Of Approved Projects By Means Of An External Loan	FINANCIAL SERVICES	R 322 855 001,00
B/SM 40/19	Jamestown Bulk Services: Construction Of Bulk Sewer And Associated Infrastructure	Engineering services: Waterworks	R 68 274 878, 41
B/SM 10/19	Construction Of A Materials Recovery Facility And Public Drop-Off In Stellenbosch.	Engineering services: Solid waste management	R 27 278 113.83

#### 2.4.7.4 Objections lodged

The Municipality received sixteen (16) general enquiries pertaining to the awarding of bids.

The Municipality also had eighteen (18) appeals which were resolved together with two (2) objections which were also dealt with.



### 2.4.7.5 Formal quotations (above R 30 000 and below R 200 000) procurement processes

The number of formal quotations approved by the Head: Supply Chain Management for the year under review follows:

#### Formal Quotations (above R 30 000 and below R 200 000)

Description	Financial Years					Increase / Decrease 2016/17 – 2017/18	Increase / Decrease 2017/18 – 2018/19
	2014/15	2015/16	2016/17	2017/18	2018/19		
Number of Awarded Formal Quotations	257	246	274	206	203	-33.00%	-1.48%
Total Formal Quotations advertised	350	322	378	264	249	-43.18%	-5,68%
Percentage awarded	73.42	76.40	72.49	78.03	81.53	+7.09%	+4.2%

### 2.4.7.6 Deviation from normal procurement processes

Paragraph 4.36 of Council's Supply Chain Management Policy allows the Accounting Officer to dispense with the official procurement process. The following table indicates the number of certificates of emergencies and deviations approved in terms of section 4.36 of the SCM Policy.

Table 2:75: Deviation from Normal Procurement Process

Description	Financial Years							Increase / Decrease 2016/17 – 2017/18	Increase / Decrease 2017/18 – 2018/19
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19		
<u>Certificate of Emergencies:</u> Approved by the Directors i.t.o. Section 4.36.4 of the SCM Policy	109	58	0	0	0	0	0	0%	0%
<u>Deviations:</u> Approved by the Accounting Officer i.t.o. Section 4.36.1 of the SCM Policy	64	97	68	26	54	54	42	0%	-28.57%
<b>TOTAL</b>	<b>173</b>	<b>155</b>	<b>68</b>	<b>26</b>	<b>54</b>	<b>54</b>	<b>42</b>	<b>0%</b>	<b>-28.57%</b>

Deviations from the normal procurement processes have been monitored closely to mitigate the risk associated with it.

### 2.4.7.7 Disposal Management

The system of disposal management envisages the following:

- immovable property is sold only at market related prices except when the public interest or the



- plight of the poor demands otherwise;
- movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;
- firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee;
- immovable property is let at market related rates, except when the public plight of the poor demands otherwise;
- all fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;
- where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
- 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.

The Municipality complies with section 14 of the MFMA which deals with the disposal of capital assets as well as with the Asset Transfer Regulations.

#### 2.4.7.8 Supply Chain Management Performance Management

The SCM policy requires that an internal monitoring system be established and implemented in order to determine, on the basis of retrospective analysis, whether the SCM processes were followed and whether the objectives of the SCM policy were achieved.

Monitoring of internal processes is an on-going process. Procedure manuals for various SCM processes have been developed, approved and are being implemented.

### 2.4.8 BY-LAWS AND POLICIES

Section 11 of the MSA gives municipal councils the executive and legislative authority to pass and implement by-laws and policies.

Budget related policies reviewed in the 2018/19 financial year are listed below.

**Table 2:76: Budget Related Policies Reviewed**

Policies Revised	Date Adopted	Public Participation Conducted Prior to Adoption of Policy
		Yes/No
Inventory Management Policy	28 May 2018	Yes
Preferential Procurement Policy	28 May 2018	Yes
Property Rates By-Law	28 May 2018	Yes
Property Rates Policy	28 May 2018	Yes
Supply Chain Management Policy	28 May 2018	Yes
Travel and Subsistence Policy	28 May 2018	Yes
Indigent Policy	28 May 2018	Yes
Credit Control and Debt Collection Policy	28 May 2018	Yes
Irrecoverable Debt Policy	28 May 2018	Yes
Accounting Policy	28 May 2018	Yes



Policies Revised	Date Adopted	Public Participation Conducted Prior to Adoption of Policy
		Yes/No
Cash Management and Investment Policy	28 May 2018	Yes
Tariff By-Law	28 May 2018	Yes
Tariff Policy	28 May 2018	Yes
Grants-In-Aid Policy	28 May 2018	Yes
Virementation Policy	28 May 2018	Yes
SCM Policy for Standard for Infrastructure and Delivery Management	28 May 2018	Yes
Petty Cash Policy	28 May 2018	Yes
Performance Management Policy	29 May 2019	Yes
Risk Management Policy	18 Nov 2018	Yes
Development Charges Policy	28 May 2018	Yes
Special Ratings Area By-Law	31 May 2017	Yes
Special Ratings Area Policy	31 May 2017	Yes
Borrowing, Funds and Reserves Policy	28 May 2018	Yes
Financing of External Bodies performing municipal functions Policy	28 May 2018	Yes
Accounting Policy	28 May 2018	Yes
Budget Implementation and Monitoring Policy	28 May 2018	Yes
Liquidity Policy	28 May 2018	Yes
Asset Management Policy	28 May 2018	Yes
Water Services By-Law	26 July 2017	Yes
Electrical Services By-Law	29 November 2017	Yes

## 2.4.9 WEBSITE

The municipal website is an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

**Table 2:77: Website Checklist**

Documents Published on the Stellenbosch Municipality's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	Within legislated period
All current budget-related policies	Yes	Within legislated period
Current annual and adjustment budgets and all budget-related documents	Yes	Within legislated period
All current budget-related policies	Yes	Within legislated period
The annual report for 2018/19	Yes	Within legislated period
All current performance agreements required in terms of section 57(1)(b) of the	Yes	Within legislated period



Documents Published on the Stellenbosch Municipality's Website	Yes / No	Publishing Date
Municipal Systems Act for 2018/19		
All service delivery agreements for 2018/19	Yes	Within legislated period
All long-term borrowing contracts for 2018/19	Yes	Within legislated period
All supply chain management contracts above a prescribed value for 2018/19	Yes	Within legislated period
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during 2018/19	Yes	Within legislated period

## 2.4.10 COMMUNICATION

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996, section 152 (1)(e), in setting out the objectives of local government, states that municipalities must “encourage the involvement of communities and community organisations in the matters of local government”. Section 160(7) of the Constitution further says that “a municipal council must conduct its business in an open manner, and may close its sittings, or its committees, only when it is reasonable to do so”.

The Local Government: Municipal Systems Act 32 of 2000, section 4, encourages the involvement of communities in the affairs of their municipalities. As a local government, we have an obligation to act with high levels of transparency, accountability, openness, participatory democracy and direct communication with communities to improve the lives of residents.

At the heart of our Communication Policy, adopted by Council in July 2018, lies is the notion of improved communication that facilitates public participation. The Municipality has made steady improvements in its attempts to streamline and improve its communications with residents, businesses, the media as well as other external stakeholders. Ensuring that the right messages reach the intended audiences on the most appropriate platforms and continuously facilitating conversations through our communication platforms, contributes to the strengthening of our corporate identity and brand.

Communication with the media has improved significantly. Comprehensive responses are prepared to all media enquiries from community, local, regional and national publications/broadcasters on a weekly basis. Positive news stories are being broadcasted through the proactive release of media statements. These statements and positive news stories are also amplified to reach audiences online by sharing it on the municipal website and social media platforms.

Members of the public can report faults or refer enquiries through an e-mail link on the website to the [contact.stellenbosch@stellenbosch.gov.za](mailto:contact.stellenbosch@stellenbosch.gov.za) mailbox. This mailbox is regularly monitored and enquiries, compliments and complaints are forwarded to the relevant departments on a daily basis. The municipal website is updated with new official notices, formal quotations, tenders, news stories, vacancies as well as meeting agendas and minutes on an ongoing basis. The website is increasingly made more user-friendly and plans are already in place to simplify navigation and increase overall customer satisfaction by restructuring the website.

Communication through our social media platforms has increased significantly. The municipal Facebook page and Twitter account has been growing steadily and now reaches a much larger, ever-growing audience. Apart from being used to publicise municipal news stories, photos and videos, the social media platforms are used to broadcast important alerts and notices. Traffic is also diverted to the website through our social media platforms.



Municipal advertisements are regularly placed in community and regional newspapers and contribute to building the Municipality's brand. The Executive Mayor's monthly newsletter, pamphlets, posters, notice boards and regular IDP/Ward meetings provides us with additional platforms for communicating with residents and other stakeholders.

In an effort to improve internal communication within the organisation, the interdepartmental communication forum has been established and meetings of this forum have proved to be invaluable. The interdepartmental communication forum meets at least quarterly. Improved internal communication is further achieved through the newsletter of the Municipal Manager, internal memos, notice boards, a bulk SMS system and regular staff meetings.

### 2.4.11 COMMUNITY SATISFACTION SURVEY

No community satisfaction surveys were completed during the 2018/19 financial year.

### 2.4.12 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Below is a communication checklist of the compliance to the communication requirements:

**Table 2:78: Communication Activities**

Communication activities	Yes/No
Communication Unit	Yes
Communication Strategy	Yes
Communication Policy	Yes
Customer satisfaction surveys	No
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	Yes



## 3 CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a process that measures the implementation of the organisation's strategy as captured within the Integrated Development Plan (IDP). It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

At local government level, performance management is institutionalised through the legislative requirements of the performance management process. Performance management provides the mechanism to measure whether targets are met in line with strategic goals as set by the organisation.

Section 152 of the Constitution of the Republic of South Africa, 1996, deals with the objectives of local government and paves the way for performance management. The idea of an accountable government is important to meet the needs of Stellenbosch. The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of the following, among others to:

- promote the efficient, economic and effective use of resources,
- ensure accountable public administration,
- be transparent by providing information,
- be responsive to the needs of the community, and
- facilitate a culture of public service and accountability amongst staff.

The Local Government: Municipal Systems Act (MSA) of 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) require the Integrated Development Plan (IDP) to be aligned to the municipal budget. The monitoring of organisational performance of the budget must be done against the IDP on a quarterly basis via the Service Delivery and Budget Implementation Plan (SDBIP). The report is made public after the council has been informed of the quarterly progress against set targets.

In addition, Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations of 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players". Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organisation, as well as the external service providers and the municipal entities. This framework, *inter alia*, reflects the linkage between the IDP, the Budget and the SDBIP.

#### 3.1.1 LEGISLATIVE REQUIREMENTS

In terms of section 46(1) (a) of the Local Government: Municipal Systems Act, a municipality must prepare a performance report for each financial year that reflects the municipality's and any service provider's performance during the financial year. The report must furthermore indicate the development and service delivery priorities and the performance targets set by the municipality for the following financial year, and measures that were or are to be taken to improve performance.



### 3.1.2 ORGANISATIONAL PERFORMANCE

Strategic performance assessment indicates how well the Municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for their implementation. The implementation must be monitored on an ongoing basis and the results must be reported on during the financial year to various role players to enable them to implement corrective measures timeously where required.

This report highlights the strategic performance in terms of the Municipality's Top-Layer Service Delivery and Budget Implementation Plan (SDBIP), high-level performance in terms of the strategic objectives of the Municipality and performance on the National Key Performance Indicators prescribed in terms of Section 43 of the Municipal Systems Act of 2000.

### 3.1.3 ADOPTION OF A PERFORMANCE MANAGEMENT POLICY FRAMEWORK

The Performance Management Policy 2018/19 was reviewed and submitted to Council for approval on 28 May 2018.

### 3.1.4 GOVERNANCE FRAMEWORK FOR THE IDP, BUDGET AND PERFORMANCE MANAGEMENT

The draft 4th Generation IDP was tabled on 28 March 2018 and was advertised for public comment thereafter. Stellenbosch Municipal Council adopted the First Review of the Fourth Generation IDP (2017/18 – 2021/22) together with the 2018/19 MTREF Budget on 29 May 2018.

The IDP is the principal planning instrument that guides and informs the municipal budget. The Municipal Systems Act requires each municipality in South Africa to prepare such a strategic plan to guide all development and management within the municipal area. The IDP sets out the development priorities of Stellenbosch Municipality over the next five years. The IDP must guide and determine municipal planning and project implementation. The 2018/19 budget should be based on the IDP and other spheres of government and service providers.

The IDP for the period July 2017 to June 2022 gives expression to the political mandate that we have received from residents in the August 2016 local government election. The Municipal Systems Act, Act 32 of 2000 requires us to consult with our residents and the broader institutions, which elicited a positive reaction and involvement from the public.

The Integrated Development Plan (IDP) is a strategic tool that guides all the activities of local government in consultation with residents and stakeholders. In keeping with the more evolved and strategic approach to this IDP, the implementation plan focuses on only the key strategic programmes, projects and initiatives that will support the achievement of the priorities during the five-year term of office. Its focus is on development in the broader sense and it is a structured plan that informs budget priorities, decision making and the allocation of resources.

The focus of the IDP is varied, and includes the provision of basic municipal services, measures for building and transforming municipal capacity, measures to assist in expanded livelihood opportunities for citizens, enterprise development, building dignified and safe living environments, and,





crucially, exploring new ways of working and living together. It directs and is informed by different aspects of the municipality's work, including how the municipality is structured politically and administratively, the municipal budget, the sector plans and service delivery and budget implementation plans of different municipal services, and how the municipality manages its performance.

The three-year budget sets out the revenue raising and expenditure plan of the municipality for approval by Council in accordance with the MFMA of 2003. The allocation of funds needs to be aligned with the priorities in the IDP.

The IDP must be reflected in the performance agreements of the relevant staff and through the budget, in the service delivery and budget implementation plan (SDBIP). The key performance management instrument of the Municipality is the Service Delivery and Budget Implementation Plan (SDBIP). Linked to the IDP, the SDBIP forms the basis of the performance contracts of directors and quarterly, mid-year and annual performance reviews of senior management, directorates and the municipality.

### 3.1.5 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The organisational performance is evaluated by means of a municipal scorecard (Top-Layer SDBIP). Performance objectives, as reflected in the municipal scorecard, are required to be practical, measurable and based in the key performance indicators.

The SDBIP is a tool that converts the IDP and budget into measurable criteria of how, where and when the strategies, objectives and normal business processes of the Municipality are implemented.

It also allocates responsibility to directorates to deliver the services in terms of the IDP and the budget.

MFMA Circular No. 13 is a clarification of the Municipal Budget and Reporting Regulations, Schedule A 1, GenN 393 in GG32141 of 2009 and prescribes that the:

- IDP and budget must be aligned;
- budget must address the strategic priorities;
- SDBIP should indicate what the municipality is going to do during the next 12 months; and
- SDBIP should form the basis for measuring the performance against goals set during the budget/IDP processes.

The Top-Layer SDBIP 2018/19 was approved by the Executive Mayor, Cllr Adv Gesie Van Deventer on the 21 June 2018 in terms of section 53(1)(c)(ii) of the Local Government: Municipal Finance Management Act of 2003.

### 3.1.6 THE MUNICIPAL SCORECARD (TOP-LAYER SDBIP)

The municipal scorecard (Top-Layer SDBIP) consolidates service delivery targets set by Council/senior management and provides an overall picture of the performance of the Municipality as a whole, reflecting performance in its strategic priorities for the 2018/19 financial year. The scorecard is the performance evaluation tool and is used during the informal and formal performance assessment of senior managers.



Components of the Top-Layer SDBIP include:

One-year detailed plan with the following components:

- Monthly projections of revenue to be collected for each source;
- Monthly projections of expenditure (operating and capital) and revenue for each vote;
- Quarterly projections of service delivery targets and performance indicators for each vote;
- Ward information for expenditure and service delivery; and
- Detailed capital works plan broken down by ward over three years.

Top-Layer KPI's were prepared based on the following:

- Key performance indicators (KPI's) for the programmes/activities identified to address the strategic objectives as documented in the IDP in co-operation with the community who identifies developmental priorities;
- KPI's identified during the IDP and KPI's that need to be reported to key municipal stakeholders; and
- KPI's to address the required national minimum reporting requirements.

### 3.1.7 THE MUNICIPAL SCORECARD (TOP-LAYER SDBIP)

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- Monthly projections of expenditure (operating and capital) and revenue for each vote;
- Quarterly projections of service delivery targets and performance indicators for each vote;
- Ward information for expenditure and service delivery; and
- Detailed capital works plan broken down by ward over three years.

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- KPI's identified during the IDP and KPI's that need to be reported to key municipal stakeholders; and
- KPI's to address the required national minimum reporting requirements.

### 3.1.8 AMENDMENT OF THE TOP-LAYER SDBIP

Three revisions of the Top-Layer SDBIP 2018/19 was made during the financial year under review. The revisions were submitted to Council as follows:

- 30 January 2019;
- 24 April 2019; and



- 12 June 2019.

### 3.1.9 ACTUAL PERFORMANCE

The Municipality utilises an electronic web-based, real time performance-based system on which KPI owners update actual performance on a monthly basis. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set;
- A performance comment; and
- Actions to improve the performance by the submission of corrective measures to meet the set target for the reporting interval in question, if the target was not achieved.

It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results updated and provide it to the Internal Auditor and Auditor General upon request during the quarterly and annual audit testing.

### 3.1.10 MONITORING OF THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Municipal performance is measured as follows:

- Mid-year assessment and submission of the mid-year report to the Mayor in terms of section 72(1)(a).** In terms of section 72(1)(a) of the Local Government: Municipal Finance Management Act (MFMA), Act 56 of 2003 the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year. A report on such an assessment must, in terms of Section 72(1)(b) of the MFMA, be submitted to the Mayor, Provincial and National Treasury. Once the Mayor has considered the report, it must be submitted to Council by 31 January in terms of Section 54 of the MFMA.
- Quarterly assessment i.t.o. section 52(d) of the MFMA** to assess the performance of the municipality during the first half of the financial year.

The Executive 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.

Actual performance was audited by the Internal Audit Department and the results of their findings were submitted to the Performance Audit Committee.

- Quarter 1 (July to September 2018);
- Quarter 2 (October to December 2018);
- Quarter 3 (January to March 2019); and
- Quarter 4 (April to June 2019).

#### **Municipal Manager and Managers directly accountable to the Municipal Manager**

The Municipal Systems Act (MSA), 2000 (Act 32 of 2000) prescribes that the municipality must enter into performance based agreements with the Municipal Manager and managers directly reporting to the Municipal Manager i.t.o. section 56. Performance agreements must be reviewed annually and are



published for public interest. This process and the format are further regulated by Regulation 805 (August 2006), MSA.

The performance agreements for the Municipal Manager and section 56 appointments for the 2018/19 financial year were signed on July 2018 as prescribed. They include performance agreements for the:

- Municipal Manager;
- Chief Financial Officer;
- Director: Corporate Services;
- Director: Planning and Local Economic Development;
- Director: Community and Protection Services; and
- Director: Engineering Services.

The appraisal of the actual performance in terms of the signed agreements takes place twice per annum as regulated. The 2018/19 annual - and 2019/20 mid-year performance assessment for senior managers took place on 3 April 2019. The appraisals were done by an evaluation panel in terms of Regulation 805.

The panel consisted of the following:

- Adv. Gesie van Deventer; Executive Mayor (for the evaluation of the Municipal Manager only);
- Mr. Roy van Rooyen, Ward Committee Member nominated by the Executive Mayor (for the evaluation of the Municipal Manager only);
- Geraldine Mettler, Municipal Manager of Stellenbosch Municipality;
- Mr. Henry Prins, Municipal Manager of Cape Winelands District Municipality;
- Cllr. Nyaniso Jindela, Deputy Executive Mayor and Chairperson on Human Settlements Portfolio;
- Cllr. Quintin Smit, Chairperson of the Community Protection Services Portfolio Committee;
- Cllr. Jan De Villiers, Chairperson of the Infrastructure Portfolio Committee;
- Cllr. Patricia Crawley, Chairperson of Financial Services Portfolio Committee;
- Cllr. Salie Peters, Chairperson of the Financial Services Portfolio Committee;
- Cllr. Xoliswa Mdemka, Chairperson of the Youth, Sports and Culture Portfolio Committee;
- Cllr. Aldrigde Frazenburg, Chairperson of the Community Development and Community Services Portfolio Committee;
- Cllr. Esther Groenewald, Chairperson of the Corporate and Strategic Services Portfolio Committee;
- Cllr. Paul Biscombe, Chairperson of the Integrated Human Settlements and Property Management Portfolio Committee;
- Cllr. Johanna Serdyn, Chairperson of the Planning and Economic Development Portfolio Committee; and
- Mr. Jeremy Fairburn, Audit and Performance Audit Committee member of Stellenbosch Municipality.

The outcome of the performance assessments were tabled under at the 18<sup>th</sup> Council Meeting (In-Committee) on 24 April 2019.

#### **Other Municipal Personnel**

The Municipality has implemented individual performance to employees on the three highest levels of management.



### 3.1.11 SERVICE DELIVERY PERFORMANCE

#### 3.1.11.1 Introduction

This chapter provides an overview of the key service achievements of the municipality that came to completion during 2018/19 in terms of the deliverables achieved compared to the key performance objectives and indicators in the IDP.

In order to improve on performance planning, implementation, measurement and reporting, the Municipality implemented the following actions:

Departmental operational plans were developed for monitoring and reporting operational programmes. An electronic performance management system is operational within the Municipality. The same system forms the basis of performance evaluations of the Directors and the Municipal Manager; and the Municipality endeavoured during the development of the TL SDBIP as well as with the development of the Departmental SDBIP that the “SMART” principle be adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were specific and time bound, thus making it measurable.

**Table 3:1: Performance Management System Checklist**

	Performance Management Policy	All MSA s57/56 Performance contracts signed	Audit Committee	Municipal Public Accounts Committee (MPAC)	Quarterly Performance Reporting to Council	Annual Performance Reporting to Council
<b>In place?</b>	√	√	√	√	√	√

#### 3.1.11.2 Service Delivery and Budget Implementation Plan (Top-Layer)

The purpose of performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview on the achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top-Layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents (IDP, Budget and Performance Agreements).

The organisational performance is evaluated by means of a Municipal Scorecard (TL SDBIP) at organisational level and through the Service Delivery and Budget Implementation Plan (SDBIP) at departmental levels.

The SDBIP is a plan that converts the IDP and Budget into measurable indicators on how, where and when the strategies, objectives and normal business processes of the Municipality are implemented. It also allocates responsibilities to directorates to deliver the services in terms of the IDP and Budget.

The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned;
- The budget must address the strategic priorities;
- The SDBIP should indicate what the municipality is going to do during next the 12 months; and
- The SDBIP should form the basis for measuring the performance against goals set during the budget / IDP processes.



The TL SDBIP was prepared as described in the paragraphs below and approved by the Executive Mayor on 21 June 2018. However, the TL SDBIP 2018/19 was revised in January, April and June 2019. These revisions were made in line with the adjustment budget, internal audit findings and recommendations made by the Auditor General of South Africa (AGSA).

In the paragraphs below, the performance achieved is illustrated against the Top-Layer SDBIP according to the IDP strategic objectives. The following table explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (KPI's) of the SDBIP is measured:

**Table 3:2: Performance Assessment Criteria**

Color	Category	Explanation
	KPI Not Yet Measured	KPIs with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target more than 150% achieved

The TL SDBIP (the Municipal Scorecard) consolidate service delivery targets set by Council / Senior Management and provide an overall picture of performance for the Municipality as a whole, reflecting performance on its strategic priorities. The TL SDBIP is a detailed one-year plan and the necessary components should include:

Monthly projections of revenue to be collected for each source;

- Expected revenue to be collected not billed;
- Monthly projections of expenditure (operating and capital) and revenue for each vote;
- Quarterly projections of service delivery targets and performance indicators for each vote;
- Non-financial measurable performance objectives in the form of targets and indicators; and
- Detailed capital project plan broken down by ward over three years.



### 3.1.11.3 Overall performance per Municipal Strategic Focus Area

The following graph and table illustrates the Municipality's overall performance per Municipal Strategic Focus Area (SFA).

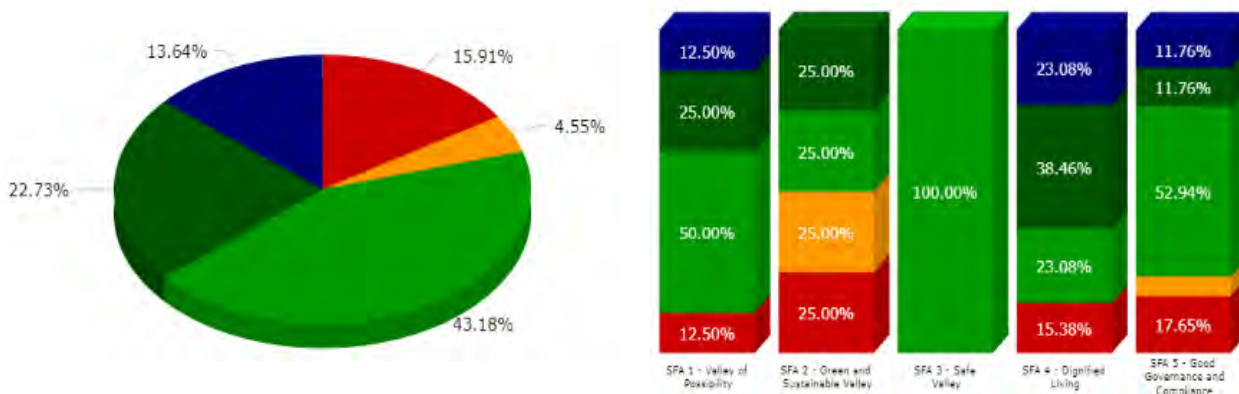


Table 3:3: Overall performance per SFA- 01 July 2018 – 30 June 2019

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	-	-	-	-	-	-
KPI Not Met	7 (15.91%)	1 (12.50%)	1 (25.00%)	-	2 (15.38%)	3 (17.65%)
KPI Almost Met	2 (4.55%)	-	1 (25.00%)	-	-	1 (5.88%)
KPI Met	19 (43.18%)	4 (50.00%)	1 (25.00%)	2 (100.00%)	3 (23.08%)	9 (52.94%)
KPI Well Met	10 (22.73%)	2 (25.00%)	1 (25.00%)	-	5 (38.46%)	2 (11.76%)
KPI Extremely Well Met	6 (13.64%)	1 (12.50%)	-	-	3 (23.08%)	2 (11.76%)
<b>Total:</b>	<b>44 (100%)</b>	<b>8 (18.18%)</b>	<b>4 (9.09%)</b>	<b>2 (4.55%)</b>	<b>13 (29.55%)</b>	<b>17 (38.64%)</b>



### 3.1.12 SERVICE PROVIDERS STRATEGIC PERFORMANCE

Section 76(b) of the MSA states that KPIs should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement. According to the AG's office:

- a) Service provider means a person or institution or any combination of persons and institutions that provide a municipal service.
- b) External service provider means an external mechanism referred to in section 76(b) that provides a municipal service for a municipality.
- c) Service delivery agreement means an agreement between a municipality and an institution or person mentioned in section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality.

Section 121(b) of the MFMA and section 46 of the MSA further state that a municipality should include the following aspects related to service providers in its annual report:

- The performance of each service provider;
- A comparison of the performance with targets set for and performance in the previous financial year; and
- Measures taken to improve performance.

### 3.1.13 MUNICIPAL FUNCTIONS

#### 3.1.13.1 Analysis of Functions

The municipal functional areas are as indicated below:

**Table 3:4: Municipal Functional Areas i.t.o. the Constitution**

Municipal Function	Yes / No
<b>Constitution Schedule 4, Part B functions:</b>	
Air pollution	Yes
Building regulations	Yes
Childcare facilities	Yes
Electricity and gas reticulation	Yes
Fire fighting services	Yes
Local tourism	Yes
Municipal airports	No
Air pollution	Yes
Building regulations	Yes
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
<b>Constitution Schedule 4, Part B functions:</b>	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Storm water management systems in built-up areas	Yes





Municipal Function	Yes / No
<b>Constitution Schedule 4, Part B functions:</b>	
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	Yes
<b>Constitution Schedule 5, Part B functions:</b>	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes from 2013
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	No
Licensing and control of undertakings that sell food to the public	No
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

This component includes basic service delivery highlights and challenges, details of services provided for water, waste water (sanitation), electricity, waste management, housing services and a summary of free basic services.

### 3.1.14 NATIONAL KEY PERFORMANCE INDICATORS – BASIC SERVICE DELIVERY AND LOCAL ECONOMIC DEVELOPMENT

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the following two National Key Performance Areas: Basic Service Delivery and Local Economic Development.



Table 3:5: Basic Service Delivery

KPA and Indicators	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Basic Service Delivery</b>					
The percentage of households earning less than R6,000 per month with access to free basic services (In the case of Stellenbosch Municipality- number of registered indigent households are being reported)	5 757	6 486	5 686	6 453	6 813
Service for water, sanitation and refuse removal (Average)	5 757	7 042	5 686	6 453	6 813

### 3.1.15 WATER PROVISION

Water is the most fundamental and indispensable of available natural resources – fundamental to life, the environment, food production, hygiene and for power generation.

Poverty reduction and improved water management are closely linked. Section 4B of the Constitution lists water and sanitation services, limited to potable water supply systems and domestic waste water and sewerage disposal systems, as a local government function.

Basic water is defined as 25 litres of potable water per day supplied within 200 meters of a household.

Due to on-going drought and very low rainfall recorded in recent years, the municipalities in the Western Cape had to enforce water restrictions. Stellenbosch Municipality supplies water to the consumers in their area of jurisdiction through the following six water supply systems:

- Stellenbosch (Idas Valley - Own sources, DWS allocation and Paradyskloof WTW – Theewaterskloof; Dam supply WCWSS [Western Cape Water Supply Scheme] via tunnel);
- Franschhoek (Du Toits River-Own resources, Wemmershoek Dam WTW - CoCT);
- Dwarsrivier (Wemmershoek Dam WTW- CoCT);
- Blackheath (Blackheath WTW - CoCT);
- Faure (Faure WTW – Steenbras Dam supply - CoCT); and
- Boreholes BH1: Die Braak, BH2: Meerlust and BH3: Van der Stel.

The total population supplied with water in the Stellenbosch Municipal area amount to approximately 186 274 people. Water is also supplied to a fairly extensive industrial area.

Stellenbosch Local Municipality manages three water treatment works, namely Idas Valley, Paradyskloof and Franschhoek, which is a micro water treatment plant. The potable water supply from these works amounted to 18.01 MI/d and a further 5.71 MI/d was obtained from the City of Cape Town (CoCT) during the FY2018/19, ensuring a supply of approximately 23.72 MI/d to the Municipality's area of responsibility.

Areas supplied from the Wemmershoek Dam and water treatment works include half of Franschhoek town, La Motte, Wemmershoek, Priel, Boschendal, Johannesdal, Kylemore, Lanquedoc, Klappmuts, Koelenhof, Elsenburg, Devon Valley and Muldersvlei. Areas supplied from Blackheath water treatment works include Polkadraai, Spier and Vlottenburg.

Areas supplied from Faure water treatment works (supplied from Steenbras Dam – CoCT) are Faure, Jamestown, De Zalze, Raihby and Lyndoc. Although these water treatment works fall within the sphere of responsibility of the City of Cape Town, their impact with regard to water quality and quantity needs to be monitored and considered by Stellenbosch Municipality.



Stellenbosch Municipality supplies potable water to the entire municipal area through a network and infrastructure consisting of 56 reservoirs / holding tanks and water towers, 36 water pump stations, 41 pressure reducing valve installations, 667 kilometres of pipeline and 79 water supply zones. The system is fully controlled and operated by a telemetry system.

The total bulk water input into the water network for the FY2018/19 was 8,1 MI, with an annual average daily demand of 23,72 kl/day. 40% of the water supplied are purified from the Municipality's own water sources at the Idas Valley and Franschhoek water treatment plants. The balance is supplied by the CoCT, where raw water supplied by the Department of Water and Sanitation is purified. Potable water supplied from the CoCT is analysed on a monthly basis.

Idas Valley and Paradyskloof water treatment works are equipped with some analytical capabilities and routine plant analyses are performed in-house. A full water quality monitoring programme is further performed for the Municipality by an accredited external laboratory/contractor. Maintenance of equipment for all three plants is outsourced to an external contractor.

Based on the Municipality's IWA Water Balance sheet for the FY2018, the Municipality recorded 20.8% for "non-revenue" water which is a decrease of 0.9 % from the previous financial year and 6.9% for Real Network Losses. Refer to the Municipality's IWA Water Balance Sheet.

The no-revenue water for the financial year 2018/19 is 20.8% that is below the target set of 25%. The real physical network losses is at 6.9% that is well below the best practice value of 15%.

**Figure 3:1: International Water Association**

System input volume: July 2018 to June 2019 ; kl *		8 058 197	100%		
(water demand in reticulation system)					
Potable water system	Authorised consumption 88,1%	Revenue water 79,2%	Billed metered (normal) *	4 365 994	54,2%
		Non-revenue water 20,8%	Billed metered (indigent)	1 625 305	20,2%
			Billed unmetered	390 503	4,8%
	Unbilled metered		241 746	3,0%	
	Unbilled unmetered		16 116	0,2%	
	Informal areas not metered		462 601	5,7%	
	Losses in bulk supply system		0	0,0%	
	Apparent losses		402 910	5,0%	
	Real network losses	553 022	6,9%		
	UAW 11,9%				
Non-revenue water (NRW) ; kl		1 676 395	20,8%		
Real network losses ; kl		553 022	6,9%		

The table above is the International Water Association table to compute the water balance and is also accepted in the DWS reporting structure. This forms the basis of the information needed and what is currently used to calculate water losses. This is combined with a monitoring system installed on all bulk water supply points to determine and ensure accurate data of water provided. The consumptions data for all water users is drawn from the SAMRAS system with a regular data download to determine the total water sold. The table above is used as far as possible to reflect the water balance and water losses in the water systems. The water readings of all areas are also filled in on a spreadsheet that is sent to



the DWS on a three monthly basis to monitor and control water usage and allocations of water. The following diagrams were used to calculate the water balance.

The Municipality has developed a comprehensive Water Conservation and Water Demand Management (WC&WDM) strategy, which includes a 10-year financial plan. The strategy has two goals: the Municipality will prioritise the implementation of WC&WDM, and will ensure ongoing planning, management, monitoring and an enabling environment. The WC&WDM initiatives includes water pipe replacement programme, indigent domestic leak repair and meter replacement programme, Stellenbosch water meter audit and Stellenbosch in-house water services operation and maintenance.

Stellenbosch Municipality implemented level 1 water restrictions from the 1st of November 2015 to achieve a 10% water consumption decrease. This was due to low supply dam levels and low rainfall figures during the rainy season. This was followed with the implementation of Level 2 restrictions from March 2016 due to extreme heat conditions and even lower supply dam levels in Stellenbosch and City of Cape Town. The Level 2 restrictions included the increased tariffs for water consumption to achieve a 22% savings on the water consumption.

City of Cape Town is currently on Level 1 water restrictions. Fortunately, the municipality was in a position to lower the water restrictions but will have to encourage low water usage for the time being. Stellenbosch Municipality is on Level 2 water restrictions due to the fact that own water sources contribute a large percentage of the water input volume into the WC024 area.

### 3.1.15.1 Dam Levels

The following table reflect the current status of the dam levels supplying the WCWSS with water and status of Stellenbosch own dam levels.

**Table 3:6: Western Cape Dams**

Major dams	2019	Previous week	2018
	(%)	(%)	(%)
Berg River	101,7	100,5	88,1
Steenbras Lower	98,9	88,7	58,7
Steenbras Upper	101	101,9	99,1
Theewaterskloof	70,8	67	43,4
Voëlvlei	83,2	78,6	62,6
Wemmershoek	85,1	78,9	83,1
<b>Total Stored (MI)</b>	<b>723 706</b>	<b>689 767</b>	<b>525 544</b>
% Storage	80,6	76,8	58,5

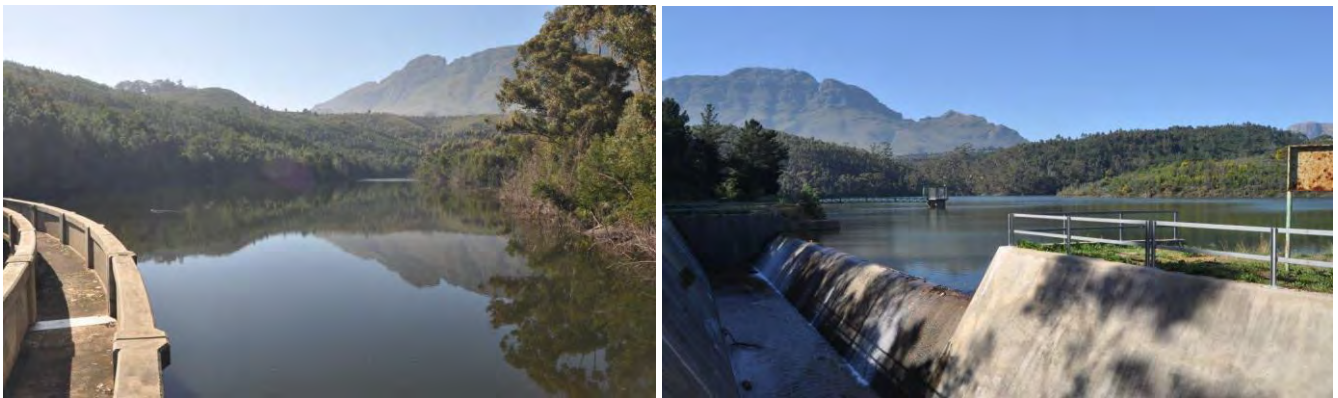
#### Stellenbosch own Dams

Idas Valley 1	100	100	77
Idas Valley 2	100	100	103

The photos below represent the Idas Valley Dams 1 and 2 at 100% full.

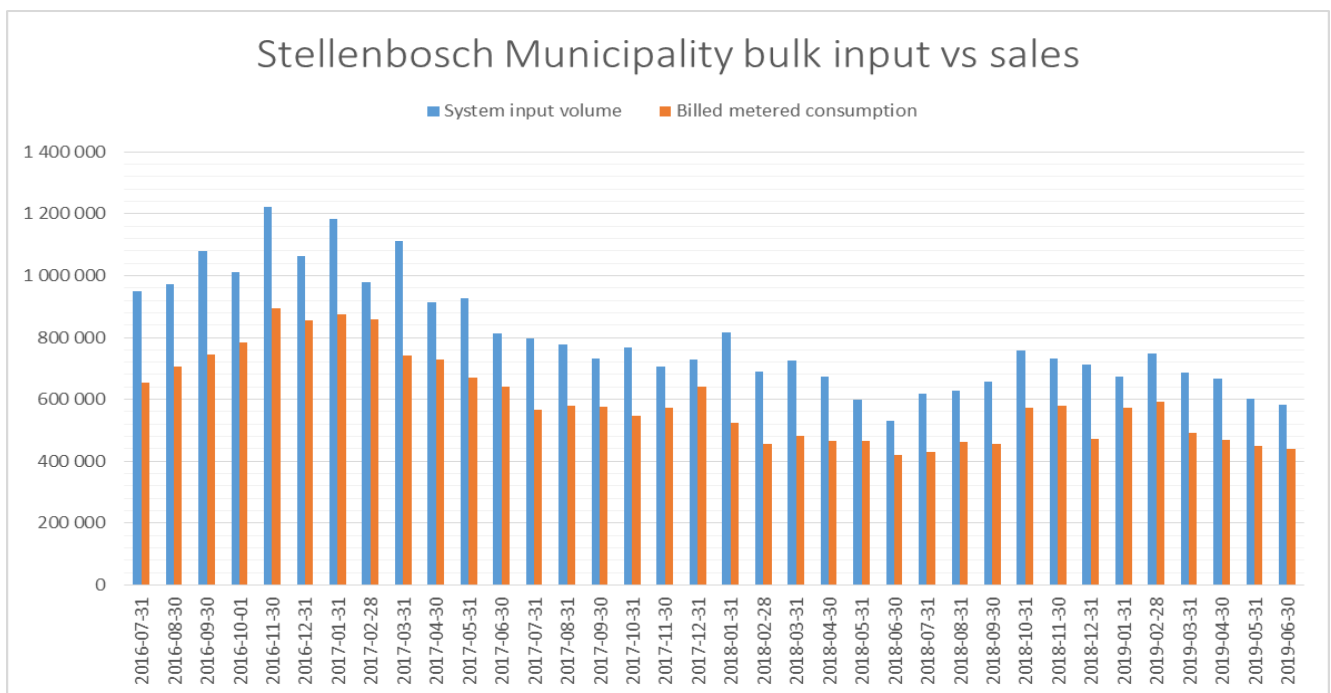


Figure 3:2: Idas Valley Dams



W024 Bulk Water Input and Sales dramatically came down from values that reached a highest value in 2015 to June 2019.

Figure 3:3: Stellenbosch Municipality: Input vs Sales



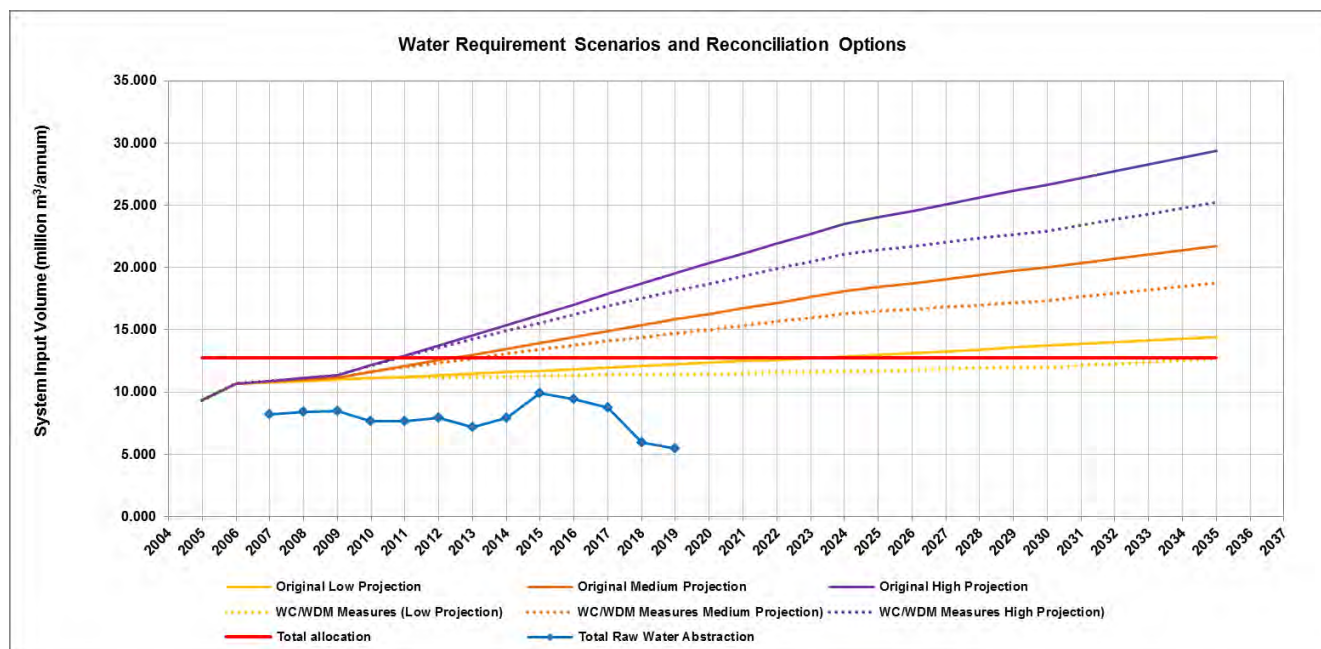
Groundwater is now seen as a potential water source and will be investigated and evaluated after the new water resources study is completed.



### 3.1.16 SERVICE STATISTICS – WATER SERVICES

The table below outlines water usage totals per category:

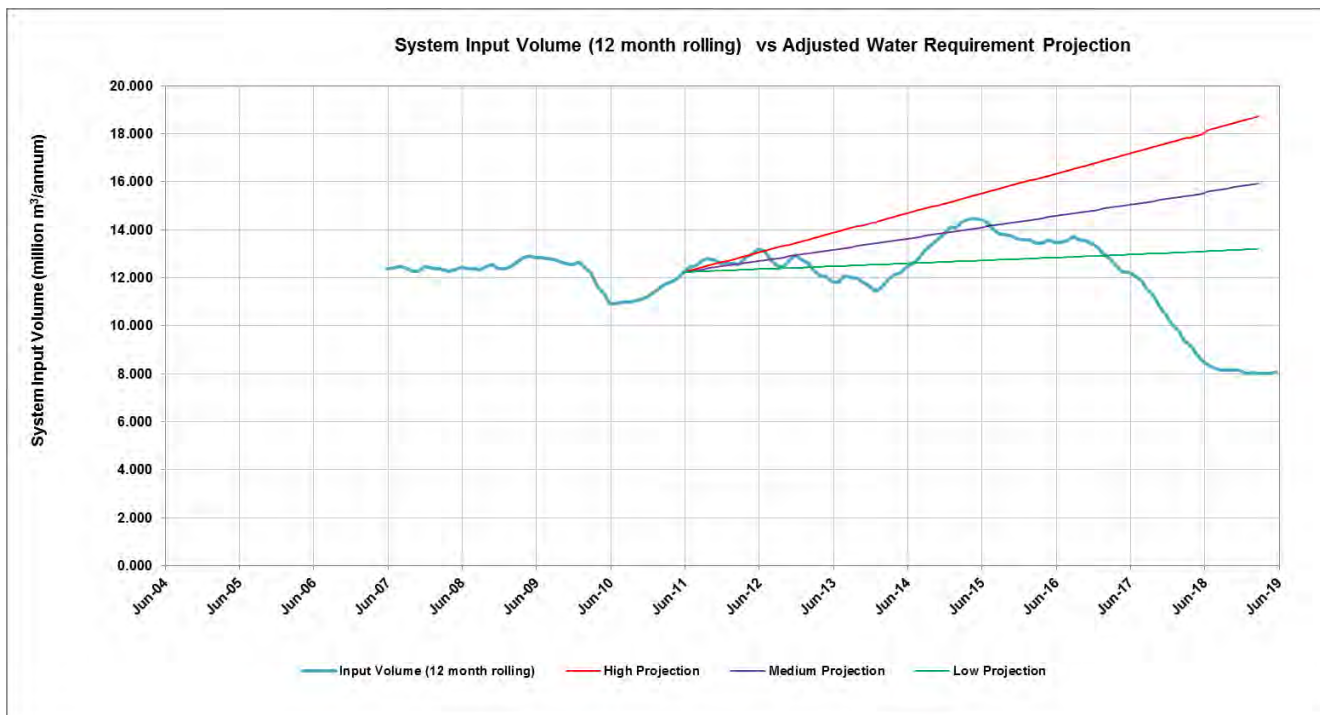
#### Total use of water by category (Mℓ)



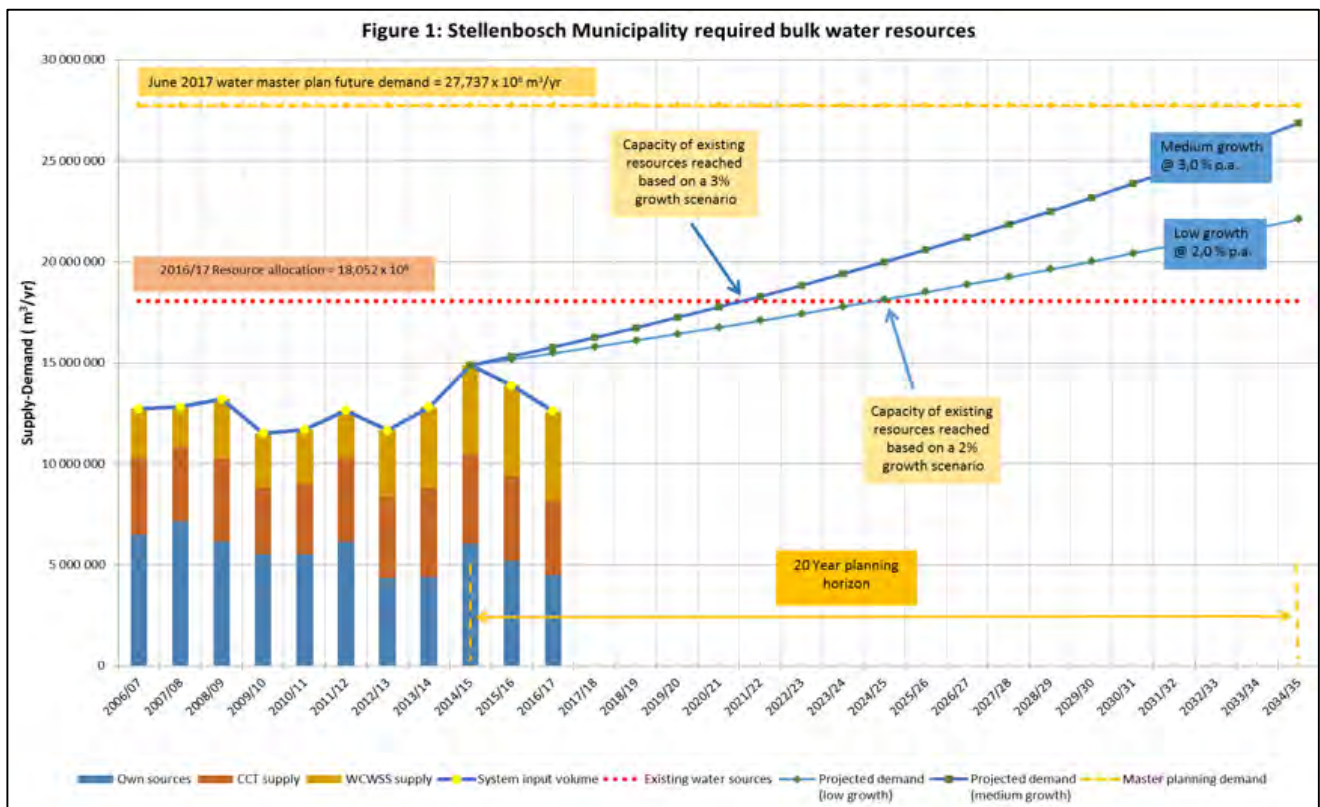
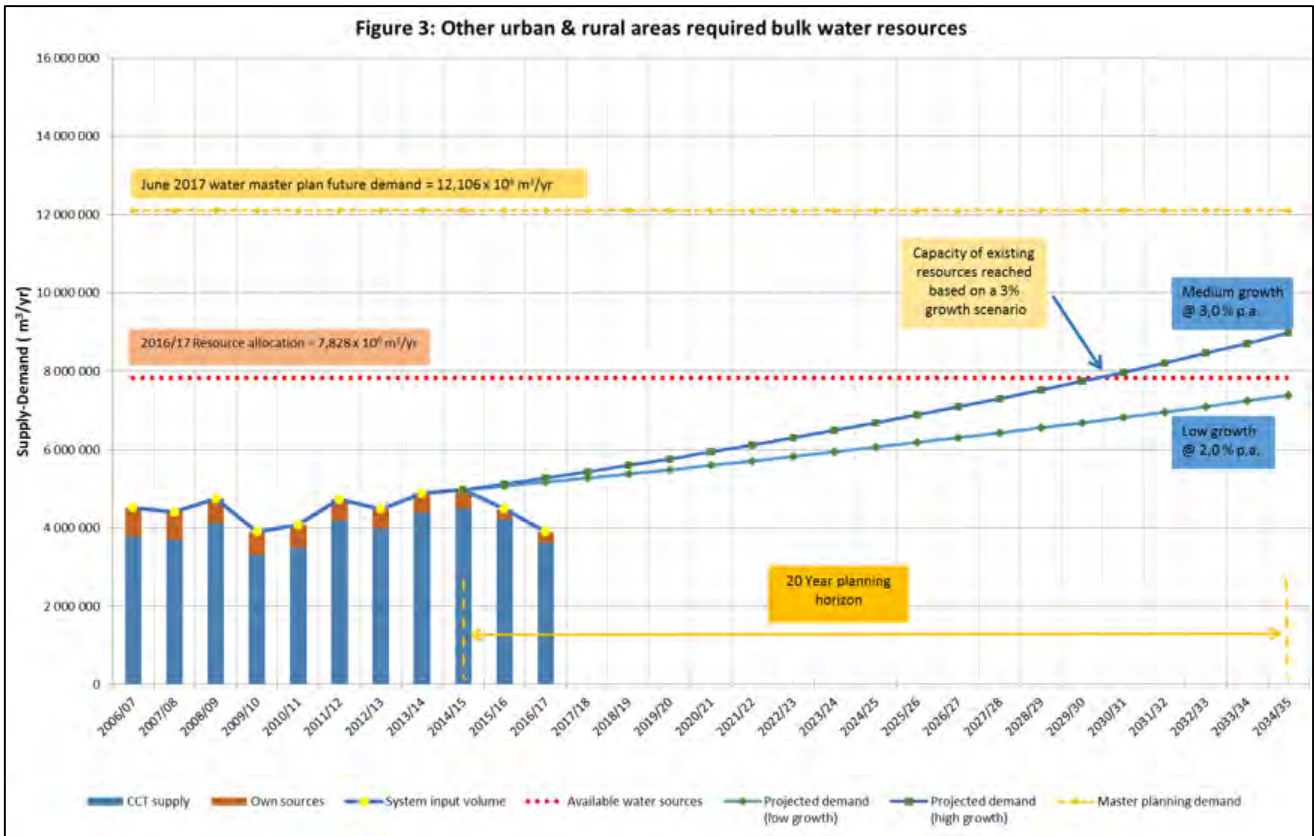
Source:

Figure 3:4: Annual Water Consumption

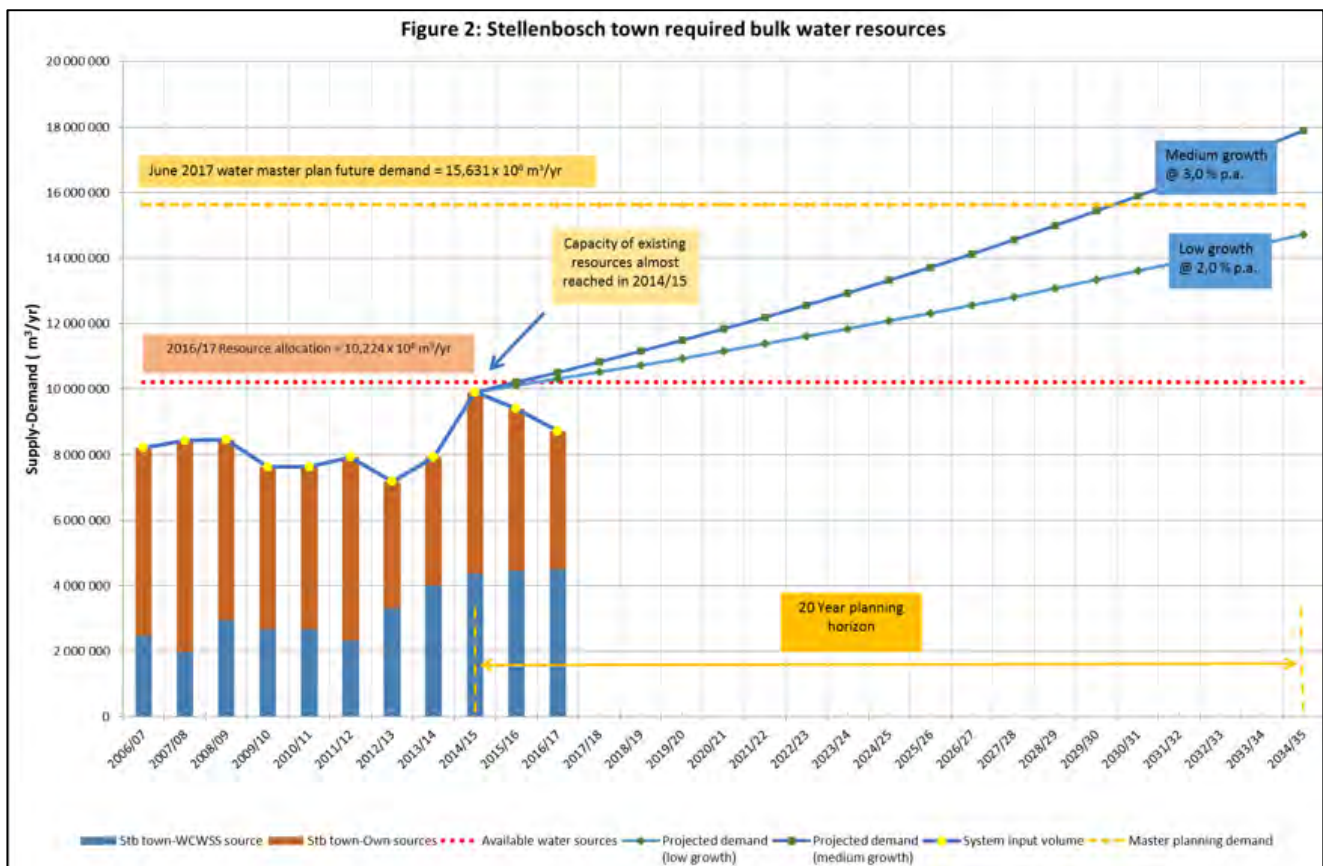
Total Use of Water (Mℓ)					
Year	Total Water into the System (Mℓ)	Total Water Sold (Mℓ)	Non-Revenue Water	% Non-Revenue Water	% Physical Water Loss
2014/15	14 876	11 556	3 320	22.3%	10.3%
2015/16	13 889	10 498	3 391	24.4%	12.4%
2016/17	12 220	9 572	2 648	21.8%	9.7%
2017/18	8 661	6 779	1 882	21.7%	8.2%
2018/19	8 058	6 380	1 676	20.8%	6.9%











### 3.1.17 WATER SERVICE DELIVERY LEVELS

As a priority it is the responsibility of Stellenbosch Municipality to ensure that adequate and appropriate investments are made to ensure the progressive realisation of the rights of all people in its area of jurisdiction to receive at least a basic level of water and sanitation services. While the provision of basic water services is the most important and immediate priority, Water Services Authorities are expected to provide intermediate and higher levels of services (for example water on site) wherever it is practical, provided it is financially viable and sustainable to do so.

All water services provided by Stellenbosch Municipality to consumers within its Municipal Management Area are linked to the Municipality's Tariff Policy and Tariff By-laws, and poor households are incorporated through the Municipality's Indigent Policy.

The large number of residents in the lowest income groups (living in informal areas) poses a major challenge to the Municipality to provide suitable housing. Stellenbosch Municipality strives towards providing all households in the towns with a water connection inside the house and connecting all households to a waterborne sanitation system.

All the formal households in the urban areas of Stellenbosch Municipality's Management Area are provided with water connections and waterborne sanitation facilities inside households (higher level of service). Communal standpipes and ablution facilities are provided in the informal areas as a temporary emergency service. The Municipality has become aware of the fact that communal standpipes represent in all likelihood the weakest part of a network's water supply services. Standpipes are often constructed in ways that cannot withstand excessive use (and in some instances abuse) and are often



neglected in terms of operation and maintenance, with negative effects on the quality of the water supply.

Communal standpipes are also used by poor households who normally do not pay for water.

Below is a table that specifies the different water service delivery levels per households:

**Table 3:7: Water Service Delivery Levels**

Description	2014/15 (audited)	2015/16 (audited)	2016/17 (audited)	2017/18	2018/19
<b>Household</b>					
<b>Water: (above minimum level)</b>					
Piped water inside dwelling	31 437	37 902	37 989**	38 027**	43 422
Piped water inside yard (but not in dwelling)	3 517	3 596	3 596	3 596	3 596
Using public tap (within 200m from dwelling )	6 231	8 491	9 238	9 699	11 327
Other water supply (within 200m)	Not Applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>Minimum Service Level and Above Sub-Total</b>	<b>41 185</b>	<b>49 989</b>	<b>50 823</b>	<b>51 323</b>	<b>161 667</b>
<b>Minimum Service Level and Above Percentage</b>	<b>94.85</b>	<b>99.75</b>	<b>99.75</b>	<b>99.75</b>	<b>99.75</b>
<b>Water: (below minimum level)</b>					
Using public tap (more than 200m from dwelling)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Other water supply (more than 200m from dwelling)	1 830	125	Not applicable	Not applicable	Not applicable
No water supply	405	405	Not applicable	Not applicable	Not applicable
<b>Below Minimum Service Level Sub-Total</b>	<b>2 235</b>	<b>530</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Below Minimum Service Level Percentage</b>	<b>5.15</b>	<b>1.06</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Number Of Households (formal and informal)</b>	<b>43 420</b>	<b>48 002</b>	<b>48 002</b>	<b>52 374</b>	<b>51 258</b>

\* Metered Properties \*\* Household

### 3.1.18 CAPITAL EXPENDITURE – WATER SERVICES

**Table 3:8: Capital Expenditure as at 30 June 2019: Water Services**

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Bulk Water Supply Pipe Reservoir: Dwars Rivier (Johannesdal / Kylemore / Pniel)	13 850 000	10 131 714	-26.85%
Relocation/Upgrading main water supply line	13 746 798	12 718 771	-7.48%
Water Conservation & Demand Management	12 459 951	12 791 122	2.66%
Water Treatment Works: Paradyskloof	11 283 301	11 283 301	0.00%
Bulk water supply Klappmuts	7 000 000	1 520 028	-78.29%
<i>Only the 5 largest capital projects are listed</i>			

Water Services have spent, **89.81%** of the capital budget for the financial year.



### 3.1.19 TOTAL EMPLOYEES – WATER AND SANITATION

The Water & Sanitation Services Department is understaffed; within context of the approved new organogram, this department has more than a 60% vacancy rate.

**Table 3:9: Total Employees – Water Services**

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 16	1	1	0	0%
15 – 13	41	15	26	5.45%
12 – 10	52	36	16	3.35%
9 – 7	48	8	39	8.17%
6 – 4	335	224	111	23.27%
3 – 0	0	0	0	0%
<b>Total</b>	<b>477</b>	<b>284</b>	<b>192</b>	<b>40.25%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

### 3.1.20 WASTE WATER (SANITATION) PROVISION

The main focus for the 2018/19 financial year was to implement the demands of the Stellenbosch Municipality's masterplan, fulfilling the needs of development for the greater Stellenbosch Municipality's vision, part of the demand was to complete the upgrade of the existing Stellenbosch Wastewater Treatment Works (WWTW), Klapmuts Wastewater Treatment Works identify and resolve operational issues of the new Wemmershoek Wastewater Treatment Works, The construction of the new Plankenbrug Outfall Sewer and The upgrading of the Merriman sewer line.

The extension of the Stellenbosch WWTW from a 20MI/day to a 35MI/day plant commenced in April 2015 and was carried through to the 2018/19 financial year. This completed plant made use of Membrane Bioreactor Technology to ensure that current and future demand flows meet the highest standards in effluent quality. The total construction value is estimated at R479 million. The project is funded by the Stellenbosch Municipality and Department of Water and Sanitation (DWS) through its Regional Bulk Infrastructure Grant (RBIG) initiative. This project is nearly complete and is in the commissioning phase. New challenges occurred during phase 1, which lead to phase 2 and 3 of the project.

The construction of Phase 1 of the new Plankenbrug Outfall Sewer commenced in October 2015 and was completed in June 2017. The total value of Phase 1 was R42 million and consist of a new 1200 mm diameter HDPE lined concrete pipe that is laid from the Stellenbosch WWTW up to Bosman's Crossing. The construction for Phases 2 and 3 have commenced and will result in additional sewer capacity for future development and address current demand in the Adam Tas/ Plankenbrug drainage area to Stellenbosch WWTW which includes Kayamandi and the Northern extension. Phase 2 is 97% completed, while phase 3 almost 96% completed.



The construction for the upgrade to Klapmuts WWTW has been successfully completed. This upgrade provided additional capacity at the plant for future development and address current demand in the Klapmuts drainage area to Klapmuts WWTW. The total construction value of this project was R33 million. The project was funded by the Stellenbosch Municipality and Department of Water and Sanitation (DWS) through its Municipal Infrastructure Grant (MIG) initiative. This project is complete.

The design for the upgrading of the Pniel WWTW was done by Consultants and construction work will commence within the 2019/20 financial year. The replacement of the sewer pipe in Merriman Street also started and will be finished in the 2019/20 financial year.

One of the major challenges facing the Municipality is the need for replacement/ upgrading of existing assets which have aged and deteriorated to the point where the majority of the sewer infrastructure has been “consumed”. The bulk of the backlog is made up of the sewer reticulation assets and the abovementioned projects is currently being under construction, while new projects are planned for the next financial year. Dorp Street sewer pipe replacement and the challenges with the upgrading of the Franschoek WWTW and the Wemmershoek WWTW was part of the new projects planned during the 2018/19 financial year.

### 3.1.21 SANITATION SERVICE DELIVERY LEVELS

The table below specifies the different sanitation service delivery levels per households for the financial years 2013/14, 2014/15 2015/16, 2016/17, 2017/18 and 2018/19:

**Table 3:10: Sanitation Service Delivery Levels**

Description	2014/15 (audited)	2015/16 (audited)	2016/17 (audited)	2017/18	2018/19
<b>Household</b>					
<b>Sanitation/sewerage: (above minimum level)</b>					
Flush toilet (connected to sewerage)	37 804**	37 902**	37 939**	38 027	39 224**
Flush toilet (with septic tank)	1 709	1 079	1 079	1079	1079
Chemical toilet	321	321	114	94	94*
Pit toilet (ventilated)	209	209	0	0	0
<b>Other toilet provisions (above minimum service level)</b>	<b>1 038</b>	<b>1 038</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Minimum Service Level and Above Sub-Total</b>	<b>41 081</b>	<b>40 549</b>	<b>39 132</b>	<b>39 252</b>	<b>40 435</b>
<b>Minimum Service Level and Above Percentage</b>	<b>92.75</b>	<b>94.86</b>	<b>97.51</b>	<b>97.01%</b>	<b>97%</b>
<b>Sanitation/sewerage: (below minimum level)</b>					
Bucket toilet	1 137	125	0	0	0
Other toilet provisions (below minimum service level)	1 038	1 038	0	0	0
No toilet provisions	1 035	1 035	0	0	0
<b>Below Minimum Service Level Sub-Total</b>	<b>3 210</b>	<b>2 198</b>	<b>1 193</b>	<b>1 173</b>	
<b>Below Minimum Service Level Percentage</b>	<b>7.25</b>	<b>5.14</b>	<b>2.49</b>	<b>0</b>	
<b>Total Number of Households</b>	<b>44 291</b>	<b>42 747</b>	<b>40 325</b>	<b>52 374</b>	<b>54 237*</b>



### 3.1.22 CAPITAL EXPENDITURE – SANITATION SERVICES

Table 3:11: Capital Expenditure as at 30 June 2019: Sanitation Services

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Extention Of WWTW: Stellenbosch	53 097 037	41 069 237	-22.65%
New Plankenburg Main Outfall Sewer	41 885 097	33 697 884	-19.55%
Idas Valley Merriman Outfall Sewer	14 141 852	9 424 748	-33.36%
Upgrade of WWTW: Pniel & Decommissioning Of Franschoek	10 019 204	5 267 972	-47.42%
Idas Valley Merriman Outfall Sewer	8 511 273	12 116 469	42.36%

*Only the 5 largest capital projects are listed*

Sanitation Services have spent, **83.13%** of the capital budget for the financial year.

### 3.1.23 MAJOR PROJECTS IMPLEMENTED

Table 3:12: Major projects implemented

Project Name	Scope	Project Cost	Benefit, Impacts and Goals achieved	Other Comments
<b>Water Conservation and Water Demand Management (Wc/Wdm) Initiatives</b>				
Water Pipe Replacement Programme	Replacement of aging water mains in the WC024 network using Prioritisation Programme	R10M / annum	Assist with long-term water security Reduction in water losses. Reduction in number of regular pipe breaks and leakages Replace approx. 6 600m of water mains Replace 306 water meters Contribute to the decrease in number of burst mains from <b>average 4/day to 1/day</b>	This multi-year programme is set to continue for many years. <b>The budget allocation has increased from R 500 K/annum to R10 M/annum over the past 8 years</b>
Stellenbosch Water Meter Audit	The audit of all water meters in the Dwarsrivier and Franschoek area is in progress.	R3.5M	Implementation of WC/WDM strategies Improve accuracy of billing and revenue collection <b>Reduce water losses</b>	This multi-year programme. <b>The completion of study in certain areas in Stellenbosch is complete and the study in other areas will commence soon.</b>
Stellenbosch In-House Water Services Operation and Maintenance	On-going operation and maintenance work to the existing water networks	R2.5M /annum on-going	Replacement of water meters Repaired burst mains, Repaired house connection and other leaks Repaired and replaced hydrants and valves.	Significant reduction from 4 leak repairs/day to average 1/day over the past 5 years



Project Name	Scope	Project Cost	Benefit, Impacts and Goals achieved	Other Comments
<b>Water Conservation and Water Demand Management (Wc/Wdm) Initiatives</b>				
			Replaced <b>100m deteriorating water mains</b>	
Planning of New Cloetesville Reservoir	A consultant was appointed for the design of a new reservoir in Cloetesville to address the current and future demand requirements in this area.	R500 000	Eradicate previous problems with insufficient water supply and storage capacity in Cloetesville. Increased capacity for future demand.	This project is in design phase. The project is expected to be completed in 2019.
Planning of Bulk Water Supply Lines, Pump stations and Reservoir for Dwarsriver Area	New supply pipelines, pump stations and reservoirs are constructed in Dwarsriver Area to address the current and future demand requirements in this area.	R36.2M	Eradicate previous problems with insufficient water supply and storage capacity in Dwarsriver area. Increased capacity for future demand.	This project is currently in tender phase. A Contractor will be appointed in 2017/18 FY to commence with construction.
Bulk Water Supply Pipeline Jamestown	The construction of a new bulk water pipeline from Paradyskloof water treatment works to Jamestown	R15.4M	Eradicate previous problems with insufficient water supply and storage capacity in Jamestown area. Increased capacity for future demand.	A Contractor was appointed in 2016 and construction to be completed in 217/18 FY
Water Treatment Works Paradyskloof	Upgrading of the existing works to increase the current treatment capacity.	R42.2	Various upgrades and modifications to treatment works to be made to increase treatment capacity.	Contractor was appointed and the project is currently underway.
Update Water and Sewer Master Plan and IMQS	Updating of the existing water and sewer master plan to incorporate changes since the last update. These changes and updates is also updated on IMQS	R2.3M	Various updates and modifications to the existing Water and Sewer Masterplan	
Extension of the Stellenbosch Waste Water Treatment Works (SWWTW).	The extension of the Stellenbosch Waste Water Treatment Works (SWWTW) is one of the largest projects in Stellenbosch history.	R480M	Increased Treatment capacity to 35 MI/day Resolves the critical need for present and future WWT demand in the area. Enable economic development in the area Support the housing provision pipeline	Classified as the number 1 priority in the administration. Currently moratorium on further development until completion of current phase. Phase 1 consist of constructing new 27MI/day MBR lane. Phase 2 the existing plant will be upgraded to BNR (Biological Nutrient Removal) system with





Project Name	Scope	Project Cost	Benefit, Impacts and Goals achieved	Other Comments
<b>Water Conservation and Water Demand Management (Wc/Wdm) Initiatives</b>				
				capacity of 8ML/day. Project has reached 50% completion.
New Wemmershoek (Franschhoek Valley) WWTW	The New Nereda Wemmershoek WWTW is at the forefront of technological innovation and construction was completed in April 2015 (Nereda © technology)	R2.7M	Ensure allowance for future demand and economic growth and development of the greater Franschhoek and surrounding areas Increase capacity from 1.8ML/day to 7ML/day and eradicate Franschhoek WWTW challenges Allow decommissioning of existing Franschhoek WWTW.	Moratorium was placed on development, lifted after completion of new works. Staff is constantly trained to operate this plant which is highly technical.
Upgrade of Klapmuts WWTW	The upgrade of existing WWTW Phase 2	R3.3M	Phase 1: Capacity increased to 1.5ML/day Phase 2: Capacity increase to 2.4ML/day	Future upgrades will be phased in 2.4ML/day modules up to a total of 7.2ML/day. Activated sludge process with Belt press
New Plankenburg Outfall Sewer	The contract is in construction stage of Phase 1 of the new Plankenburg main sewer outfall. A new 1.2m concrete HDPE lined pipeline is being installed.	R22M	Increase capacity and ensure needs for future demand is met New main sewer outfall to tie into the newly extended Stellenbosch WWTW	Currently moratorium on further development until completion of phases 2 and 3

### 3.1.24 ELECTRICITY

Recently load shedding was experienced due to the Eskom challenges with their power stations.

As in the previous financial year of 2017/18 Stellenbosch Municipality continued to contribute to Eskom's electricity supply stability, mainly with the following projects:

#### The demand side management

The Municipality continued with Energy and Demand side Management project which was implemented in 2009, to replace inefficient street light fittings with energy efficient (LED) fittings.

#### Hot Water Load Control Project

The Department has continued to install Hot Water load control device in Franschhoek area, which will enable shedding of all geysers during peak times, hence making an energy saving at the end of the month. A total of about 10 000 load control device have been installed in Stellenbosch area and Franschhoek. All new developments are being issued with load control devices to manage demand.



## Electrification of Informal Settlements

Through the INEP grant received the Municipality managed to electrify informal settlement structures that are in the areas where electricity services are available. All the structures that are electrified received free basic electricity (100 kWh).

### Pniel take-over

Stellenbosch Municipality finally took over from Drakenstein Municipality the electrical network at Pniel, Hollandsche Molen, Johannesdal and the surrounding farms with effect from 15 February 2019.

### 3.1.24.1 Electricity Service Delivery Statistics

**Table 3:13: Electricity Notified Maximum Demand**

Major Towns	Notified Maximum Demand (NMD)	Maximum Demand Growth (NMD)	Maximum Demand Peak (NMD)
Stellenbosch	60 MVA	0.6 MVA	54.07MVA
Franschhoek	10 MVA	0.48 MVA	10.21 MVA
Cloetesville	16 MVA	1.58MVA	11.125MVA

There was a slight increase of maximum demand in 2018/19 financial as compared to 2017/18 financial year. The reason for such an increase is because of a few developments that were connected into our electricity network.

The electricity losses as at 30 June 2019 were 6.77% which is still within the acceptable industry standard of 11%, however there was an increase in losses as compared to last financial year (2017/18). The reason for that is increase of illegal connections and the new network Stellenbosch Municipality took over from Drakenstein Municipality in February 2019 has an effect on the losses.

The department is understaffed and is experiencing difficulty in attracting suitably qualified and competent persons. It is vital for the effective functioning of electricity services to be able to attract competent, skilled and sufficiently experienced personnel. Resolving the staff shortages will improve the current working conditions of staff.

### 3.1.24.2 Electricity Service Delivery Levels

#### Electricity Service Delivery Levels

Description	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Household</b>	<u>audited</u>	<u>audited</u>	<u>audited</u>	<u>audited</u>	<u>unaudited</u>
<b>Energy: (above minimum level)</b>					
Electricity (at least minimum service level) (No. of conventional meters)	5576	6 486	6 486	6 453	4 715
Electricity - prepaid (minimum service level) (No. of prepaid meters)	20 711	17 504	17 504	25 946	27 825
<b>Minimum Service Level and Above Sub-Total</b>	<b>26 287</b>	<b>23 990</b>	<b>23 990</b>	<b>32 399</b>	<b>32 540</b>
<b>Minimum Service Level and Above Percentage</b>	<b>87.25</b>	<b>79.67</b>	<b>86.7</b>	<b>80.08</b>	<b>85.51</b>
<b>Energy: (below minimum level)</b>					
Electricity (< minimum service level)	0	0	0	0	0
Electricity - prepaid (< min. service level)	5 757	4 460	4 460	6 453	0
Other energy sources	N/A	N/A	N/A	N/A	N/A





Description	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Below Minimum Service Level Sub-Total</b>	<b>6 707</b>	<b>4 460</b>	<b>4 460</b>	<b>6 453</b>	<b>0</b>
<b>Below Minimum Service Level Percentage</b>	<b>20.33</b>	<b>13.27</b>	<b>13.27</b>	<b>12.32</b>	
<b>Total Number Of Households</b>	<b>32 994</b>	<b>48 002</b>	<b>48 002</b>	<b>52 374</b>	<b>32 540</b>

During the 2018/19 financial year the Electrical Department continued with the programme of the renewal and upgrading of old equipment reaching the end of its life cycle. The replacement of old low voltage overhead networks are being replaced in La Colline and Cloetesville areas.

### 3.1.24.3 Capital Expenditure – Electricity Services

**Table 3:14: Capital Expenditure as at 30 June: Electricity Services**

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Electricity Network: Pniel	14 118 481	14 118 481	0%
Power line move from landfill site	13 788 494	13 788 494	0%
Stand-by Generator	9 619 513	-	-100%
General Systems Improvements - Stellenbosch	8 142 036	17 582 849	115.95%
11kV cable - Stellenbosch	5 000 000	4 789 453	-4.21%
Integrated National Electrification Programme (Enkanini)	5 000 000	5 000 000	0%
<i>Only the 5 largest capital projects are listed</i>			

Electricity Services have spent, **91.42%** of the capital budget for the financial year.

### 3.1.24.4 Total employees – Electricity

#### Total Employees – Electricity

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number			%	
18 – 16	1	1	0	0%
15 – 13	12	8	4	3.03%
12 – 10	36	8	28	21.21%
9 – 7	44	32	12	9.09%
6 – 4	39	11	28	21.21%
3 – 0	0	0	0	0%
<b>Total</b>	<b>132</b>	<b>60</b>	<b>72</b>	<b>54.54%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.



## 3.1.25 WASTE MANAGEMENT REFUSE COLLECTIONS WASTE DISPOSAL AND RECYCLING

### 3.1.25.1 Solid Waste Management

Stellenbosch has become a centre of sustainability and innovation especially in the complex field of waste management. Thus in addition to the day to day routine business of keeping the municipal area clean and free of illegal dumping and providing a sustainable waste collection service for all residents, the Municipality is focussing on various ways to enhance waste reduction as well as the implementation of recovery and recycling systems for various priority waste streams.

The 2018/19 financial year resulted in a reprieve and aversion of the dreaded Day Zero prediction for water supply, as a result of better rainfall figures as compared to the previous two years, and the efforts of the public to embrace utilising water sparingly in order to meet the restrictive targets set. However, on the waste management front another Day Zero was looming. Landfill airspace is fast running out, not only in Stellenbosch, but for the majority of municipalities in the Western Cape. Stellenbosch only had 13 months of landfill airspace left, as predicted through surveys undertaken in February 2018. This meant that waste could only be deposited at the Stellenbosch Landfill until March 2019.

Negotiations with Eskom was successfully negotiated to relocate the two 66kV and 132kV overhead powerlines, which would free up the area to piggy-back on closed Cells 1 and 2, with the now fast filling Cell 3. This could unlock enough airspace for this Municipality to last 40 years, with aggressive waste minimisation.

With Area Cleaning now incorporated in this department since 1 January 2018, focus was placed in this area to improve and procure capital items, which was in short supply previously. The acquisition of tipper trucks and a digger loader was critical in terms of making this unit function more optimally.

Disposal of waste to landfill increased significantly in this financial year compared to the corresponding period in the previous financial year, which actually saw a decrease in waste landfilled. This increase is not only as a result of more Area Cleaning waste removed and disposed of at landfill, but also the effects of the drought which resulted in more people using disposable utensils rather than washing and reusing same. This phenomenon was also encountered in other municipalities as well.

Challenges within this department were the number of vacancies, particularly on management level that needs filling, the delay in the construction of the Material Recovery Facility as a result of under-estimation of the cost of the project, the longer time-frames to procure goods and services as a result of implementation of measures by Supply Chain Management to reduce unauthorised/irregular expenditure. Two key projects that were initiated and completed in this financial year were the Waste Collections Optimisation study, and the finalisation of the second Waste Characterisation report for the study undertaken in the 2017/18 financial year.

The year was thus highlighted with planning for averting Day Zero in waste management, as well as putting all measures in place to firstly plan all diversion of waste for disposal at Stellenbosch Municipality for the next 3-4 years, and at the same time getting all the environmental authorisation processes initiated to reach the implementation phase as soon as possible.

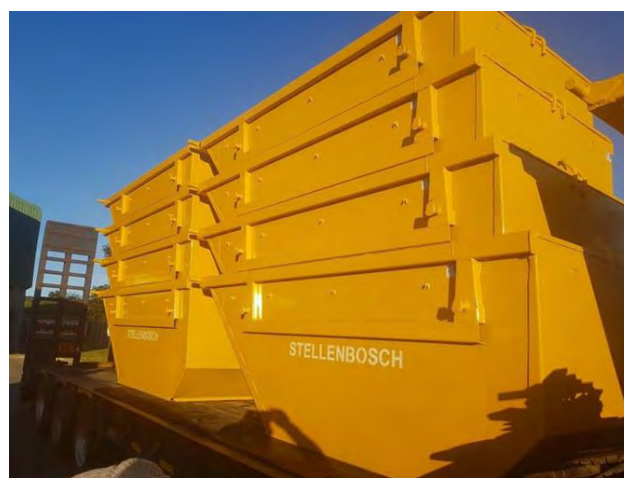


### 3.1.25.2 Refuse Collection

A study was conducted over a period of 6 months in order to optimise waste management collection operations. The Solid Waste Management Department services approximately 38 500 households within the municipal area. The Municipality is on a 240l wheelie bin system, and approximately 20 000 wheelie bins are collected per week. The department makes use of eight 19m<sup>3</sup> compactor vehicles equipped with 240l bin-lift system. In addition, 52 6m<sup>3</sup> skips are servicing informal areas throughout the WCO24.

Recommendations from the study include redistribution of collection schedule in order to optimise service and costs, filling of key vacancies, maintaining Task-to-Finish schedules with improved supervision, and having its own Fleet division, in order to better manage truck breakdowns and downtime.

**Figure 3:5: Skips delivered to the Stellenbosch Municipality**



#### **Moloks and skips:**

The Municipality procured a total for 17 skips to total value of R 386,110.50. These skips were placed in various locations throughout the Municipal area, servicing informal communities.

Four (4) new Moloks were hired and placed at Municipal flats. These Moloks replaced wheelie bins which had been continuously vandalised and stolen in the past. Although Moloks were previously utilised in the informal areas with moderate success (many were vandalised and burnt), it proved to be more successful as a communal collection receptor. The Housing Department played a pivotal role in setting up multiple meetings with the receiving community, explaining what role Moloks will be playing, and getting public buy-in prior to the installation of the four units.



**Figure 3:6: Moloks rolled out at Phillaria Municipal Flats**



### Wheelie Bin Roll -Out

Wheelie Bins: The department has issued an average total of 128 wheelie bins a month. This monthly average consist of:

- 88 bins for new or additional bins, and
- 40 bins for replacement of stolen or broken bins.

All new bins issued have been fitted with Radio Frequency Identification tags which will be linked to each even in the new financial year.

Bin lift logger: The department has trialled a bin lift logging system for a 6 month period. During this period the Department was able to count the amount of bins lifted within various areas. This information was used in the route optimisation study.

The Municipality is also keeping closer records in terms of wheelie bins flow, and the table below summarises the activities for the months recorded.

**Table 3:15: Wheelie bin report for 2018/19 financial year**

	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19
<b>Broken bins replaced</b>	N/R	8	10	4	N/R	N/R	N/R	N/R	2	1	12	9
<b>New Applications</b>	N/R	21	152	215	N/R	N/R	N/R	N/R	58	19	161	11
<b>Stolen bins replaced</b>	N/R	16	19	31	N/R	N/R	N/R	N/R	59	2	65	35
<b>Additional bins</b>	N/R	23	27	5	N/R	N/R	N/R	N/R	7	0	6	3

*N/R – No records available*





### Acquisition of new assets

Two 10t tipper trucks as well as a new digger loader were procured for the Area Cleaning component, and a new refuse compactor was procured for the Collections unit.

**Table 3:16: New area cleaning trucks**

Reg no	Year	Descriptions	Delivered	Value
CL 83465	2018	MST Digger Loader	Jun-18	R 918 177
CL 83483	2018	UD 10 Ton Tipper Truck	Jun-18	R 1 075 087
CL 84071	2018	UD 10 Ton Tipper Truck	Sep-18	R 1 075 087
CL 54065	2018	UD 10 ton Refuse Compactor	Dec-18	R3 000 000

Two refuse compactors (CL45835 & CL 26685) were scrapped and auctioned off.

**Figure 3:7: Front and rear view of new refuse compactor**



The department spent R 2 760 206 on repairs and maintenance and R 1 306 920 on fuel and lubricants over the financial year.

**Figure 3:8: Digger loader and front view of 10t tipper truck**





### 3.1.25.3 Waste Disposal and Waste Minimisation:

#### **Design and construction of new MRF and Drop-Off:**

The Planning and design of the Material Recovery Facility (MRF) and associated Public Drop-off Facility was completed in the last financial year, and it was envisaged that the construction would commence in January/February 2019, once the contractor had been appointed. R6m was allocated in this financial year, and the balance of the funds in the following (2019/20) financial year. The engineering consultant had erroneously omitted a major component of the project in forecasting the budget requirement, and this led to insufficient funds for the total project costs. This could only be rectified in the adjustment budget, and by the time sufficient funds were allocated, it was decided to rather contain the construction in one financial year, and to commence in the 2019/20 financial year. This project constituted nearly 50% of the capital budget in this financial year.

#### **Green waste chipping:**

The shredding of garden greens continued in this financial year, as per tender awarded in 2017. It was interesting to note the increase of this waste stream compared to the previous financial year. Once the water restrictions were lifted, people started taking more care of gardens, which once again highlights the correlation between the drought situation and waste management.

#### **Door to door recycling collection:**

Resource Innovations SA was again appointed as service provider to collect and process recyclable material within the WCO24 area. Progress was slow but steady.

#### **Rubble crushing:**

The pilot project for rubble crushing came to an end, and the department embarked on a new tender process to procure a service provider to continue on what had been a very successful pilot project to date. Unfortunately despite going out on two tender processes, no successful bidder could be appointed to continue with the crushing and beneficiation process. This will again be advertised in the 2019/20 financial year. In the interim, rubble is stockpiled for when a new service provider is appointed.

#### **Disposal:**

##### **Stellenbosch landfill:**

The Stellenbosch landfill situated on Devon Valley Road has been receiving for landfilling all waste that is not recovered and diverted from landfill in Stellenbosch Municipal area. This landfill has filled up and will be full early in the 2019/20 FY. This will occur before a suitable new cell can be authorised, designed and constructed for waste reception.

Due to the lack of landfill airspace in Stellenbosch, planning was undertaken to transport general waste to a suitable landfill or other disposal facilities situated outside the Stellenbosch area.

Discussions in this regard were undertaken with the City of Cape Town in order for SM to make use of their landfill facilities. The City has a surcharge in place that adds 25% to the cost of landfilling for waste generated outside the City municipal area. SM requested the City to waive this surcharge. In addition a tender for a legally operated and licensed (1) landfill or (2) other suitable disposal operation, to accept waste emanating from SM was advertised.



It is planned that waste will be delivered by either SM owned municipal vehicles or by way of a sub-contractor working for SM who will transfer waste from Klappmuts transfer station to the landfill or disposal facility. It is planned that all disposal charges will be paid directly by SM to the Disposal facility.

Planning was initiated to appoint a privately owned and operated landfill situated at Vissershok off the N7 in the City of Cape Town area (The Vissershok Waste Management Facility) to receive SMs waste. A private waste transporter already contracted to SM was issued an order to transport waste to Vissershok.

The transfer will commence early in the 2019/20 Financial Year.

#### **Klappmuts Transfer Station:**

The Klappmuts Refuse Transfer Station has a design capacity of 150 tons per day transfer capacity. It is planned that after the Stellenbosch landfill has reached capacity this facility will be the staging point for waste being transferred to another facility in the City of Cape Town area. Waste from all areas will be transported in collection vehicles and will be transferred into open top 30m<sup>3</sup> bins for onward transport 3 containers at a time by way of bulk transport to Vissershok.

**Figure 3:9: Illustration of how waste would be hauled from Klappmuts to Vissershok**



The transfer of waste to and through Klappmuts will commence early in the 2019/20 Financial Year.

#### **Franschhoek drop off**

The Franschhoek Drop-off facility continued to provide a service to the residents of Franschhoek and surrounds to dispose of the garden waste and bulky goods.

#### **Relocation of Eskom Power Lines:**

The Stellenbosch landfill is situated on the Devon Valley Road. The landfill comprises completed cells (cell 1 and 2) as well as an operating cell (cell 3). Cell 3 is separated from cells 1 and 2 by an area on the landfill property footprint that is used for access roads, entrance area and weighbridge, green waste chipping and rubble crushing and stockpiling activities. This area is transversed by two high voltage Eskom power lines. The presence of these power lines prevents the Municipality from engineering and operating that area between cells 1 and 2 and cell 3 as waste disposal cells. This has resulted in the premature filling up of the facility which will be full by the end of 2019/20 Financial Year (FY).





The appointment made use of an existing panel tender in terms of which a request for technical proposal was requested and an appointment was made of a specialist environmental consultant to successfully carry out all required environmental processes including relevant specialist studies by way of a Basic Assessment to successfully obtain the environmental authorisation (EA) for Stellenbosch Municipality that will allow Eskom to proceed with the removal and repositioning of the two high voltage lines. The project was initiated during June 2019 and it is anticipated that the EA will be issued at the end of the 2019/20 FY.

As Eskom is an organ of state and the project deals with the generation and transmission of electricity, the competent authority for this project is the National Department of Environment, Forestry and Fisheries (DEFF).

**Waste Management Licence project:**

The Stellenbosch landfill situated on the Devon Valley Road is nearing capacity and by the end of the 2019/20 FY will be full. The landfill comprises completed cells (cell 1 and 2) as well as an operating cell (cell 3). Cell 3 is separated from cells 1 and 2 by an area on the landfill property footprint that is used for access roads, entrance area and weighbridge, green waste chipping and rubble crushing and stockpiling activities. This area has been unused as it is transferred by two high voltage Eskom power lines which are to be removed and repositioned. This area has been identified as possibly suitable for the establishment through design and construction of engineered cells to be operated for the acceptance for disposal of residual general waste which has not been recycled or recovered for energy purposes, this will add some 20 to 30 years of landfill airspace.

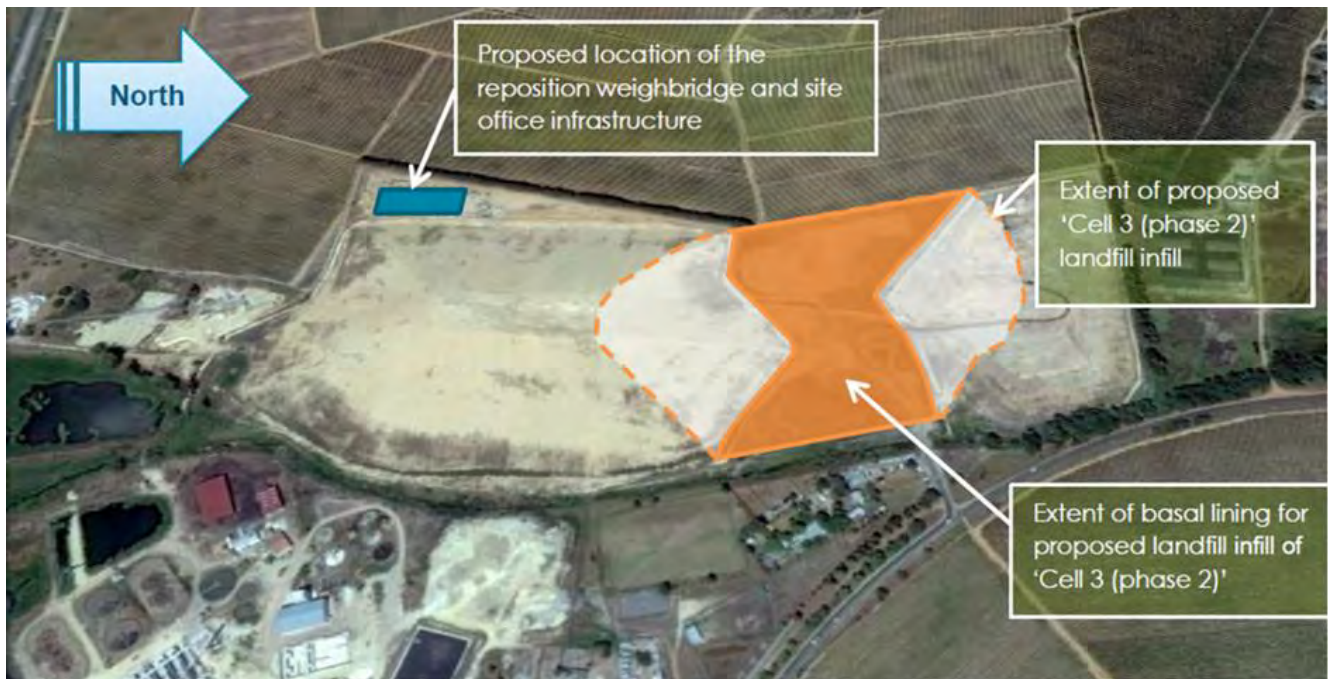
The appointment made use of an existing panel tender in terms of which a request for technical proposal was requested and an appointment was made of a specialist environmental consultant to successfully carry out all required environmental processes including relevant specialist studies by way of a comprehensive Basic Assessment (BA) process to successfully obtain the Waste Management License that will allow the Municipality to proceed with the planning, design, construction and operation of further waste management cells. In addition the appointed professional service provider must also review and do the necessary work if required for the updating of the Water Use License of the site





(WULA). The project was initiated during June 2019 and it is anticipated that the WML will be issued at the end of the 2019/20 FY.

**Figure 3:10: Aerial view of airspace available should Eskom powerlines be relocated**



The competent authority for this project is the Provincial Department of Environmental Affairs and Development Planning (DEA&DP).



The Devon Valley Landfill Site received the following quantities of waste which was recorded by the weighbridge at the site:

**Table 3:17: Landfill statistics for incoming waste for 2017/18 financial year**

(Ton)	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19
Industrial Refuse	389	396	318	529	452	629	521	434	395	482	478	431
Domestic Refuse	3 091	3 063	2 815	3 314	3 349	3 173	4 027	2 968	3 139	3 531	3 698	3 136
Green Refuse	528	457	484	580	538	345	633	709	728	576	488	383
Builders Rubble to Landfill	4 929	4 524	5 001	5 494	4 083	3 342	742	1 875	1 218	717	981	29
Builders Rubble Stockpiled	1 299	1 862	1 212	4 201	5 338	3 300	3 948	3 977	713	200	91	248
Clean cover/Soil	597	77	0	261	0	10	3 334	356	3 438	4 576	6 633	5 863
Soil for Berms	3 724	3 368	37	9 146	9 538	2 133	605	2 412	1 689	72	463	1 559
Area Cleaning	92	251	265	975	668	710	879	647	786	544	470	605
Illegal Dumping	200	208	219	201	209	137	143	0	35	0	29	0
Tailings from MRF	16	21	20	17	20	9	9	14	16	18	8	10
Mixed Waste	131	102	16	16	3	30	4	0	0	0	0.2	0
Green Jobs	41	42	40	67	70	66	65	67	74	96	88	80
Miscellaneous	118	1 655	4 684	3 369	5 563	4 681	2 488	3 519	3 516	3 635	3 211	3 486
<b>Total Received</b>	<b>15 155</b>	<b>16 026</b>	<b>15 111</b>	<b>*28 170</b>	<b>*29 831</b>	<b>18 565</b>	<b>17 398</b>	<b>16 978</b>	<b>15 747</b>	<b>14 447</b>	<b>16 638</b>	<b>15 830</b>
<b>Less DIVERTED</b>	<b>1 430</b>	<b>2 044</b>	<b>1 349</b>	<b>4 370</b>	<b>6 358</b>	<b>3 867</b>	<b>4 088</b>	<b>4 069</b>	<b>775</b>	<b>285</b>	<b>158</b>	<b>313</b>
<b>Total Landfilled</b>	<b>13 725</b>	<b>13 982</b>	<b>13 762</b>	<b>23 800</b>	<b>23 473</b>	<b>14 698</b>	<b>13 310</b>	<b>12 909</b>	<b>14 972</b>	<b>14 162</b>	<b>16 480</b>	<b>15 517</b>

(\*higher values due to berm construction)

The table above refers only to incoming waste which was captured over the weighbridge as in-coming loads, and not what went off-site:

- “Green Jobs” refer to the tons cleared from Moloks stationed in Langrug and at Flats;
- “Tailings from MRF” are the non-recyclables found in the separation-at-source clear bags collected and processed by Resource Innovations;
- “Area Cleaning” and “Illegal Dumping” reflects work done by the Area Cleaning component;
- “Clean cover/Soil” was previously referred to as “Cover-to-Waste” is the amount of soil utilised as waste cover, whilst the rest is stockpiled as clean cover/soil. The service provider bills the municipality for waste handled and not stockpiled, and it is for this reason that a clear distinction is made between the two categories.

The total waste received at the landfill site was 219 896t in the 2018/19 financial year. This is a 51.0% increase when compared to the corresponding period a year ago, when 145 621 tons entered the facility. This significant increase in the quantity of waste had been experienced at most municipalities, and it is thought that drought conditions played a significant role as people used more disposable



utensils in order to save on washing items. Another contributing factor has been the increased number of EPWP workers to clean informal settlements and public spaces, which resulted in less waste scattered in areas and more at the disposal facility. Waste brought in from Area Cleaning increased from 4909t to 6892t (40.4%). Green waste had also increased, and with the relaxation of water restrictions, gardens were again attended to. The waste streams that had the most impact on the increase include builders rubble landfilled and builders rubble stockpiled, which increased from a combined total of 38368t to 59324t (54.6%); this could imply an increase in construction work over the past financial year. Although the figures above reflect incoming waste-streams, not all of the waste was disposed of, as green waste was chipped and removed for composting, and a large component of builder's rubble was not only stockpiled, but crushed and removed off-site by the appointed service provider. In total the number of users had increased from 39991 in the 2017/18 year to 46256.

### **Projects continued in the 2018/19 financial year but initiated in previous financial year(s):**

The investigations into the landfill gas project undertaken in the previous FY showed that it is feasible to harvest landfill gas from the closed cells and convert this to electricity.

A Clean Development Mechanism (CDM) project undertaken with registration under the United Nations Framework Convention on Climate Change (UNFCCC) could unlock CDM income through the sale of emission units measured as Certified Emission Reductions (CERs). In addition, South Africa has established a system that allows subsidies for green energy projects in return for tax incentives for investor companies. The Department of Minerals and Energy has established a renewable energy finance and subsidy office (REPSO) to assist developers.

Investigations into the best mechanism to take this project forward have been undertaken.

The way ahead with the Stellenbosch landfill gas to electricity project will investigate the possibility of linking into the City of Cape Town's approved Programme of Activities (POA). A letter seeking permission will be sent from the Municipal Manager's office to the City Manager in this regard. Being part of an established POA will have many benefits, including financial, for Stellenbosch Municipality.

### **Food waste diversion project: PN/SH**

The separate collection of organic food waste and diversion from landfill has become a priority. Provincial government has set diversion targets of 50% diversion by 2022 and 100% by 2027. In order to facilitate the implementation of this the Municipality is to embark on a pilot door to door collection system covering 4 000 residential collection points. The system at the house occupier of the selected sample area will comprise a 7 litre kitchen caddy and 70 litre lidded storage bin. The Municipality will in addition supply two compostable plastic bags per week to enable the organic food waste to be stored for collection easily. The compostable bag will fit neatly in the kitchen caddy and when full will be removed sealed and placed in the 70 litre storage bin. Collection of emptying the contents from the storage bin will take place weekly and at the same time new bags will be handed out. There will be no cost for this service to the home occupiers.

Information about the new system and education on how it must be used will be provided jointly by the Municipality and the collections service provider. The Municipality's own communication unit will assist with the project management of this contract to ensure the success of the project.

The pilot project will commence during the 2020/21 FY and run for 6 consecutive months from date of appointment.



## Compliance

### a) Internal audits:

Internal audits are conducted quarterly in the months of March, June, September and December by the Senior Manager: Waste Management. This is a permit requirement, and assists the department to timeously address issues that require attention and prepare for the external audits, which are conducted annually.

### b) External audits:

For disposal facilities (landfills and transfer stations) to be operated in compliance with the relevant legislation, all landfills must be licenced and managed according to the conditions in the licence. These management practices must also be compliant with the Norms and Standards as well as with certain sections of Minimum Requirements for Waste Disposal by Landfill (DWAF, 1998), and other relevant regulations.

To be able to assess whether landfill management practices are according to all stated conditions, landfill owners must, on a regular basis, obtain the services of an external auditor to do an independent landfill compliance audit.

To ensure compliance, external audits were undertaken by an independent specialist consultant, at the Stellenbosch landfill and at the Klapmuts Transfer Station, in accordance with waste management licence conditions. Six months later a review of the audit finding to ascertain improvements was carried out. The independent auditor reported back to the Municipality as well as to the Monitoring Committee. Most of the permit conditions are compliant, with the exception of stormwater monitoring, groundwater monitoring and gas monitoring. All of the non-compliances will be addressed with site closure and rehabilitation, as monitoring infrastructure will then be installed. It is envisaged that boreholes will be implemented in the 2019/20 financial year as part of the specialist studies undertaken, and gas monitoring will be incorporated with the methane extraction project also listed in the 2019/20 financial year.

### c) Monitoring Committee:

All operating landfills are required to establish a Monitoring Committee. The objective of the Monitoring Committee is to provide a forum to enable the community to effectively participate in and monitor the operation, rehabilitation, closure and on-going monitoring of a landfill. It provides a forum at which discussions and solutions which address the concerns of the community regarding the landfill site, especially those people living in the immediate vicinity. The Landfill Monitoring Committee acts as a representative of, and official means of communication, with the community and acts as the 'eyes and ears' of the regulatory authority (DEA&DP). It discusses compliance licence conditions and the Norms and Standards and Minimum Requirements. This process observes and monitors the impacts of the site on the environment.

The Stellenbosch landfill has an active monitoring Committee that meets every three months. The Committee is chaired by a representative of the community and minutes are prepared by the Municipality. Monitoring Committee meetings are attended by DEA&DP officials as well as officials of various Municipal Departments as and when required. The independent auditor also attends the meeting as and when required to report on the findings of the external audit.



#### d) Waste Managers Officers Forum:

The Waste Management Officer (WMO) for the Stellenbosch Municipality is the Senior Manager: Waste Management. Quarterly meetings of the Provincial Waste Managers Officers forum takes place at various venues across the Province. The WMO attends the meeting and reports back on activities within the Municipality – this also provides a forum to receive information from Provincial officials and for networking with WMOs from other municipalities within the province.

#### New Projects undertaken in the 2018/19 financial year

##### Area Cleaning:

The Area Cleaning unit was successfully integrated into this department. It is predominantly made up of Expanded Public Works Programme (EPWP) staff, whom are employed on 3-6 month contracts, as a means to meet national job creation and poverty alleviation targets. The recruitment and selection of EPWP staff are strictly off the database under the auspices of the Local Economic Development (LED) department. The success of these projects are directly linked to how well staff are supervised, and this department have put measures in place to ensure good, competent supervision of staff. All clean-ups are measured by means of before and after photographs, which must be date and time stamped as evidence of cleaning.



Picture 1: Skips emptied into rear end loaders



Picture 2: EPWP workers are briefed before going out on duty

#### Social Engagement

##### Mandela Day 2018

For Mandela Day 2018 the Staff from the Solid Waste Department ran two initiatives. The first involved the cooking of a nutritious meal for the informal waste salvagers active at the Stellenbosch Landfill and the testing of a rewards programme called Vollar (Volunteer Dollar) at Klapmuts where good deeds by members of the community were rewarded with a Vollar token, and these were then exchanged for various goods at the Swop Shop.





*Initiative by SWM to make potjie and feed landfill pick*



**Involvement with professional and Educational Institutions:**





## Utter Rubbish Newsletter

Figure 3:11: Front cover June 2019

The Waste Management Department printed and issued their 5th Edition of Utter Rubbish, with this edition focusing on Area Cleaning and its integration into this department.

The year was thus highlighted with planning for averting Day Zero in waste management, as well as putting all measures in place to firstly plan all diversion of waste for disposal at Stellenbosch Municipality for the next 3-4 years, and at

the same time getting all the environmental authorisation processes initiated to reach the implementation phase as soon as possible. It is thus hoped that all authorisations be in place in the next financial year, in order for the implementation phase to follow.







### 3.1.25.4 Refuse Removal (Solid Waste) Service Delivery Levels

The table below indicates the different refuse removal service delivery level standards within the urban edge area of the Municipality:

**Table 3:18: Refuse removal service delivery level standards**

Description	2014/15	2015/16	2016/17	2017/18	2018/19
Household	audited	audited	audited	audited	unaudited
<b>Refuse Removal: (Minimum level)</b>					
Removed at least once a week	38 824	40 264	37 207	49 072	48 988
Minimum Service Level and Above Sub-Total	38 824	40 264	37 207	49 072	52 374
Minimum Service Level and Above Percentage	90.9	90.2	78.7	93.7	93.5
<b>Refuse Removal: (Below minimum level)</b>					
Removed less frequently than once a week	1 064	1 064	1 064	1 064	1 064
Using communal refuse dump	N/A	N/A	N/A	N/A	N/A
Using own refuse dump	2 058	2 058	5 358	6 453	2 323
Other rubbish disposal	766	766	766	N/A	N/A
No rubbish disposal	N/A	N/A	N/A	N/A	N/A
<b>Below Minimum Service Level Sub-Total</b>	<b>3 888</b>	<b>3 888</b>	<b>7 188</b>	<b>7 517</b>	<b>3 387</b>
<b>Below Minimum Service Level Percentage</b>	<b>9.1</b>	<b>8.81</b>	<b>8.80</b>	<b>11.66</b>	<b>6.5</b>
<b>Total Number of Households</b>	<b>42 712</b>	<b>44 152</b>	<b>44 493</b>	<b>52 374</b>	

### 3.1.25.5 Capital Expenditure – Waste Management Services

**Table 3:19: Capital Expenditure as at 30 June: Waste Management Services**

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Vehicles	8 234 544	5 424 720	-34.12%
Stellenbosch WC024 Material Recovery Facility	1 613 494	344 157	-78.67%
Upgrade Refuse disposal site (Existing Cell)- Rehab	1 325 230	320 703	24.20%
Skips (5,5KI)	550 000	173 760	-68.41%
Waste Minimisation Projects	520 000	361 724	-30.44%

*Only the 5 largest capital projects are listed*

Waste Management Services have spent, **53.98%** of the capital budget for the financial year



### 3.1.25.6 Total employees – Waste Management

Table 3:20: Total Employees – Waste Management

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	1	0	0%
15 – 13	24	0	24	15.58%
12 – 10	4	1	3	1.94%
9 – 7	22	0	22	14.28%
6 – 4	103	36	67	43.5%
3 – 0	0	0	0	0%
<b>Total</b>	<b>154</b>	<b>38</b>	<b>116</b>	<b>75.32%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.



### 3.1.26 HOUSING

#### 3.1.26.1 New Housing

##### Idas Valley Housing Project

Erf 9445

Figure 3:12: Approved layout of the Ida's Valley Housing Project – Erf 9445



Construction started during June 2017 in order to rehabilitate the river adjacent to the development on Erf 9445. The DEA&DP issued a pre-compliance notice to inform the Municipality that they are concerned that construction in the watercourse is taking place. A Section 24G application was submitted to DEA&DP in order to obtain approval for the river rehabilitation work. Installation of services will commence during the 2019/2020 financial year.



#### a) Erf 11330

Installation of services completed. Construction of GAP and BNG houses in progress. An application was submitted to increase the amount of opportunities for the block of flats. The application is still in process and public participation will commence prior to the approval of the application.

#### **Kayamandi Town Centre (Kayamandi Hostels)**

The Municipality intends to redevelop the current Kayamandi Town Centre to establish a mixed-use development. The area consists of informal, semi-formal housing structures and hostels in direct need of redevelopment.

A survey was conducted to determine the current formal and informal businesses on the current footprint of the Town Centre.

The information will enable the Municipality to incorporate the business components / facilities into the redevelopment of the Town Centre.

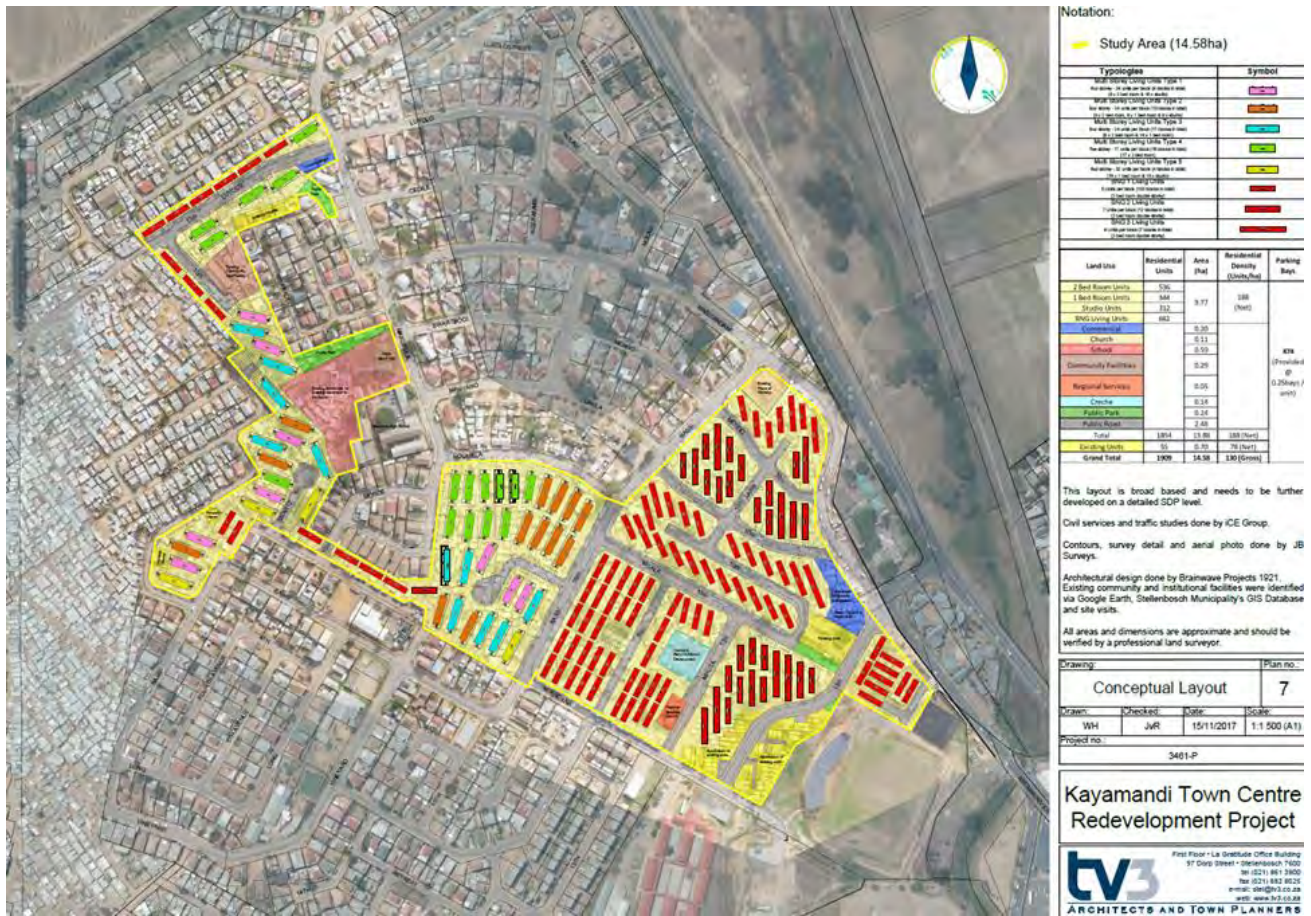
**Figure 3:13: Installation of services complete**







Figure 3:14: Development of the Kayamandi Town Centre



The appointed consultant prepared a draft Site Development Plan which indicates a densification model with the following uses:

- Institutional housing;
- Community rental Units;
- Sectional title apartments; and
- High density subsidy housing.



## Kayamandi Housing Projects

### Watergang Housing

During community unrest on 22 May 2018, 14 houses were vandalised after 6 units have been handed-over to the beneficiaries on 11 May 2018. The department had to inform the contractors to move off-site until further notice.

Estimated project damage value due to community unrest is estimated at ±R900 000, and would take approximately 3 months to reconstruct.

The finale 14 houses were completed in the financial year under review.



### Zone O

The consultants completed the layout plan. The layout plan consists of ±711 housing opportunities incorporating the N2 gateway model. All houses will be semi-detached double or triple storey buildings.

The application in terms of the Land Use Planning Act (LUPA) was circulated to all Interested and Affected Parties (I&AP) which included National and Provincial departments, for comments. This process was concluded and the consultants are addressing all concerns / comments raised by all the relevant departments including the I&AP. Thereafter will the final application be submitted to the Stellenbosch Municipality Land Use Planning department for approval.

### 332 TRA

On 22 May 2018 all units were destroyed due to community unrests and the department had to inform the contractors to move off-site until further notice.

Estimated project damage value due to community unrest is estimated at ±R5.8 million, and would take approximately 6 months to reconstruct.

The newly approved temporary units were completed in the financial year, under review.







**Erf 2181, Klapmuts (Upgrading of Mandela City, Klapmuts)**

**Figure 3:15: Aerial Image of Erf 2181, Klapmuts (Mandela City)**



**Completion of construction of TRA**





Figure 3:16: Approved sub-divisional plan for Erf 2181, Mandela City, Klapmuts.



A housing committee was also elected to represent the community and to keep them abreast of any challenges. The rephrasing of the project and the required funding is approved by PDoHS approval after the site inspection conducted by the MPT members.

As mentioned, several meetings were held in Klapmuts to keep the residents of Mandela City updated of the process of relocation and the various construction phases. Notwithstanding the public meetings and the community stop the project and the contractor had no other option but to cease all construction activity on site. After numerous meetings with the community the installation of services for phase 1 have reached 100% completion.



Completion of service





### Jamesstown Housing Project Phase 2 and 3

The Call for Proposal document was finalised and sent to the Bid Specification Committee for approval in order to advertise the tender. The tender was advertised during the financial year, under review.

A Bill of Quantities will be prepared for the second round of tenders, namely Stage 2 of the Call for Proposal.

### Faire Donne Estate, Franschhoek

In accordance with a Council decision, the Municipality embarked on a marketing strategy for the Medium Cost Housing development.

Herewith below an extract of the approved Council Resolution:

*“(b) that the new proposed criteria outlined below, be approved;*

- (i) potential beneficiaries must reside or work in the Franschhoek Valley or be in the service of Stellenbosch Municipality for at least for 3 years;*
- (ii) preferential treatment will be given to First Time Home Owners;*
- (iii) preferential treatment will begin to previously disadvantaged individuals in the allocation process, if they qualify in term of 3.3.1; and*
- (iv) should the need (people who qualify) outweigh the demand, then the criteria listed above will be converted into a point system in determining the final list of qualifying beneficiary;”*

### The status as at the end June 2019

**Table 3:21: Total properties registered at deeds office (during 2018/2019)**

Total properties registered at deeds office (during 2018/2019)	
Historical project title deeds registered	181
New project title deeds registered*	586
Beneficiaries that could not secure the necessary funding	0
<b>Total erven</b>	<b>767</b>

*\* Funding for the title deeds was provided through the Title Deed Restoration Programme. It is only given for houses of subsidies approved.*

### 3.1.26.2 Capital Expenditure – New Housing

**Table 3:22: Capital Expenditure as at 30 June: New Housing**

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Structural Upgrades General: The Steps	2 500 000	-	-100.00%
Furniture, Tools and Equipment	20 000	13 798	-31.01%

New Housing spent, **0.55%** of the capital budget for the financial year.



### 3.1.26.3 Total employees – New Housing

Table 3:23: New Housing Employee Totals

Job Level*	Posts*	Employees*	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	0	1	3.12%
15 – 13	2	1	1	3.12%
12 – 10	10	7	3	9.37%
9 – 7	3	0	3	9.37%
6 – 4	16	14	2	6.25%
3 – 0	0	0	0	0%
<b>Total</b>	<b>32</b>	<b>22</b>	<b>10</b>	<b>31.25%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

### 3.1.26.4 Housing statistics

Table 3:24: Households with Access to Basic Housing

Year	Total households (including formal and informal settlements)	Households in formal settlements	Percentage of households in formal settlements
2013/14	43 420	24 554	65.3%
2014/15	46 003	15 000	32 %
2015/16	49 904	16 112	37 %
2016/17	37 554	24 554	65.3%
2017/18	52 374	26 506	50.60%
2018/19	52 374	34 071	65.1%

The following table shows the **decrease** in the number of people on the housing waiting list. There are currently approximately **16 231** applicants on the waiting list.

Table 3:25: Housing waiting list as at 30 June

Year	Nr of people on Housing waiting list	% Housing waiting list increase
2013/14	18 954	7.7% (Increase based on the previous year's "sanitised" figures. This is as a result of new applications received)
2014/15	18 833	0.6% (Decrease due to sanitisation of the waiting list data)
2015/16	18 791	0.2% (Decrease due to sanitation of the waiting list data)
2016/17	18 953	7.7% (Increase based on the previous year's "sanitised" figures. This is as a result of new applications received)
2017/18	16 482	13.04% (Decrease due to sanitisation of the waiting list data)
2018/19	16 231	The Department rolled out an updating of the waiting list programme which resulted in all the deceased applicants being removed and duplicate applications removed and this has resulted in the decrease of the total number of active applicants on the waiting list.



### 3.1.26.5 Housing Administration

#### Transfer of housing stock

During the period under review the Department embarked on a process to deal with historic backlog and transfer properties to beneficiaries of state subsidised houses. A process action plan was devised in terms of which administrative procedures would be streamlined. Panel attorneys were appointed to transfer the properties identified. A total of 271 title deeds were transferred for the period of the financial year.

**The Municipality partnered with an NGO called Free Market Foundation which assists municipalities to deal with the historic backlog in terms of transfer of properties. The NGO provides funding for the temporary appointment of staff to enhance capacity and also provides funding to the Municipality of R500 per title deed registered.**

### 3.1.26.6 Waiting list administration

The department commenced with the “data-cleaning” process pertaining to applications that appear on the waiting list where vital information was outstanding. An area-based approach was used where staff members went out to the various areas and invited applicants to workshops during the course of which the applicant’s information was updated. Areas completed during this period are Kylemore and Franschhoek

On 14th February 2017 the Municipal Manager signed a Memorandum of Agreement that enabled the Western Cape Department of Human Settlements to assist with the data clean-up of the Stellenbosch Municipal Waiting list. The waiting list is being updated and verified on a regular basis by the Western Cape Department of Human Settlements to ensure that the number of people deemed to be on a “waiting status” are a true reflection of those persons who still require housing assistance within the Greater Stellenbosch Area.

There are a total of **16 231** applicants in the system of which a total of **304** applications were cancelled as a result of, during duplications discovered whilst sanitising the database; this was mainly due to death, multiple applications or prior assistance with a housing subsidy.

The Municipality has appointed a service provider to develop an online housing demand database system which will have a mobile app so that people can be able to submit applications via their smartphones in the comfort of their own homes. This new online database system and the mobile app will be launched in August 2019. The App will make it easier for applicants to use their smartphones to submit applications to be placed on the Housing Demand Database and the Housing Demand Database System will also be updated regularly to ensure that Council has credible data for

#### Administration of public rental stock

On 25th June 2014, Council adopted a Policy for the Administration of Public Rental Stock. This document was the culmination of collaboration between stakeholder departments within the Municipality. The purpose of the policy is to ensure effective management of well-maintained assets that will improve the quality of life for residents. The Department is currently busy with the review of the Allocation Policy for Public Rental Stock.



### Housing consumer education (HCE)

A total of twenty nine workshops were held with mainly tenants in our rental stock. The HCE workshops are also used to address issues around anti-social behaviour in the public rental flats. HCE programmes were also held for beneficiaries of houses that were built between 1994 and 2010. These are houses that form part of the Title Deeds Restoration Programme. These beneficiaries are advised about security of tenure, issues of inheritance and drafting of a Will.



### Job Creation

Housing Administration started the roll out of a job creation programme via the EPWP project. The purpose of the project is:

Creation of 33 job opportunities

- 18 EPWP workers appointed to assist with cleaning of the rental units and this resulted in the decrease in complaints received from tenants as our grounds are in a neater state.
- 12 temporary staff members were also appointed to assist with the transfer of state subsidised houses and to eradicate the historic backlog in terms of transfer of these houses.
- 3 Registration clerks were also appointed to assist with electronic filling of all documentation in the department.

### 3.1.26.7 Capital Expenditure – Housing Administration

Table 3:26: Capital Expenditure as at 30 June: Housing Administration

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Furniture, Tools and Equipment: Housing Administration	20 000	48 155	140.77%
Only the capital projects are listed			

Housing Administration have spent, **240.77%** of the capital budget for the financial year.



### 3.1.26.8 Total employees – Housing Administration

Table 3:27: Employee totals: Housing Administration

Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	0	1	14.28%
15 – 13	2	1	1	14.28%
12 – 10	3	0	3	42.85%
9 – 7	0	0	0	0%
6 – 4	1	1	0	0%
3 – 0	0	0	0	0%
<b>Total</b>	<b>7</b>	<b>2</b>	<b>5</b>	<b>71.42%</b>

\* Employee statistics will be imprecise due to the 2011 structure, partial implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.



## 3.1.27 INFORMAL SETTLEMENTS

### 3.1.27.1 Background

The Department: Informal Settlements was established in 2011 as a direct result of the rampant growth number of inhabitants and structures in the informal settlements in the Stellenbosch Municipal area. From the onset it was realised to give effect to: “improve informal settlements incrementally and to create a better-quality living environment, rather than merely providing shelter”, a clear and concise strategy had to be developed that is implementable, but more importantly acceptable to all stakeholders. In essence the strategy needed to address the informal settlement value chain (included hereunder).

Figure 3:17 Informal Settlements Value Chain





### 3.1.27.2 Access to Basic Services (ABS) Project

The ABS project is a continuous programme which deals with the upgrading and installation of communal services (waterborne and chemical ablution facilities as well as taps) in informal settlements.

All informal settlements have access to basic services such as toilets (chemical or waterborne) and potable water. One of the biggest challenges that the Informal Settlements Department faces relates to space within a settlement where these services can be installed. The provision of basic services is made significantly more difficult due to the lack of sufficient and appropriate space for this infrastructure and associated amenities.

Sixty-nine (69) waterborne toilets and water taps were installed in the 18/19 financial year. The areas that the projects were in are:

- Langrug; and
- Jamestown.

The Department: Informal Settlements have been involved with the following projects:

- Survey of backyard structures in Cloetesville and Idas Valley, as well as finalising the planning of backyard structures in Klappmuts; and
- Undertaking feasibility studies for possible future development.

Table below is a summary of the surveys that are currently underway of has been completed. In essence the following:

**Table 3:28: Summary of informal settlement survey**

Surveys (Backyard Dwellers)	Proposed number of jobs to be created per ward	Actual number of jobs created	Number of people employed
Cloetesville (Ward 16 & 17)	8	5	5
Idas Valley (Ward 5)	15	15	10
Idas Valley (Ward 6)	10	4	4
Klappmuts (Ward 19)	15	Not yet commenced	Not yet commenced

Survey of backyard structures (Cloetesville & Idas Valley) & backyard dwellers:

- Cloetesville Backyarder Survey: The Cloetesville Backyarder Survey was undertaken at the beginning of the 2019;
- Idas Valley Backyarder Survey: The Idas Valley Backyarder Survey was undertaken during the second quarter of the 2019 (May 2019 – July 2019);
- Klappmuts Backyarder Survey: All planning for this survey has been concluded during the 18/19 financial year.

#### Undertaking feasibility studies for possible future development

The department is currently undertaking a feasibility studies at various locations to determine the suitability of these sites for various housing typologies.





Table 3:29: Number of Informal Settlements

Item	Number of Informal Settlements	Number of sanitation facilities provided by Council	Number of taps provided by Council	Informal settlements with grid electricity	Informal settlements without grid electricity
Number of informal settlements recognised by Council	28	11	17	25	3
Number of informal settlements not recognised by Council	1 (Klapmuts Farm)	0	0	0	0
Number of structures	21 202				
Number of households	24 377				

### 3.1.27.3 Capital Expenditure – Informal Settlements

Table 3:30: Capital Expenditure as at 30 June: Informal Settlements

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Furniture, Tools and Equipment	20 000	14 130	-29.35%

Informal Settlements spent, **70.65%** of the capital budget for the financial year.

### 3.1.27.4 Total employees – Informal Settlements

Table 3:31: Employee totals: Informal Human Settlements

Job Level*	Posts*	Employees*	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	0	1	5.26%
15 – 13	1	1	0	0%
12 – 10	7	0	7	36.84%
9 – 7	9	6	3	15.78%
6 – 4	1	1	0	0%
3 – 0	0	0	0	0%
<b>Total</b>	<b>19</b>	<b>8</b>	<b>11</b>	<b>57.89%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

## 3.1.28 PROPERTY MANAGEMENT

This Department is responsible for the management of municipal-owned land and buildings, i.e. acquisition, awarding of rights and disposal thereof, excluding any housing rental stock and housing projects. The management of office accommodation is also done by this section. On a policy level, the



approval of the policy on the management of council-owned property can be regarded as a highlight, as this process took the best part of 4 years to be completed. This policy will now set the scene for a policy based approach when it comes to property transactions, as appose to an ad-hoc approach to date.

This Department was also instrumental in approving the following transactions:

- Disposal of a portion of Erf 9190, Technopark to Capitec;
- Disposal of a portion of Farm 1653, La Motte to the Provincial Government of the Western Cape (School); and
- Disposal of a portion of erf 342, Klappmuts to the Provincial Government of the Western Cape (Clinic).

### 3.1.28.1 Facilities Management – Property Management

This section is responsible for the maintenance of all Council-owned buildings and the construction/project management of all upgrading and or new facilities. Some of the highlights of the past financial year include the following:

- a) Completion of phase one of Cloeteville Flats (multy-year project valued at R10.8m)
- b) Upgrading of Kayamandi Corridor at a cost of R1m;
- c) Upgrading of Kayamandi Police Station at a cost of R605 291.53;
- d) Landscaping at Eike Town Hall at a cost of R856 219.90;
- e) Upgrading of Pniel Administrative Offices and Library at a cost of R2.2m; and
- f) Upgrading of Franschoek Administrative building at a cost of R1.8m.

Two of the biggest challenges facing the Department are the fact that no decision has yet been taken on the long term acquisition or construction of additional office buildings and the fact that the Maintenance Budget dealing with historic buildings is insufficient.

The planning (Tender specifications) of the following projects were also completed, to enable the implementation thereof in the next financial year:

- Structural improvements at van der Stel Sportgrounds;
- Structural upgrade of various projects;
- Construction of a new Clubhouse in Lamotte; and
- Structural upgrade of various Community Halls; and
- Upgrading of Heritage Buildings.

**Table 3:32: Service Data Statistics – Property Management**

Details	2014/15	2015/16	2016/17	2017/18	2018/19
Encroachment Agreements: New	32	23	22	16	2
Encroachment Agreements: Renewals	8	7	5	0	0
Lease Agreements: New	10	4	1	0	1
Lease Agreements: Renewals	4	-	2	2	0
Sales Agreements	2	2	3	0	0
Servitudes	21	29	-	0	5
Poster applications	6	81	30	25	35



### 3.1.28.2 Capital Expenditure – Property Management

Table 3:33: Capital Expenditure as at 30 June: Property Management

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Upgrading Fencing	3 484 913	2 092 940	-39.94%
Structural improvements at the Van der Stel Sport grounds	3 473 887	2 694 865	-22.43%
Structural Improvement: General	2 836 607	2 125 543	-25.07%
Flats: Interior Upgrading	2 399 043	2 037 696	-15.06%
Upgrading of Pniel Municipal Offices	2 106 300	1 966 718	-6.63%
Only the 5 largest capital projects are listed			

Property Management have spent, **75.51%** of the capital budget for the financial year.

### 3.1.28.3 Total employees – Property Management

Table 3:34: Employee Totals: Property Management

Job Level*	Posts*	Employees*	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	1	0	0%
15 – 13	2	0	2	7.47%
12 – 10	10	6	4	14.81%
9 – 7	0	0	0	0%
6 – 4	14	10	4	14.81%
3 – 0	0	0	0	0%
<b>Total</b>	<b>27</b>	<b>17</b>	<b>10</b>	<b>37.03%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

## 3.1.29 FREE BASIC SERVICES AND INDIGENT SUPPORT

The following table indicates the percentage of average registered indigent households that have access to free basic municipal services. The total indigent households exclude all informal households and include formal households that have been registered as indigent households. The total i.t.o. free basic electricity includes indigent households receiving 100 kWh from the Municipality and where the electricity distribution is conducted by ESKOM and the Drakenstein Municipality. In accordance with the approved indigent policy of the Municipality, all households earning less than R6 000 per month will receive the free basic services as prescribed by national policy and in terms of Stellenbosch Municipality's indigent policy.



### 3.1.29.1 Access to Free Basic Services

Table 3:35: Access to Free Basic Services

Year	Number of Households								
	Total no. of HH	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse Removal	
		Access	%	Access	%	Access	%	Access	%
2013/14	33 974*	5 095*	26.20	5 117*	26.20	5 117*	12.07	5 095*	26.20
2014/15	43 420*	5 757	13.26	5 757	13.26	5 757	13.26	5 757	13.26
2015/16	48 008	6 486	13.51	6 486	13.51	7 042	14.66	6 486	13.51
2016/17	48 008#	5 686	11.84	5 686	11.84	3 801	7.92	5 686	11.84
2017/18	52 374	6 453	12.32	6 453	12.32	6 453	12.32	6 453	12.32
2018/19	52 374*	6 813	13.01	6 813	13.01	4 833	9.23	6 813	13.01

\*Average for the year  
# Calculations made for households earning less than R 6 000 per month during 2018/19

The percentage is based on indigent household access compared to a total of 52 374 households.

Services subsidised are:

- Water - basic charge + 10 kl (previously 6 kl);
- Electricity - basic charge + 100 kWh;
- Sanitation - based on a 250m<sup>2</sup> erf; and
- Refuse - one removal per week.

#### Free Basic Services per basic service

The access to free basic services is summarised into the different services as specified in the following table:

Table 3:36: Free basic Electricity Services to Indigent Households

Financial year	Electricity		
	Indigent Households		
	No. of HH	Unit per HH (kwh)	Value R'000
2013/14	5 117*	60	2 759
2014/15	5 757	60	3 218
2015/16	7 042	60	3 818
2016/17	7 537	60	4 740
2017/18	6 453	100	6 216
2018/19	6 813	100	681

\*Average for the year

Table 3:37: Free Basic Water Services to Indigent Households

Financial year	Water		
	Indigent Households		
	No. of HH	Unit per HH (kl)	Value R'000
2013/14	5 095*	6	2 949
2014/15	5 757	6	4 783



Water			
Financial year	Indigent Households		
	No. of HH	Unit per HH (kl)	Value
			R'000
2015/16	6 486	10	7 760
2016/17	5 686	10	7 280
2017/18	6 453	10	2 391
2018/19	6 813	6	750
*Average for the year			

Table 3:38: Free Basic Sanitation Services to Indigent Households

Sanitation			
Financial year	Indigent Households		
	No. of HH	Service per HH per week	Value
			R'000
2013/14	5 117*	73.36	10 016
2014/15	5 757	73.40	5 702
2015/16	6 486	87.48	6 808
2016/17	5 686	94.48	6 447
2017/18	6 453	102.98	8 330
2018/19	6 813	112.25	8 910
*Average for the year			

Table 3:39: Free Basic Refuse Removal Services to Indigent Households

Refuse Removal			
Financial year	Indigent Households		
	No. of HH	Service per HH per week	Value
			R'000
2013/14	5 095*	1	10 147
2014/15	5 757	1	5 905
2015/16	6 486	1	7 250
2016/17	5 686	1	6 704
2017/18	6 453	1	8 662
2018/19	6 813	1	9 266
*Average for the year			



## 3.2 COMPONENT A: ROADS AND TRANSPORT

This component includes: roads, transport, traffic engineering and waste water (storm water drainage).

### 3.2.1 ROADS

#### Gravel Road Upgrading

The Municipality had previously embarked on a Gravel Road Upgrading Programme where gravel roads in residential settlements are upgraded to permanent asphalt standards. The upgrading of the following roads were concluded in the 2018/2019 financial year.

- Kylemore, Pniel, Johannesdal: **Berg, Jackson, Rispel**, Short Access Roads
- Klapmuts: **Adams: Yaya, Jojo, Madolla**

The Municipality had also commenced with the following projects:

- Upgrading of gravel roads in the Franschoek area

#### Road Rehabilitation

Through the Municipality's annual Roads Rehabilitation Programme, major road works was carried out on the following roads:

- **Plankenbrug Industrial:** Stoffel Smit, George Blake;
- **Jonkershoek and Unie Park:** Transvallia, Heresingel, Simonsberg Service, Schoongezigt, Van Coppenhagen, Rozendal, Van der Stel; and
- **Jamestown:** Webersvallei, School Street.

#### Transportation Planning and NMT

The main road networks through Stellenbosch currently operates at capacity, analysis on the road networks and assessments of the public transport operations and facilities are required to identify shortcomings and opportunities for improvement.

#### The following studies were concluded during the 2018-2019 financial year.

The Municipality has reviewed and updated its Roads Master Plan (currently in draft format). An analyses of the current road network was carried, assessing capacities, identifying bottle necks and providing recommendations that would improve traffic circulation on the road network.

The annual update of the Comprehensive Integrated Transport Plan (CITP) focused on public transport. Public transport operations were assessed such the possible introduction of a scheduled services for the taxi industry, the chapter on public transport facilities was updated to reflected recent work carried out at the taxi ranks. Furthermore a Transport Register was compiled which carried out more detail analysis of the Public Transport Operations, assessing and providing recommendations to optimise the service.

Tour bus study: A tour bus study was conducted to assess existing operations and make recommendations for improvements.



## Transportation initiatives in progress

A Mobility Forum has been established to discuss on all municipal roads and transport strategies and initiatives (including NMT) with representatives of interested and affected parties

The Municipality had commissioned a Taxi Liason Committee, providing a platform to facilitate communication with the taxi industry, discussions are held to identify challenges in order to stream line taxi operations.

Parking management System was implemented to control and manage parking within the CBD.

Parking Strategy: The planning and implementation of a parking strategy is currently underway to alleviate the parking shortages, and address traffic congestion, in the CBD.

The Stellenbosch Municipality commissioned the designs of a pedestrian bridge that would link Kayamandi with Cloetesville. The proposed bridge would create a safe passage for pedestrians between the two communities, crossing the R304, the railway line and the Plankenbrug River.

The planning, design, construction and upgrading of 4 Taxi Ranks within the Municipal area is currently underway.

During the 2018/19 financial year, sidewalks have been constructed in the following residential areas, namely Stellenbosch CDB, Franschoek, Paradyskloof, Raithby, Wemmershoek, Pniel, Kylemore, Jamestown. The Municipality will continue with its annual programme to expand the NMT network.

### a) Storm Water

The Municipality's Storm Water Master Plan was updated in the 2018/2019 financial year. An inventory was compiled and a conditional and functional assessment of the stormwater network was carried out.

### b) Traffic Engineering

Traffic congestion remains a major challenge within Stellenbosch. To assist with the alleviation of congestion, and to improve traffic flow at intersections, the following was carried-out:

Traffic Signal Optimisation Study, on main road intersections within the CBD has been completed. The aim is to ensure that intersections operates efficiently, maximise green time for priority movements.

Stellenbosch Municipality, in collaboration with Stellenbosch University, had commenced with studies and investigations to develop with the aim of controlling all traffic signal phasing at intersections within the CDB in real time and from a central point. The Municipality has commenced with improved vehicle detection at all signal lines intersections have been upgraded with traffic cams video detection systems.

#### The following were completed in the 2018/2019 financial year:

- Upgrading Bosman and Merriman intersection (stop control to signalised intersection);
- R44 / Van Rheede Intersection upgrade;
- R44 / Bird Street Intersection upgrade;
- R310 / Lelie Intersection upgrade;
- Traffic Circle at Intersection of Hammanshand and Ryneveld Streets;
- R310 / Cluver / Rustenberg Intersection Upgrade; and
- Bergzicht Taxi Rank Pedestrian Crossing Signalisation.





### The following intersections upgrades are currently in progress:

- Upgrading of R44 and Technopark avenue intersection including the construction of additional turning lanes on R44 and the dualling of Techno Park Avenue; and
- Upgrading of R44 and Trumali Street intersection including the construction of additional turning lanes on R44 and widening of Trumali Street.

### 3.2.1.1 Roads Statistics

The following tables give an overview of the total kilometres of roads maintained and new roads tarred:

**Table 3:40: Tarred (Asphalted) Roads**

Financial year	Total km tarred roads	Km of new tar and paved roads	Km existing tar roads re-tarred	Km existing tar roads re-sheeted	Km tar roads maintained
2012/13	328	0	9	0	319*
2013/14	328	8	11	3	322*
2014/15	336	2	18	0	320*
2015/16	337	2	10	0	325*
2016/17	341	3	10	0	328*
2017/18	345	1	12	0	332*
2018/19	347	2	7	0	338*

Note: \* Total network maintained, maintenance carried out where required

**Table 3:41: Gravelled Roads**

Financial year	Total km gravel roads	Km new gravel roads constructed	Km gravel roads upgraded to tar/block paving	Km gravel roads graded/maintained
2012/13	30	0	0	30
2013/14	30	0	0	30
2014/15	30	0	1.5	28.5
2015/16	21.5	0	1.8	20
2016/17	19.7	0	1.2	18.5
2017/18	18.5	0	1	17

### 3.2.1.2 Capital expenditure: Roads and Stormwater

**Table 3:42: Capital Expenditure as at 30 June: Roads and Stormwater**

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
R44 Access Upgrades	16 724 800	16 498 165	-1.36%
Adhoc: Reconstruction Of Roads (WC024)	7 410 280	14 815 104	99.93%
Upgrade Gravel Roads - Lamotte & Franshoek	4 324 169	3 824 168	-11.56%
Upgrade Gravel Roads - Wemmershoek	3 321 700	3 318 176	-0.11%
Reseal Roads - Lacoline, Tennantville, Plankenburg	3 000 000	3 000 000	0%

Only the 5 largest capital projects are listed

Roads and Stormwater spent **110.57%** of the capital budget for the financial year.



### 3.2.1.3 StormWater Infrastructure

The table below shows the total kilometres of stormwater infrastructure maintained and upgraded as well as the kilometres of new stormwater pipes installed:

**Table 3:43: Stormwater Infrastructure**

Financial year	Total km stormwater infrastructure	Km new storm-water infrastructure	Km stormwater infrastructure upgraded	Km stormwater infrastructure maintained
2013/14	128.1	6.1	0.01	128.1
2014/15	134.2	0	0	134.2
2015/16	134.2	2	0	136.2
2016/17	136.2	1	0	136.2
2017/18	137.2	0	0	137.2
2018/19	297*	1	0	297*

### 3.2.1.4 Total employees – Roads and Stormwater

**Table 3:44: Total Employees – Roads and Stormwater**

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	1	0	0%
15 – 13	9	7	2	1.25%
12 – 10	26	14	12	7.54%
9 – 7	15	12	3	1.88%
6 – 4	108	70	38	23.89%
3 – 0	0	12	0	0%
<b>Total</b>	<b>159</b>	<b>104</b>	<b>55</b>	<b>34.59%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

### 3.2.1.5 Development Services and Project Management

The Senior Manager: Development, Asset Management and Systems & Project Management Unit (PMU) comments on behalf of the Directorate: Infrastructure Services on all land-use applications, submitted to Council in terms of the Stellenbosch Land-Use Planning Bylaw of 2015. Land-use applications include land-use changes such as rezonings, subdivisions, consent uses, increase in bulk and departures and normally leads to further development of a property.

The approval of proposed land-use changes are evaluated in terms of the availability of bulk services. Should Council be in a position to supply such services, an application is supported. If not, then an application for a land-use change will not be supported by the Directorate: Engineering Services. It is essential that any planned development be brought under the attention of Development services to determine if bulk services will be available and if not by when the budget will allow for such bulk infrastructure to be implemented.



To give perspective to the above the figures for the different functions for the 2018/19 financial year amounted to the following:

**Table 3:45: Land-use Applications**

Activity	2018/19												Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	May	Jun	
Building Plans- Received	53	25	60	119	98	27	0	0	47	85	64	45	623
Building Plans- Commented on	53	25	60	119	98	27	0	0	21	85	64	45	597
Land-use Applications - Received	23	9	19	29	29	6	28	4	26	18	12	8	211
Land-use Applications - Commented on	9	9	3	8	22	9	25	1	10	0	3	0	99
BICLS received for completed developments	<b>Excluding VAT - R6 769 143.03</b>												
Wayleave Applications - Received	17	26	17	22	38	3	19	25	23	6	18	11	225
Wayleave Applications - Commented on	24	9	0	9	11	24	11	25	5	8	8	8	118
<b>Total of aforementioned requests received</b>													<b>620</b>
<b>Total of aforementioned requests commented on</b>													<b>495</b>
<b>% completion to date:</b>													<b>80%</b>

The Department is responsible to co-ordinate and approve the final handover of newly serviced stands through the approval of engineering services clearance certificates.

The project management function ensures that developer created infrastructure is done according to Engineering standards and guidelines. The MIG programme management also falls under the project management function.



## 3.3 COMPONENT B: PLANNING AND DEVELOPMENT

### 3.3.1 TOWN- AND SPATIAL PLANNING

#### **Stellenbosch and an appropriate approach to spatial development and management**

Spatial development frameworks are mostly technical documents. In terms of the legislation and procedures governing their preparation, they have to address a host of matters, all of which are not of equal importance to all stakeholders. The framework may not resolve all the issues discussed to the same extent; some matters need time to be investigated further, while others are reasonably firm. In its elaboration to meet requirements, spatial frameworks can become dull, hiding the core message. We present the critical underlying narrative here and argue that adhering to it, through numerous individual actions and decisions – across sectors of society – is at the core of managing development and land use in Stellenbosch better, at the heart of a better future for all.

*“Stellenbosch is a special place; all of it ... its various settlements, its nature areas, farms, education institutions, its innovative corporations, small businesses, its places to visit, its places to live, its festivals, its history ... its people. In terms of its space – activities in space, landscapes, urban places, streets, and buildings – Stellenbosch continue to impress and bring opportunity, joy, and contentment; in different ways, to visitors and residents alike. Many would love to live here, work here, or visit more often. Stellenbosch has been judged as a place of high opportunity. Numerous factors combine to a recognition that this place can contribute more to growing societal needs, in its region, and our country. If one lives here, the chances are that you can make a good livelihood. Stellenbosch is truly a rich place.*

*Stellenbosch is harsh on some. Many who live here do not have adequate shelter, or the opportunity to work. Others feel that the time has come to depart from farms, to give up farming. Many study here, but cannot enjoy university life to the full because there is limited residential opportunity for students. Then again, many struggle in traffic every day, on congested roads, wasting time and money for fuel, even if privileged enough to own a private vehicle.*

*Stellenbosch is not that easy on people anymore. Its challenges increasingly impact on all, albeit in different ways. Citizens respond to challenges differently. Many owners of agricultural land have indicated a desire to develop their land for other, predominantly urban activities. These thoughts already involve a large land area, comparable to the size of Stellenbosch town. Others, tired of waiting for a housing opportunity here or elsewhere – and government support – invade land, staking a claim, the right to a place to live, on virgin land, even if the land is not deemed desirable for development because of its agricultural or environmental value, is prone to risk, or allocated to someone else. Some, with the necessary material means, elect to close themselves off, to obtain a place to live in gated communities, secure from perceived or real threat to body and property.*

*Stellenbosch grows, both naturally, and because more people are attracted here. Those drawn include the poor, better off, and large corporations. Stellenbosch has a special quality of accommodating hope, good opportunities, and a better life; the perception is that your needs can be met faster, your children can get access to a school promptly, or, your journey to work will be less cumbersome.*

*However, Stellenbosch grows on top of unfinished business. It grows on top of ways of a past that had not been fixed, the separation of people, the focus on some as opposed to all; needs not met, exclusion. It also grows on top of limited public resources. While the Municipality and other spheres of government collect and allocate funds for service delivery, it is not enough to address backlogs, fix the mistakes of*



the past, prepare for unexpected crisis (for example, in the form of fires), or meet anticipated future needs.

As Stellenbosch grows, things get worse. In terms of how we manage development and space, we know what direction to take. We know that we should adopt a precautionary approach to nature and agricultural land, we know that we should contain and compact settlements, we know that we should provide more choice in shelter and housing opportunity, and that we should focus on public and non-motorised transport.

This knowledge is also embedded in policy, from global conventions to national, provincial and local frameworks, including the Stellenbosch Municipal Integrated Development Plan, the legal plan which directs the municipal budget and resource allocation. The issue is that we have not implemented what we believe the appropriate policy direction is well. We should ask why. We can answer that achieving in terms of new policy is not easy. It requires new ways of living and doing. Higher densities, leaving the car, more interaction between groups of society sharing public space, more partnership in unlocking development opportunity, and so on.

Even if difficult, it is a matter of now or never. We cannot behave and live like before. We cannot afford to lose more nature and agricultural land, develop at low densities, and prioritise building roads for private cars more than public transport. If we do that, the system will fail. Material wealth will not assist. Despite difficulties, it appears as if our approach is shifting. Land previously occupied by manufacturing enterprises in critical locations in Stellenbosch have slowly become available for reuse. The potential of Klipmuts to accommodate enterprises requiring large landholdings and dependent on good intra- and inter-regional logistic networks is acknowledged. Landowners realise that overcoming the resource constraints, infrastructure constraints, and the cross-subsidisation required for more inclusive development – the extent of energy needed – necessitates joint work, joint planning, and implementation of a scale and nature not yet experienced in Stellenbosch. Corporations realise that they have broader responsibility – not only in contributing to good causes concerning nature, education, or the arts, but in actively constructing better living environments. We realise that we have to enact partnerships to make our towns better. We also have the benefit of history. In times past, we have, as Stellenbosch, changed our destiny, did things for the better. Starting with an individual idea, a thought, often through an individual, great things were done. With such ideas and actions the town established a university, saved historic buildings and places, launched cultural celebrations with broad reach, safeguarded unique nature areas, provided families with homes, begun corporations with global reach. When a fire destroyed homes, they were rebuilt promptly with collective energy and purpose. When children needed schooling, and government could not provide, some established schools.

Often, these initiatives started outside of government, albeit assisted by the government. They were started by those who thought beyond current challenges, without necessarily being able to project outcomes over time in full. They just understood that one step might lead to another. Not all the technical detail was resolved, not everything understood in its entirety. They merely acted in terms of core principles. As matters unfolded and new challenges emerged, the principles guided them.

The new Municipal Spatial Development Framework recognises that the spatial decisions and actions of many make what settlements are. It asks us to understand that plans cannot do everything, predict everything. It asks all to consider action with a few core beliefs, principles, or concepts, geared towards the common good.



**Specifically, it asks us to consider seven principles:**

**1. First, maintain and grow the assets of Stellenbosch Municipality's natural environment and farming areas.**

Humanity depends on nature for physical and spiritual sustenance, livelihoods, and survival. Ecosystems provide numerous benefits or ecosystem services that underpin economic development and support human well-being. They include provisioning services such as food, freshwater, and fuel as well as an array of regulating services such as water purification, pollination, and climate regulation. Healthy ecosystems are a prerequisite to sustaining economic development and mitigating and adapting to climate change. The plan provides for activities enabling access to nature and for diversifying farm income in a manner which does not detract from the functionality and integrity of nature and farming areas and landscapes.

**2. Second, respect and grow our cultural heritage, the legacy of physical artefacts and intangible attributes of society inherited from past generations maintained in the present and preserved for the benefit of future generations.**

Cultural heritage underpins aspects of the economy and differentiates places. Culture is a dynamic construct; forever emerging in response to new challenges, new interactions and opportunity, and new interpretations. Spatially, we must organise Stellenbosch in a manner which also sets the stage for new expressions of culture.

**3. Third, within developable areas – areas not set aside for limited development owing to its natural or cultural significance – allow future opportunity to build on existing infrastructure investment, on the opportunity inherent in these systems when reconfigured, augmented or expanded.**

Infrastructure represents significant public investment over generations, not readily replicated over the short term. It represents substantial assets for enabling individual and communal development opportunity of different kinds. From a spatial perspective, movement systems are particularly significant. Elements of the movement system, and how they interconnect, have a fundamental impact on accessibility, and therefore economic and social opportunity. Specifically important is places of intersection between movement systems – places which focus human energy, where movement flows merge – and where people on foot can readily engage with public transport.

**4. Fourth, clarify and respect the different roles and potentials of existing settlements.**

All settlements are not the same. Some are large, supported by significant economic and social infrastructure, offer a range of opportunity, and can accommodate growth and change. Others are small and the chance to provide for growth or change is minimal. Generally, the potential of settlements to help change and growth relates directly to their relationship with natural assets, cultural assets, and infrastructure. We must accommodate change and growth where existing assets will be impacted on the least or lend itself to generating new opportunity.

**5. Fifth, address human needs – for housing, infrastructure, and facilities – clearly in terms of the constraints and opportunity related to natural assets, cultural assets, infrastructure, and the role of settlements.**

We must meet human need in areas where the assets of nature will not be degraded, where cultural assets can be best respected and expanded, and where current infrastructure and settlement agglomeration offers the greatest opportunity. Generally, we can help human need in two ways. The



first is through infill and redevelopment of existing settled areas. The second is through new green-field development. We need to focus on both while restricting the spatial footprint of settlements outside existing urban areas as far as possible.

#### **6. Sixth, pursue balanced communities. All settlements should be balanced.**

That means they should provide for all groups, and dependent on size, a range of services and opportunities for residents. It also says they should provide for walking and cycling, not only cars.

#### **7. Finally, focus energy on a few catalytic areas that offer extensive opportunity and address present risk.**

Planning cannot attempt to treat all areas equally. Some areas offer more opportunity for more people than others. We need to focus on the areas and actions where a significant number of people will benefit, where we will meet their needs. There is also a need to focus on areas of 'deep' need, notwithstanding location, where limited opportunity poses a risk to livelihoods. Some informal settlements and poorer areas may not be located to offer the best chance for inhabitants, yet services need to be provided and maintained here. However, significant new development should not occur in these places, exacerbating undesirable impacts or further limiting the opportunity for people to pursue sustainable livelihoods. Spatial plans are 'partial' frameworks for action. They deal with space. Command of space is not enough to develop or manage a settlement in the interest of all. Each spatial principle, each concept, requires parallel actions in other sectors, including how we form institutions for execution, how we transport people, how we fund things, where we focus resources, and so on. The spatial principles must help us to think through these implications, action by action, decision by decision."

#### **Future settlement along the Baden Powell Drive-Adam Tas-R304 corridor**

As indicated above, over the longer term, Muldersvlei/ Koelenhof and Vlottenburg along the Baden Powell-Adam Tas-R304 corridor could possibly accommodate more growth, and be established as inclusive settlements offering a range of opportunities. However, these settlements are not prioritised for development at this stage. Critical pre-conditions for significant development include:

- The measures required to ensure that settlements provide for a range of housing types and income groups (in a balanced manner).
- Establishing regular public transport services between settlements, including services between the expanded smaller settlements and Stellenbosch town.
- Understanding to what extent settlements can provide local employment, in this way minimising the need for transport to other settlements.

#### **Other local planning initiatives**

Ideally, each of the settlements in SM should have a LSDF, applying the principles of the MSDF in more detail. The priority for LSDFs should be determined by the position and role of settlements in the SM settlement hierarchy. The SM has appointed service providers to investigate and establish the rights for two regional cemetery sites in the municipal area. All the specialist studies have been completed and the Land Use Planning and Environmental applications was submitted and in progress. The first is the proposed Calcutta Memorial Park, located ±10km north-west of Stellenbosch to the east of the R304, on Remainder of Farm 29, Stellenbosch RD. The second is Louws Bos Memorial Park located southwest of Stellenbosch town and south of Annandale Road, on Remainder of Farm 502, Stellenbosch.





### **Institutional Arrangements**

The SM has dedicated staff resources for spatial planning, land use management, and environmental management organised as the Planning and Economic Development Directorate). Work occurs within the framework set by annually approved Service Delivery and Budget Implementation Plans (aligned with the IDP), decision-making processes and procedures set by Council, and a suite of legislation and regulations guiding spatial planning, land use management, and environmental management (including SPLUMA, LUPA, and the National Environmental Management Act).

The Planning and Economic Development Directorate will facilitate implementation of the MSDF in terms of institutional alignment, including:

- The extent to which the main argument and strategies of the MSDF are incorporated into Annual Reports, annual IDP Reviews, future municipal IDPs, and so on.
- The annual review of the MSDF as part of the IDP review process.
- The extent to which the main argument and strategies of the MSDF inform sector planning and resource allocation.
- The extent to which the main argument and strategies of the MSDF inform land use management decision-making.
- Alignment with and progress in implementing the Municipality's Human Settlement Plan and Comprehensive Integrated Transport Plan.
- The mutual responsiveness of the MSDF and national, provincial and regional plans, programmes and actions (including the extent to which MSDF implementation can benefit from national and provincial programmes and funding). Over and above institutional arrangements in place, it appears that two aspects require specific focus in support of the MSDF.

### **Inter-municipal planning**

The first relates to inter-municipal planning. As indicated elsewhere in the MSDF, SM (and other adjoining municipalities) appears to experience increasing challenges related to development pressure in Cape Town. This pressure is of different kinds. The first is pressure on the agricultural edges of Stellenbosch through residential expansion within Cape Town. The second is migration to SM (whether in the form of corporate decentralisation, or both higher and lower income home seekers), leading to pressure on available resources, service capacity, and land within and around the settlements of SM. While municipal planners do liaise on matters of common concern, there appears to be a need for greater high-level agreement on spatial planning for "both sides" of municipal boundaries. The spatial implications of pressure related to migration to SM could be managed locally, should there be agreement to redevelop existing settlement footprints rather than enabling further greenfields development (as a general rule).

However, the Municipality's increased resource needs to accommodate new growth – a non-spatial issue – should be acknowledged and addressed.

### **Private sector joint planning**

The second relates to joint planning and action resourced by the private sector, increasingly needed for a number of reasons:

- The municipal human and financial resource base is simply too small to achieve the vision of the MSDF or implement associated strategies and plans.
- Many matters critical to implementing the MSDF fall outside the direct control or core business of the Municipality, for example, the Municipality does not necessarily own the land associated with



projects critical to achieve MSDF objectives.

- It is increasingly evident that individual land owners are finding it difficult to develop – to make the most of what they have – individually. Specifically, the transport and movement implications of individual proposals require strong and dedicated integration.
- Individual land owners do not necessarily control the extent of land required to undertake inclusive development, focusing on opportunity for a range of income groups. Inclusive development often requires cross-subsidisation, in turn, enabled by larger land parcels and development yields.
- The Municipality's focus is often – and understandably so – on the "immediate", or shorter-term challenges. Much what is needed to implement the MSDF or catalytic projects requires a longer-term view, a committed focus on one challenge, and cushioning from the daily and considerable demands of municipal management.

Partnerships are needed, with different agencies and individuals working in concert with the Municipality to implement agreed objectives. Further, partnerships are required between individual corporations and owners of land. The Adam Tas corridor is a prime example: making the most of the disused sawmill site, Bergkelder complex, Van der Stel Complex, Die Braak and Rhenish complex – in a manner which contributes to agreed objectives for developing Stellenbosch town – is only possible if various land owners, the Municipality, University, and investors work together, including undertaking joint planning, the "pooling" of land resources, sharing of professional costs, infrastructure investment, and so on. The Municipality simply do not have the resources – and is overburdened with varied demands in different locations – to lead the work and investment involved.

### Land Use Management

Continually ensure timeous consideration of land-use applications in order to streamline development processes. Municipality to strengthen integrated development planning, spatial planning and economic planning.

#### 3.3.1.1 Capital Expenditure – Planning and Development

**Table 3:46: Planning and Development**

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Informal Traders	986 861	705 783	-28.48%
Furniture, Tools and Equipment	180 579	162 191	-10.18%
Implementation of Ward Priorities	120 000	119 500	-0.42%
Offices: Relocation Costs	34 444	32 839	-4.66%

Planning and Development have spent, **77.19%** of the capital budget for the financial year.



### 3.3.1.2 Total employees – Planning


Table 3:47: Total Employees – Planning

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
<b>Number</b>				<b>%</b>
18 – 16	4	2	2	3.27%
15 – 13	5	3	2	3.27%
12 – 10	%	29	17	27.86%
9 – 7	3	2	1	1.64%
6 – 4	3	2	1	1.64%
3 – 0	0	0	0	0
<b>Total</b>	<b>61</b>	<b>38</b>	<b>23</b>	<b>37.7%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.f.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

### 3.3.2 LOCAL ECONOMIC DEVELOPMENT (LED)

Table 3:48: Achievements within Local Economic Development

Achievement /Highlight	Description																								
Business Interventions	<p><b>Number of business interventions for the financial year (857):</b></p> <table border="1"> <thead> <tr> <th></th> <th>2017/18</th> <th>2018/19</th> </tr> </thead> <tbody> <tr> <td>Business registrations</td> <td>24</td> <td>37</td> </tr> <tr> <td>Municipal Database Registrations</td> <td>19</td> <td>27</td> </tr> <tr> <td>Advice to walk-ins</td> <td>387</td> <td>1795</td> </tr> <tr> <td>Workshops</td> <td>12</td> <td>15</td> </tr> <tr> <td>Business Licences</td> <td>13</td> <td>2</td> </tr> <tr> <td>Liquor licences applications received</td> <td>209</td> <td>216</td> </tr> <tr> <td>Comments forwarded to the Liquor Board</td> <td>193</td> <td>166</td> </tr> </tbody> </table>		2017/18	2018/19	Business registrations	24	37	Municipal Database Registrations	19	27	Advice to walk-ins	387	1795	Workshops	12	15	Business Licences	13	2	Liquor licences applications received	209	216	Comments forwarded to the Liquor Board	193	166
	2017/18	2018/19																							
Business registrations	24	37																							
Municipal Database Registrations	19	27																							
Advice to walk-ins	387	1795																							
Workshops	12	15																							
Business Licences	13	2																							
Liquor licences applications received	209	216																							
Comments forwarded to the Liquor Board	193	166																							
Mentorship	Fourteen entrepreneurs successfully completed a mentorship programme hosted by the Stellenbosch Municipality in partnership with Exchange, a Belgian based non profitable organisation consisting of retired businessmen, committed to assist businesses outside the borders of Belgium.																								
Tendering Process Training	Tendering Process Training for about 60 people in three different areas i.e. Stellenbosch (20); Klapmuts (20) and Franschoek (20). In each area the training was conducted over a three day period. In each area the trainees were very ecstatic, motivated and encouraged after receiving the training for three days. All training who attended the training will receive the certificate of attendance. These certificates will be hand over in a private ceremony that will be organised by the Department.																								
Idas Valley Community Market become operational	<p>Idas Valley Community Market became operational on the 23 of October 2018. A Market Committee consisting of traders was establish as link between the Municipality and traders on the site.</p> 																								



Achievement /Highlight	Description
Enterprise Development and Support	<b>Training for SMMEs</b> Ten Stellenbosch-based entrepreneurs successfully completed a five-day, intensive entrepreneurship course held in the town library hall from 21 – 25 January 2019. This was hosted partnership with the Stellenbosch Municipality, the Ranyaka Enterprise Development Academy was facilitated by entrepreneurship specialists, Labit and sponsored by the Distell Group.
Vacant Agricultural Property	Twelve portions of vacant land were advertised in the Gazette on the 10th of April 2018 and the Eikestadnuus of 12 April 2018. The applications will closed on the 11th of May 2018. The land will be allocated in line with the Policy on the Management of Municipal Agricultural Land. An information session was held on the 22nd of May 2018 in the Library Hall for all interested small farmers to receive all relevant information for them to complete their applications. 90 individuals attended the briefing.

### 3.3.2.1 LED Challenges

The table below gives a brief description of all the challenges within local economic development during 2018/19:

**Table 3:49: Challenges within Local Economic Development**

Description	Actions to address
Human Resources insufficient to drive a effective local economic development programme	Fill all vacant post at an appropriate level in order to recruit competent professional people.
Slow processing of Landuse applications impacts negatively on new investments and economic growth in the municipal area	Address red tape and human resource issues ensure a responsive and effective administration that can be a catalyst for investment and economic growth.
Non-permanency of EPWP administrative staff.	There exists a need to have permanent data capturing staff for EPWP in order to ensure the continuous performance of the function in terms of compliance and job creation targets.
Current entrepreneurship development initiatives shows to minimal or minor impact on new venture creation	Use Local Economic Development Hubs to nurture and grow new businesses
Income inequality Stellenbosch municipal area is the highest in the district	We need to create meaningful jobs that will increase the household income of lower income groups

### 3.3.2.2 EPWP job creation 2018/19

The Expanded Public Works Programme grew in leaps and bounds of the last few year and the Stellenbosch Municipality consistently is one of the top 3 performers in the Western Capes. Below are the projects and number of jobs that have been created through EPWP.

**Table 3:50: Job Creation through EPWP\* Projects**

EPWP Projects	Number of jobs created
<b>External EPWP Grant Projects</b>	
IG: LED	34
IG: LED Tourism	7
IG: Community Development	8
IG: Halls	4
IG: Sport	12



EPWP Projects	Number of jobs created	
IG: Ward Office	20	
IG: Fire & Disaster	12	
IG: Cemeteries	7	
IG: Law Enforcement	7	
IG: Parks and Rivers Franschhoek	13	
IG: Parks and Rivers Stellenbosch	34	
IG: Jonkershoek Cleaning	6	
IG: Integrated Fire Management	12	
IG: Million Trees	14	
IG: Draught Elevation	20	
IG: School Safety	10	
<b>Total Projects</b>	<b>Total Jobs</b>	<b>220</b>
<b>Municipal Funded Projects</b>		
Eco Office	2	
Maintenance and cleaning of filters & reservoirs	10	
Plantation Monitors	16	
Biomass Reduction	20	
Capturing/Analysing of Data-Metering & Electrical systems	1	
IG fire & Disaster Management	12	
Admin/Capturing of data-Water meters	1	
IG Sports	12	
Cleaning of Roads and Storm water	6	
Cleaning of informal toilets (BSM 5/8)	26	
Cleaning of informal toilets (BSM 6/8)	12	
Informal Trading site Cloetesville	6	
Informal Trading site George Blake	4	
Registry Clerk	4	
Enkanini area cleaning	169	
Area Cleaning	244	
Area Cleaning CBD	32	
IG Parks & Rivers Franschhoek	13	
IG Parks & Rivers Stellenbosch	14	
Jamestown Library	1	
Service Warriors	11	
Cleaning & Greening/ Million Trees	14	
IG Drought Elevation	20	
Integrated Fire Management	12	
IG Cemeteries	7	
LED	34	



EPWP Projects	Number of jobs created		
LED Tourism	7		
IG Ward Office Cleaners	20		
Law Enforcement	7		
IG Halls	4		
IG Jonkershoek Cleaning	6		
Chippers	12		
Neighbourhood Revitalisation	19		
Title Deeds Restoration	14		
Rehabilitation-soil erosion	9		
Community Development	10		
Amanzi Yimpilo	26		
Plankenberk outfall sewer phase 2 & 3	20		
Bulk water supply water pipeline DRV	7		
Jamestown new bulk sewer infrastructure	8		
New Merriman Outfall sewer	9		
Ida's valley mix housing	22		
Klapmuts housing	5		
Franschhoek informal trading site	4		
<b>Total Projects</b>		<b>Total Jobs</b>	<b>912</b>
<b>Total Projects Overall</b>	<b>44</b>	<b>Total Projects Overall</b>	<b>1 132</b>

### 3.3.2.3 Total employees – LED

Table 3:51: Total Employees – LED

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	1	0	0%
15 – 13	5	1	4	40%
12 – 10	2	1	1	10%
9 – 7	0	0	0	0%
6 – 4	2	1	1	10%
3 – 0	0	0	0	0%
<b>Total</b>	<b>10</b>	<b>4</b>	<b>6</b>	<b>60%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.



### 3.3.2.4 TOURISM

#### Aim and function of Tourism Section

- Contextualise the strategic goals of tourism promotion and development funding.
- Regularise the operational functioning of external bodies appointed or supported by the Municipality in its Constitutional mandate toward both tourism, and economic and social development.
- Ensure co-ordination of the activities of the funded entities.
- Ensure efficient oversight of funding and outcomes.
- Acknowledge and leverage private sector and independent initiatives.
- Develop own of sustainable tourism events and brands.
- Enable sponsorship opportunities for commercialisation of events, brands and other opportunities.
- Smooth cyclical tourism numbers by establishing developing and implementing off-peak tourism products and initiatives.
- Develop and package opportunities and venues for business tourism.
- Enable market participation for local business.
- Enable training, mentorship and employment opportunities for local citizens.
- A transparent ability to quantify return on investment into events and funded entities.

#### Challenges: Tourism

- Fostering and enabling market access for emerging businesses in the sector.
- Countering seasonal nature of the tourism sector
- Development of Strategic Tourism products that require support and integration of multiple three spheres of government, parastatals and SOEs, and which the Municipality is better positioned to drive and coordinate than the private sector.
- Improving alignment and coordination of the activities of the funded Local Tourism Organisations
- The Municipality needs to develop a professionalised marketing approach to its support of tourism.
- It must manage the overall Stellenbosch tourism brand, with recognition of the strategic advantages and market positioning of the regional sub-brands, including town specific offices, e.g. Stellenbosch 360, Franschhoek Wine Valley; industry sectors such as wine tourism Stellenbosch Wine Routes; the development of business tourism, and the development of strategic plans for new tourism products that maintain competitive advantage and consumer desirability, through which SMMEs can become participants in the tourism sector.

#### Highlights: Tourism

- The establishment of a new destination marketing organisation, Visit Stellenbosch, after Wine Routes (SWR) and Stellenbosch 360 (S360) agreed on a bold and ambitious plan to bring stakeholders together and grow the tourism and experience economy in Stellenbosch.
- Visit Stellenbosch unite all tourism stakeholders under a joint destination brand and a unified destination vision with a long-term tourism plan. Centralising the operational functions and resources of various tourism role-players, Visit Stellenbosch will enable stakeholders to invest more to improve service excellence, drive tourism innovation and enhance place product experiences.





### 3.3.2.5 Capital Expenditure – Local Economic Development and Tourism

**Table 3:52: Capital Expenditure as at 30 June: Local Economic Development and Tourism**

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Establishment of informal trading markets Cloetesville	2 395 780	1 745 832	-27.13%
Establishment of Informal Trading Markets	1 972 862	1 568 453	-20.50%
Establishment of Informal Trading Sites: Kayamandi	1 298 782	565 682	-56.45%
Establishment of Informal Trading Sites: Klapmuts	921 839	142 934	-84.49%
Heritage Tourism Center - Jamestown	755 000	424 686	-43.75%
<i>Only the capital projects are listed</i>			

Local Economic Development and Tourism have spent, **65.75%** of the capital budget for the financial year.



## 3.4 COMPONENT C: COMMUNITY AND SOCIAL SERVICES

### 3.4.1 LIBRARIES

The Libraries Department plays an important role in ensuring that its users have access to up-to-date technology, the Internet, and digital resources crucial to their full participation in social, economic, and community life. It continues to provide the citizens of Stellenbosch ICT connectivity and audio/visual resources. This financial year saw an extension of the services in the form of resources for the visually impaired. This service is a result of a partnership with the South African Library for the Blind, DCAS and Stellenbosch Libraries Department.

The Stellenbosch Libraries have played a proactive role in building strategic partnerships to promote library and information services in the WCO24 area. We are currently talking to various community stakeholders', education institutions and residents, both users and non-users of the Library in order to understand changes in our community affecting libraries and the services we offer.

Some Challenges Stellenbosch libraries faces are:

The most concerning is the issue of security at the libraries. The Cloetesville Library has been the most vulnerable with three break-ins and staff and Patrons being threatened by gang members.

There has also been an increase in burglaries at libraries.

Maintenance of library buildings is also a major issue resulting in various sections of the libraries having to be closed off to the public.

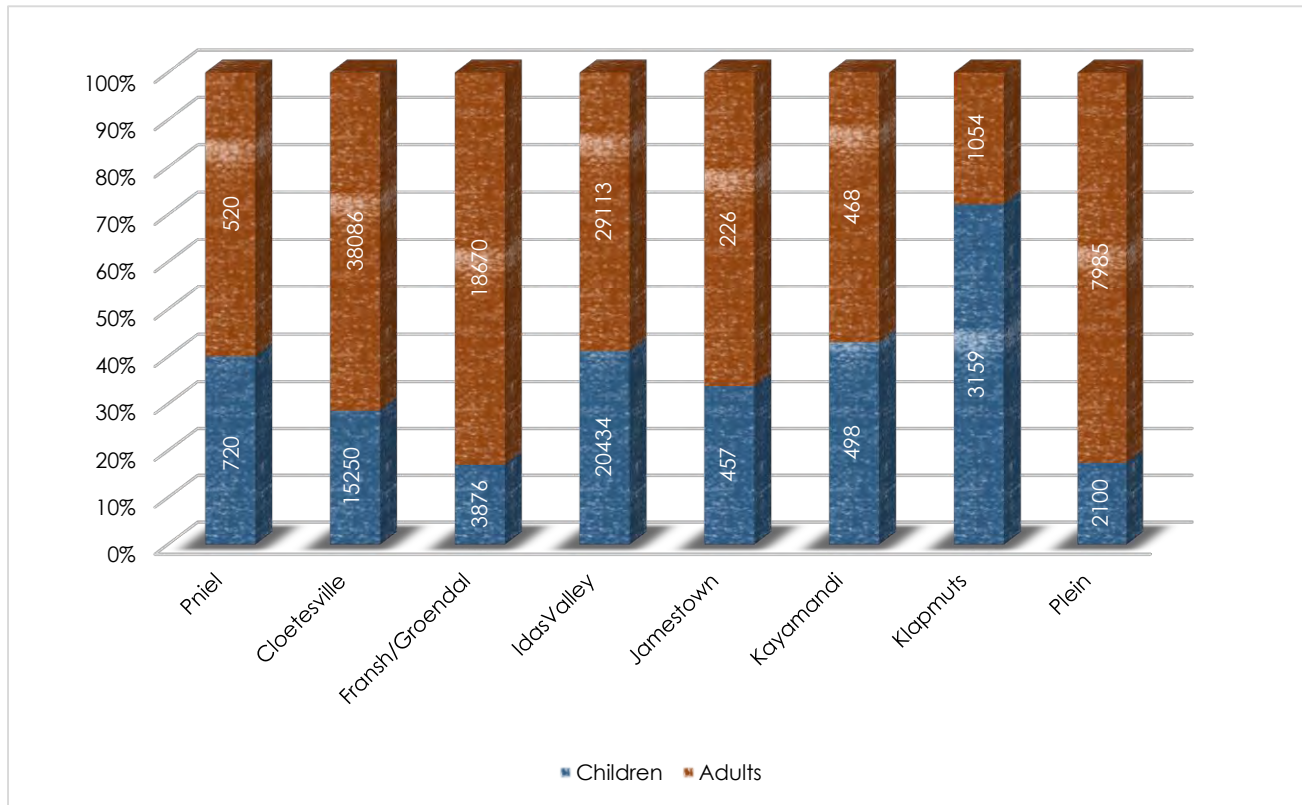
In an increasingly complex world, information and knowledge have become the new currency. Therefore, training and development of staff in order to efficiently serve the informational needs of the citizens is critical. Training required to assist staff in this regard has been identified and put on the Work skills Plan of the Department. The reluctance to train library staff has become a major challenge within the department and hampers our ability to provide an effective and efficient service to our citizens in the Stellenbosch area.

Over the last two years the libraries department has made many strides in its efforts to ensure universal access regarding library and information services as well as in the struggle to eradicate illiteracy in the Stellenbosch WCO24 area. Our ultimate goal is to cement the Stellenbosch Libraries as a world class library serving its community with all informational needs necessary to empowers them to function more effectively.



The following graph displays registered users per library:

**Figure 3:18: Users per library**



### 3.4.1.1 Service Statistics – Libraries

**Table 3:53: Service Statistics: Libraries**

Type of service	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Libraries</b>						
Number of libraries	9	9	9	9	9	9
Library members	14 113	14 710	311 832	547 250	323 651	142 616
Books circulated	356 247	331 018	311 832	336 864	305 275	323 200
Exhibitions held: Adults	471	520	355	341	334	312
Exhibitions held: Children	0	0	269	799	257	316
Internet access points	32	32	32	32	32	32
Internet sessions granted to library users	0	0	44 892	52 413	43 790	53 013
Children programmes	73	108	188	212	258	243
Number of children attending programmes	0	0	1 890	4 813	5 045	4 512
Visits by school groups	42	36	43	51	185	254
Book group meetings for adults – old age homes	0	324	410	745	1 119	102
Primary and Secondary Book Education sessions	35	72	49	341	1 378	975
Patrons visits @ Library	N/A	N/A	N/A	590 985	403 219	398 200



Type of service	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Libraries</b>						
Library Hall usage	N/A	N/A	N/A	425	387	356

### 3.4.1.2 Capital Expenditure – Libraries

Table 3:54: Capital Expenditure as at 30 June: Libraries

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Upgrading: Cloetesville Library	1 400 000	43 167	-96.92%
Libraries: CCTV	300 000	266 890	-11.04%
Upgrading: Pniel Library	232 926	203 366	-12.69%
Library Books	145 000	94 796	-34.62%
Upgrading: Idas Valley Library	142 000	124 182	-12.55%
<i>Only the 5 largest capital projects are listed</i>			

Libraries Services have spent, **50.03%** of the capital budget for the financial year.

### 3.4.1.3 Total employees – Libraries

Table 3:55: Total employees- Libraries

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	0	0	0	0%
15 – 13	2	2	0	0%
12 – 10	10	7	3	6.83%
9 – 7	22	18	4	9.09%
6 – 4	10	7	3	6.83%
3 – 0	0	0	0	0
<b>Total</b>	<b>44</b>	<b>34</b>	<b>10</b>	<b>22.72%</b>

\*\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

### 3.4.1.4 Cemeteries

Stellenbosch Municipality is responsible for the maintenance and management of six cemeteries in the greater Stellenbosch. Currently Jamestown, Pniel and Groendal cemeteries are reaching its maximum capacity, whilst Wemmershoek and Franschhoek South and North are fully operational. Onder Papegaaiberg Cemetery is full to capacity [only reserve graves are available]. A new cemetery at Kylemore is currently being established.

CK Rumboll and Associates were appointed (3-year project) during 2016 to assist Stellenbosch Municipality with the identification and planning of one or more regional cemetery sites to address the critical need for burial space within the Municipality.



The objective of the cemeteries department is to provide adequate burial space and ensure a dignified burial service. A Notice of Intent to Develop has been lodged with the Department of Environmental Affairs and Development Planning during October 2017 with the pre-application public participation process to commence December 2017 / January 2018.

Our challenges remain to be:

- the shortage of burial space;
- to convert burial records to electronic soft copies (in progress as per the five plan); and
- to promote alternative burial methods such as cremations amongst various religious groups.

### 3.4.1.5 Service Statistics - Cemeteries

Table 3:56: Cemeteries Service Statistics

Type of service	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Pauper Burials	4	3	0	2	0	6

### 3.4.1.6 Income – Cemeteries

Table 3:57: Cemeteries Service – Income

Gravesite locations	2016/17		2017/18		2018/19	
	Number of Burials	Income	Number of Burials	Income	Number of Burials	Income
Onder Papegaaiberg	36	R577 197.50	74	R33291	24	R50 389.00
Jamestown	42	R55 830	527	R775 831	356	R900 294.00
Pniel	7	R5 960	15	R9 615	11	R7 855.00
Wemmershoek	5	R1 895	17	R15 633	9	R7 650.00
Franschhoek North	85	R44 642.50	161	R105 489	38	R40 710.00
Franschhoek South	6	R6 475	16	R21 010	54	R45 580.00

### 3.4.1.7 Capital Expenditure – Cemeteries

Table 3:58: Capital Expenditure as at 30 June: Cemeteries

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Extension of Cemetery Infrastructure	835 033	118 754	-85.78%
Cemeteries: Purchase of Specialised Equipment	20 000	17 160	-14.20%

Cemeteries have spent, **15.90%** of the capital budget for the financial year.



### 3.4.1.8 Total employees – Cemeteries

Table 3:59: Total Employees – Cemeteries

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	1	0	0%
15 – 13	1	1	0	0%
12 – 10	3	2	1	5%
9 – 7	0	0	0	0%
6 – 4	15	11	4	20%
3 – 0	0	0	0	0%
<b>Total</b>	<b>20</b>	<b>15</b>	<b>5</b>	<b>25%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.f.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

## 3.4.2 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES– COMMUNITY DEVELOPMENT

### 3.4.2.1 Service Statistics – Child Care, Aged Care, Social Programmes

Table 3:60: Community Development

Type of service		
Early Childhood Development Services/ Children	ECD Policy	<b>ECD GIS Database updates:</b> 120 ECD Facilities contact and registration status information were updated.
	Capacity Building of ECD Practitioners Initiatives in awareness programmes (ECD children) ECD Registration Compliance Strengthening and Establishing ECD Forums Transversal committees/Adhoc committees Grant in Aid to ECD's	<b>Capacity Building of ECD Practitioners</b> Capacity Building and access to information related to ECD registration in collaboration with DSD and TEEC. Collaboration with Ranyaka and Nedbank focusing on registration requirements. 20 local ECD's are now being mentored and supported Early Learning Centre: 16 practitioners received training on: Children's developmental needs, administration requirements of and ECD centre, Roles and Responsibilities at an ECD and Educational needs and Learning Resources. 40 ECD practitioners received training on alcohol abuse and the manifestation thereof in ECD's Cotlands Toy Library and Online In-service Training for 4 ECD practitioners 19 Unregistered ECD's participated in a training workshop on the writing of internal policies governing the facilities  <b>Awareness programmes for children</b> Heritage Day celebrations: Franschoek involving 122 children and Kayamandi involving 75 children. 50 children in foster care were taken through a programme focusing on developing future dreams and goals as part of the preparation for the final school exams Workshop for teenage mothers on parental skills Universal Children's Day in Raithby reaching 230 children Universal Children's Day Kayamandi reaching 250 children



Type of service		
		<p>Under the Sea – environment education            Back to School            Provincial ECD march to Parliament            Child Protection Campaign hosted in Kayamandi, Klapmuts, Jamestown, Devonvalley and Franschhoek was attended by 2 799 children            Ikaya Primary attended the ABC Motsepe Schools Choral Eisteddfod</p> <p><b>Transversal /Adhoc programmes</b></p> <p>Various holiday programmes are supported by the department in different communities.            Building families: Foster family support project            Water Safety Project            A one day “camp” for 30 youth from Ikaya Primary was conducted in collaboration with Inkuthazo Yesizwe to focus on self-discipline and responsibility            Holiday programmes</p>
Persons with Disabilities	<p>Awareness programmes            Universal Access            Grant in Aid Donations</p>	<p><b>International Day of Persons with Disabilities: 25 November 2017</b></p> <p>Theme: WALK WITH DISABILITY            Focus was social inclusion and emphasis for everyone to walk with people with disabilities. A march was organised by Disability Network with supporting organisations and the Municipality.            A memorandum was handed to Cllr De Villiers which focused on universal access for persons with disabilities.            The municipality participated in the Casual Day Campaign with proceeds going to Change Ability.</p>
Older Persons	<p>Golden Games            Transversal Committees/            Adhoc programmes            Older Persons Forums</p>	<p><b>Golden Games</b></p> <p>The Stellenbosch official was elected as the team administrator for the National Golden Games which took place in Bloemfontein.            The regional games were attended by 230 elderly from the different communities</p> <p><b>Older Persons Forums</b></p> <p>The forum still requires regular support, but attendance is good.</p> <p><b>Awareness Programme:</b></p> <p>Women's Day celebration for elderly women on farms (60 persons)            Inter-generational Heritage celebration bringing together 90 youth and elderly persons            Talent show            16 Days of Activism: Dwarsrivier ladies reaching 50 women            Financial Literacy programme            International Elderly Abuse day was attended by 56 persons</p>
Gender	<p>Special Events</p>	<p><b>Women's Day</b></p> <p>Women's Week in Franschhoek included the following activities:            Employability – working as a entrepreneur            Healthy Living and participation in sport            Awareness March</p> <p>Women's Day in Kylemore, Pniel and Lanquedoc (60) persons</p> <p><b>Awareness Programmes</b></p> <p>Widow empowerment programme reaching 90 widows focussing on bereavement, support, finance, entrepreneurship and health. This was followed up with a camp attended by 83 widows.            Breast Cancer awareness in Pniel reaching 32 women</p>





Type of service		
		<p>Kayamandi Single Mothers Workshop attended by 67 women 231 Young girls benefitted from the Sisi Subz programme in collaboration with BBF Safety Group, Sonke Gender Justice and the Western Cape Government Departments of Education and Health.</p> <p><b>116 Days of Activism Launch and projects speaking to</b> The Safety of elderly women on farms and in Jamestown and Cloetesville reaching 340 women Workshops for persons affected by violence</p>
Youth	<p>Youth Empowerment programmes Youth Capacity Building Transversal committees/ Adhoc programmes Grant in aid Donations</p>	<p><b>JPI 27</b> In collaboration with Department of Education and DCAS Two schools were chosen to pilot programme. Pniel Primary and Kayamandi Secondary. Progress is made at Pniel Primary School. At the start of building a partnership with the Rupert Foundation which indicated interest in developing the after school care programme as part of the MOD centre. Makapula Secondary School initiated a planning session with provincial departments and prioritised their needs and assigned responsibilities for implementation. Most of the priorities relates to maintenance issues of the facility. <b>Youth Capacity Building</b> The Mayoral Youth Skills Development programme originated from the high unemployment rate among local youth and the need for access to skills development. Stellenbosch also has employment opportunities for artisan trained persons in a number of local industries as evident in the research report produced by a Belgian student as part of her internship at the Municipality. Successful candidates received free access to an accredited skills development programme after undergoing a recruitment process. As part of the recruitment and selection process they were introduced to the different industries. All courses included a practical placements component along with a job preparedness programme focussing on life-skills. 33 Youth participated in the Basic Cooking Skills, Waitering and Plumbing programme. 29 Youth benefitted from the Learner and Driver Licence programme.</p> <p><b>Transversal committees/ Adhoc programmes</b> 250 youth attended a very successful Science Expo focusing on space in collaboration with Cube Space where they were able to meet a NASA astronaut. 990 youth were exposed to work opportunities and careers in the agricultural sector in collaboration with Kaap Agrimark, and Eisenburg College Pniel Youth 16 Days of Activism reaching 59 youth Accessing job portals with the Department of Labour. 76 youth participated. Cape Winelands Drama Festival. The group from Kayamandi participated and came third in the finals. Parenting workshop for parents of youth to address problems experienced by parents to reach out and connect to the youth 13 Youth from the Wemmershoek community participated in a Job Hunting workshop Mayoral Youth Sport's Day was attended by 247 youth Youth and the IDP was attended by 27 youth Youth in Foster Care Programme: Career Guidance Job Preparedness: De Novo (25 youth), Franschhoek (14 youth), Lanquedoc (only 1 youth turned up for the session) EPWP Artisan placement in Maintenance Department = 4 local youth</p>
People on the street	<p>Municipal Policy Development and Awareness Raising through collaboration</p>	<p><b>Public Participation and Policy Development:</b> Draft Policy approved by Council <b>Give Responsibly</b> Local organisations and the Municipality launched the Give Responsibly Campaign through the development of a coupon system that will allow the</p>



Type of service		
		<p>public to support persons on the street without giving cash.</p> <p>48 local businesses are involved acting as distribution points for coupons which can be redeemed for services at the local NGO's.</p> <p>Stellenbosch University is also on board and allocated research capacity to assist with programme development.</p>
Grant in Aid	<p>Donations to community organisations serving among others: youth, gender, ECD's, Old Age Homes, Health Organisations and Sport Clubs</p>	<p><b>Capacity Building</b></p> <p>One financial management workshop was conducted to assist emerging organisations to comply with the financial reporting requirements of the Grant in Aid policy. The workshop was attended by 45 persons.</p> <p>Two compulsory workshops on the application process and policy were concluded. The workshops were attended by 161 prospective applicants.</p> <p><b>Donations</b></p> <p>112 applications were received of which the following donations were approved:</p>
Social Relief of Distress	<p>Provision of basic needs to persons adversely affected by disaster incidences</p>	<p>82 incidences were responded to, supporting 506 persons</p> <p>The following resources were distributed:</p> <p>Matrasses: 506</p> <p>Blankets: 473</p> <p>Food Parcels: 158</p> <p>Male Vanity Packs: 238</p> <p>Female Vanity Packs: 261</p> <p>Baby Packs: 10</p>

**Table 3:61: Number Grant In Aid Applications Recommended and Approved**

Sub Category	Applications Recommended	Amount Approved
General Social Development	6	R 199 9410
Early Childhood Development (ECD)	33	R 1 182 000
Disability	5	R 200 000
Elderly	2	R 80 000
Youth	6	R 240 000
Substance Abuse	1	R 40 000
Food Security	1	R 40 000
People living on the street	2	R 1 291 871
Skills Development	3	R 120 000
Physical and Psychological Health	4	R 160 000
Sport Clubs	17	R 629 240



## 3.5 COMPONENT D: ENVIRONMENTAL PROTECTION

### 3.5.1 POLLUTION CONTROL, BIO-DIVERSITY, LANDSCAPE, OPEN SPACES, PARKS

Stellenbosch Municipality is continually developing its capacity to protect the environment within its boundaries and to strive towards a municipality and communities that recognise the vital importance of their rich natural capital and manage these in a manner that ensures sustainability and fulfils the needs of all concerned. To this effect, in the last financial year, Stellenbosch Municipality has developed the Stellenbosch Environmental Management Framework (SEMF), a municipal strategic environmental management policy that responds to and complies with the relevant statutes and directives. This document was adopted by Council during its June 2019 meeting. In addition an Air Quality Control By-Law and as well as a Noise Control Policy has been developed and adopted by Council. The latter is implemented by a dedicated Air Quality / Noise Control Officer appointed within the Department: Community Services.

Stellenbosch Municipality has also completed an Invasive Alien Plant Management Plan, as required in terms of the National Environmental Management: Biodiversity Act (10 of 2004) and an Integrated Fire Management Plan to assist in the management of large vacant nature areas under the management of Council.

Stellenbosch Municipality works closely with the Department of Environmental Affairs and Development Planning in reporting on illegal activities, as well as administering the rehabilitation action of Section 30 (National Environmental Management Act, 107 of 1998) Emergency Incidents.



## 3.6 COMPONENT E: SECURITY AND SAFETY

### 3.6.1 LAW ENFORCEMENT

Stellenbosch Municipality has an approved, comprehensive safety plan that is reviewed annually and addresses all the aspects of safety, from road safety and crime to dealing with disasters and fires. This safety plan was compiled with the input of all relevant stakeholders from the community and safety disciplines. Safety is the responsibility of all residents of Stellenbosch and all citizens of South Africa. The socio-economic challenges of inequality, poverty and unemployment is a major contributor to unsafe situations.

With this Comprehensive Safety plan the Stellenbosch Municipality and all the relevant role-players and the residents of the Greater Stellenbosch, commit themselves to maintain and promote a zero tolerance approach to crime and safety.

Safety needs to be approached from different angles as no entity on its own will be able to successfully ensure the safety of the communities of the Greater Stellenbosch. Therefore instead of working in silos, a combined strategy has been implemented to increase the capacity of manpower in order to assist SAPS in combatting crime. The safety initiative known as the Stellenbosch Safety Initiative (SSI) has been established during 2014. The successful implementation of the SSI establishes more co-operation and trust amongst the different stakeholders and opens opportunities in attracting more resources from the public and private sectors including the community.

#### Highlights:

- Approved Safety Plan and Safety Stakeholders Forum.
- Established Stellenbosch Safety Initiative (SSI) in place.
- SSI task team which meets weekly to plan and execute joint operations with SAPS as key role-player.

#### Special Operations Unit established in terms of Safety Plan.

- Safety Plan reviewed annually.
- MOU in place between University of Stellenbosch and Stellenbosch Municipality on the grounds of CCTV.
- MOU in place between the Security Cluster, Campus Control and Municipality on the grounds of Safety and Security matters.
- Special Safety Task Team established.
- Centralised Control Room and CCTV monitoring at Fire Station (Phase 1 completed).
- The expansion of the Control Room is in progress (Phase 2).
- Phase 1 completed of LPR camera installation.
- Phase 2 of LPR cameras to equip all entrances/ exits to Stellenbosch and Franschhoek towns will be completed at December 2018.

#### Challenges:

- To render a 24/7 Law Enforcement patrol service.
- Provide appropriate security of assets and facilities.
- Increase and maintain surveillance of key places.
- Prevent land invasion.
- Dedicated Liquor Unit to be established.
- Dedicated Informal Traders Unit.



- Sufficient staff to be able to meet challenges.
- Additional vehicle fleet to fulfil its mandate for a safer environment.
- Centralised offices to accommodate the entire department.

The Law Enforcement Department attended to the following incidents:

**Table 3:62: Law enforcement incidents responded to**

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
Arrest	50	45	13	0	0	0	0	0	0	0	0	0	108
Vagrants removed	620	530	770	599	594	388	829	125	46	771	403	255	5 990
Drinking in public	70	109	245	141	249	171	282	49	28	37	30	47	1 458
Illegal car guard	163	140	329	124	408	234	303	67	67	114	50	53	2 046
Beggars removed	211	193	339	245	368	292	322	22	58	69	20	46	2 185
Illegal hawkers	13	0	28	9	53	6	0	3	0	0	4	3	119
Warnings	107	76	153	175	114	54	108	44	45	7	12	37	8 920
Disorderly behaviour	48	1	4	6	28	2	8	4	11	1	2	1	1 16
Noise Complaint	42	38	76	34	110	94	100	23	22	17	43	25	624
341 notices	53	15	6	14	15	2	17	16	22	2	0	0	62
Dog complaints	27	13	26	18	74	44	0	0	0	37	30	12	283
Fines issued	53	0	6	14	15	2	17	4	22	25	18	39	215
Illegal structures demolished	61	17	45	26	12	50	26	10	17	4	0	1	269
Illegal extensions	13	4	10	18	13	4	6	2	0	25	18	39	152
Car wash	2	5	3	2	13	7	0	1	22	8	8	4	75
Dumping	11	2	1	0	0	0	0	0	0	0	0	0	14
Others	213	116	170	55	256	332	396	171	218	0	134	39	2 100

### 3.6.1.1 Capital Expenditure – Law Enforcement

**Table 3:63: Capital Expenditure as at 30 June: Law Enforcement**

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Install Computerised Access Security Systems and CCTV Cameras At Municipal Buildings	700 000	573 608	-18.06%
Law Enforcement: Vehicle Fleet	648 300	648 275	0%
Install and Upgrade CCTV Cameras In WC024	591 335	467 916	-20.87%
Law Enforcement Tools and Equipment	450 000	313 346	-30.37%
Security Upgrades	200 000	159 098	-20.45%

*Only the 5 largest capital projects are listed*

Law Enforcement have spent, **84.10%** of the capital budget for the financial year.

### 3.6.2 TRAFFIC LAW ENFORCEMENT

Local Traffic Services has implemented the National Road Safety Strategy which provides an all year round road safety initiatives. The department has increased educational safety programmes and campaigns in collaboration with stakeholders and affected parties, Automatic Number-plate



Recognition actions to ensure compliance in an attempt to reduce lawlessness.

On-going objectives are to improve road user behaviour; reduce the incidence of traffic offences; including speeding; drunk-driving and drug-driving; dangerous overtaking; the removal of unfit road users from traffic; roadworthiness of vehicles; public transport compliance wrt vehicles and drivers; provide sufficient and coordinated regulation of traffic on strategic roads; pedestrian education and compliance, eradication of corruption; administrative compliance and overall improvement of enforcement systems.

In the past financial year, the department commenced with the first phase of renovation to establish a more user-friendly environment to clients and ensure safety to staff and public. The Department managed to improve its parking space in front of the Admin building. Alcohol Screeners, mobile radios, replacement of patrol vehicles were acquired to improve performance/response and ensure accuracy to prosecutions.

### 3.6.2.1 Highlights for Traffic Law Enforcement:

Stop and checks for the previous financial year of 156 were exceeded with a record total of 205. Awareness initiatives on Public Safety in 2017/18 were 211 and 104 were achieved during the 2018/19 financial year.

A total of 06 fatalities on pedestrians accidents occurred during the 2017/18 financial year and 11 pedestrians fatalities during 2018/2019; and

In previous financial year, a total number of 11 fatal accidents was reported and 33 were reported in 2018/19.

### 3.6.2.2 Service Statistics – Traffic Services

Table 3:64: Service Data for Traffic Services

Details	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of Traffic Officers in the field on an average day	24	22	21	21	21	30
Number of Traffic Officers on duty on an average day	32	27	28	28	28	30
Motor vehicle licenses processed	65 496	66 816	150 040	153 119	80 472	77 374
Learner driver licenses processed	8 288	3 900	5 212	5 200	4 560	2326
R-value of fines collected	21 337 940	19 158 488	21 638 767	28 652 120	23 773 325	26 557 540
Operational call-outs	Not registered	Not registered	Not registered	Not registered	Not registered	Not registered
Roadblocks held	33	34	22	25	156	205
Complaints attended to by Traffic Officers	389	1 219	730	6 000	6 388	5 228
Special Functions – Escorts	275	108	113	144	157	170
Awareness initiatives on public safety	90	64	192	120	211	104



Table 3:65: Additional Service Data of Traffic Services

Description	Total 2015/16	Total 2016/17	Total 2017/18	July to Sep 2018	Oct to Dec 2018	Jan to March 2019	April to Jun 2019	Total 2018/19
<b>Accidents</b>								
Fatal	21	21	11	4	3	5	10	33
Serious injuries	76	76	66	19	16	21	15	71
Slight injuries	517	517	330	111	95	111	111	428
No injuries	2 551	2 551	3 145	979	751	467	782	2 979
Reckless/careless: case docket	48	48	52	8	7	7	2	24
Culpable homicide: case docket	17	17	18	7	4	4	3	18
Pedestrians: fatal	10	10	06	6	1	0	4	11
Pedestrians: serious injuries	29	29	34	8	3	4	6	21
Pedestrians: slight injuries	106	106	68	33	24	22	19	98
<b>Learner's licences</b>								
Appointments	5 212	5 200	4 560	1 106	749	1 566	1 392	4 813
Applications passed	3 015	2 958	2 829	684	580	826	739	2 829
Duplicate request	127	112	136	37	23	30	24	114
Applicants tested	4 580	4 462	4 146	749	116	167	693	1 725
Applicants failed	1 855	1 890	1 601	262	74	56	196	588
Applicant absent	628	644	335	74	30	12	84	200
<b>Driver's licences</b>								
Appointments	2 216	2 382	2 323	418	270	571	493	1 752
Conversions	8 228	9 018	9 492	2 202	1 730	2 165	2 275	8 372
Applicants tested	1 896	1 615	1 640	247	241	363	362	1 213
Driving licenses issued (temp)	4 357	4 492	4 692	1 244	1 553	1 230	1 239	5 266
Applicants passed	817	824	729	127	146	205	283	761
Applicants failed	1 079	988	1 090	191	89	288	197	765
Applicants absent	287	374	284	56	42	91	71	260
Applications instructors	9	6	10	4	0	0	4	8
Issued instructors	6	5	6	4	0	0	2	6
Application/issued PRDP	1 602	1 686	1 697	377	434	504	406	1 721
<b>Testing centre: roadworthy certificates</b>								
Motor vehicles	628	637	762	140	28	18	24	210
Light delivery vehicles	121	124	128	28	9	4	4	45
Heavy delivery vehicles (trucks)	52	78	45	12	3	7	0	22
Trailers	39	77	44	10	3	11	16	40
Taxis	32	65	41	13	3	0	2	18
Busses	7	10	17	0	0	0	0	0
Motorbikes	114	90	53	15	12	28	23	78
<b>Motor vehicle registration</b>								
Duplicate registrations cert.	28913	1478	1639	360	419	390	388	1 557
Registration only	122 631	14 591	14 432	3 477	3 714	3 579	3 717	14 457





Description	Total 2015/16	Total 2016/17	Total 2017/18	July to Sep 2018	Oct to Dec 2018	Jan to March 2019	April to Jun 2019	Total 2018/19
Licence fees (12%) (renew)	66 816	83 219	80 472	19 437	18 853	20 051	19 033	77 374
Temporary permits	1 4061	236	212	55	56	64	45	220
Special permits	1 890	380	436	64	98	91	71	324
Specific registration number	739	702	711	197	94	187	103	581
RTMC	216 044	51 083	52 391	12 299	14 291	13 625	12 642	52 857
<b>Traffic offences</b>								
Vehicle defective/faulty	972	834	1 094	N/a	N/a	N/a	N/a	1 999
Moving violations	2 154	19 994	14 661	N/a	N/a	N/a	N/a	1 369
Parking offences/violations/mobile	9 258	7 055	23 968	8 283	5 322	6 938	5 171	25 715
Speed camera/mobile/fixd and robot traffic - TMT	7 228	233 711	573 339	50 492	80 228	46 105	74 553	251 378

### 3.6.2.3 Capital Expenditure – Traffic Services

Table 3:66: Capital Expenditure as at 30 June: Traffic Services

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Replacement of Patrol Vehicles	628 500	486 207	-22.64%
Furniture, Tools & Equipment	200 000	117 161	-41.42%
Mobile Radios	101 500	89 771	-11.56%

Traffic Services have spent, **74.53%** of the capital budget for the financial year.

### 3.6.2.4 Total employees – Traffic and Law Enforcement Services

Table 3:67: Total Employees – Traffic and Law Enforcement

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	1	0	0%
15 – 13	19	8	11	5.04%
12 – 10	102	76	26	11.92%
9 – 7	54	34	20	9.17%
6 – 4	42	25	17	7.79%
3 – 0	0	0	0	0%
<b>Total</b>	<b>218</b>	<b>144</b>	<b>74</b>	<b>33.94%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.



### 3.6.2.5 Fire and Disaster Management

A municipality has the executive authority and right to administer the provision of fire fighting services as stated in Schedule 4B to the Constitution. In relation to a local municipality, “fire fighting” means the following in terms of the Local Government Powers and Functions – Definitions and Norms and Standards as published by the Municipal Demarcation Board:

“Any function not included in the definition applicable to a district municipality, including fighting and extinguishing of all fires; the rescue and protection of any person, animal or property in emergency situations not covered by other legislation or powers and functions.

**This may include the following:**

- (a) preventing the outbreak or spread of a fire;
- (b) fighting or extinguishing a fire;
- (c) the protection of life or property against a fire or other threatening danger;
- (d) the rescue of life or property from a fire or other danger;
- (e) subject to the provisions of the Health Act, the rendering of an ambulance service as an integral part of the fire brigade service; or
- (f) The sub-division of the fire fighting services function and powers in terms of Schedule 4B to the Constitution, by the MSA, has in effect led to a “shared fire fighting service function” between district – and local municipalities. Within this realm we operate cohesively to render an unbiased effective and efficient service to the community

**Objectives: Disaster management**

To maintain a highly functional Disaster Management Unit by initiating the following:

- Promoting institutional capacity within Stellenbosch Municipality;
- Promoting a culture of prevention, preparedness and resilience at all levels through knowledge, innovation and education;
- Ensuring implementation of disaster risk reduction initiatives, community safety programmes and campaigns to promote safe resilient sustainable communities;
- Establishing efficient early warning systems backed by responsive and fail-safe communication with information technology support;
- Ensuring efficient mechanism for identification, assessment and monitoring of disaster risks;
- Improving emergency preparedness in vulnerable communities;
- Ensuring appropriate response by relevant services to emergencies and disasters; and
- Mainstreaming disaster management into the developmental planning process.

**Highlights:**

- New Klapmuts fire station officially opened on 17 April 2019
- Hosting the Provincial wide commemoration of International Fire Fighters Day – 4 May 2019
- Refurbishment of burnt Tata fire truck.
- Order placed for the hydraulic platform.
- Two fire officials visited Germany between 23 May and 1 June 2019 for the inspection and final acceptance test of the hydraulic platform.
- Planning towards a centralised control centre completed.
- More than 5 000 reached through continuous fire, flood and drought awareness campaigns.
- Smoke alarms and fire hydrant maintenance programme intensified
- On-going ward based risk assessment for the entire WC024 area.



### 3.6.2.6 Service Statistics – Fire and Disaster Management

**Table 3:68: Service Data for Fire and Disaster Management**

Details	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Total fires attended in the year	564	425	817	794	647	1 011	1 043
Total of other incidents attended in the year	860	866	1 953	555	1 952	1 655	1 511
Average turnout time - urban areas (minutes)	7,5	8,25	8,25	8,25	8,25	8,25	8,25
Average turnout time - rural areas (minutes)	21	20,5	22,75	22,75	22,75	20,5	20
Fire fighters in post at year end	43	42	43	56	52	57	57
Total fire appliances at year end	12	9	11	9	10	11	13
Average number of appliance off the road during the year	4	4	2	2	3	2	2
Total operational call-outs	1 424	1 291	2 770	1 349	2 704	2 666	2 556
Immediate relief to victims	2 015	Not available	552	1 021	831	849	437
Emergency flood kits	470	567	116	411	300	184	118
Emergency housing kits	1 650	53	299	341	277	190	149
Meals (food parcels)	-	-	215	349	327	180	158
Blankets	-	-	297	699	315	526	473

### 3.6.2.7 Capital Expenditure – Fire and Disaster Management

**Table 3:69: Capital Expenditure as at 30 June: Fire and Disaster Management**

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Upgrading of Stellenbosch Fire Station	3 000 000	1 928 891	-35.70%
Rescue equipment	200 000	192 786	-3.61%

*Only the 5 largest capital projects are listed*

Fire and Disaster Management have spent, **66.30%** of the capital budget for the financial year.



### 3.6.2.8 Total employees - Fire and Disaster Management

Table 3:70: Total Employees – Fire Services

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
<b>Number</b>				<b>%</b>
18 – 16	1	1	0	0%
15 – 13	4	4	0	0%
12 – 10	12	12	0	0%
9 – 7	67	53	14	16.66%
6 – 4	0	0	0	0%
3 – 0	0	0	0	0%
<b>Total</b>	<b>84</b>	<b>70</b>	<b>14</b>	<b>16.66%</b>
<p>** Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.</p>				



## 3.7 COMPONENT F: SPORT AND RECREATION

### 3.7.1 HOLIDAY RESORTS AND CAMP SITES

The Stellenbosch Municipality is responsible for the management and maintenance of one picnic site. The Jonkershoek Picnic Site is situated in the Jonkershoek Valley on the banks of the Eerste River. The picnic site attracts up to 15 840 visitors per annum due to its natural beauty and tranquillity set at the foothills of the Jonkershoek mountains. The site provides outdoor leisure for visitors, catering for braai and picnics alongside the river course.

#### 3.7.1.1 Service Statistics – Holiday Resorts and Campsites

**Table 3:71: Service Statistics – Holiday Resorts and Campsites**

Type of service	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Number of resorts</b>	1	1	1	1	1	1
<b>% Occupation for the year for Jonkershoek picnic site (open from 1 September to 30 April)</b>	PAX: 17 127 CARS: 4 827	PAX: 17 248 CARS: 5 234 Income: R462 790	PAX:16 256 CARS:4687 Income: R459 197	PAX:15840 CARS:3372 Income: R448 701	PAX:13636 CARS:2434 Income: R403 579.74	PAX:20690 CARS:5246 Income: R648 115

The Stellenbosch Municipality is responsible for the management and maintenance of seventeen sports grounds in its municipal area. These grounds are surrounded by the scenic beauty of the Stellenbosch Mountains. Ten are located in the urban areas and seven in the rural areas.

It is the Municipality's goal to create active, healthy communities and to provide a sporting hub for all its residents and visitors by offering a wide range of well-maintained and well-managed sporting facilities.

Stellenbosch Municipality manages and maintains one swimming pool in the greater Stellenbosch area. The swimming pool is situated in Cloeteville and can accommodate two hundred and seventy-five (275) people at any time per day. The existing facility can host swimming galas and aims to further sports development and recreation.

#### 3.7.1.2 Service Statistics Sport - Grounds and Swimming Pools

**Table 3:72: Service Statistics Sport Grounds and Swimming Pool**

Type of service	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Number of sport grounds/fields</b>	17	17	17	17	17	17
<b>Number of swimming pools</b>	1	1	1	1	1	1
<b>Number of stadiums</b>	10	10	10	10	10	10



### 3.7.1.3 Capital Expenditure – Sport Grounds and Swimming Pools

Table 3:73: Capital Expenditure as at 30 June: Sport Grounds and Swimming Pools

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Upgrade of Sport Facilities	1 000 000	484 788	-51.52%
Upgrade of Sport Facilities	924 020	750 204	-18.81%
Building of Clubhouse & Ablution Facilities: Lanquedoc Sports grounds	732 041	132 693	-81.87%
Vehicle Fleet	515 285	13 388	-97.40%
Skate Board Park	500 000	73 913	-85.22%

Only the 5 largest capital projects are listed

Sport Grounds and Swimming Pools have spent, **52.24%** of the capital budget for the financial year.

### 3.7.1.4 Total employees – Sport Grounds and Swimming Pools

Table 3:74: Total Employees – Sport Grounds and Swimming Pools

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	1	0	0%
15 – 13	2	2	0	0%
12 – 10	6	0	6	18.18%
9 – 7	1	0	1	3.03%
6 – 4	23	14	9	27.27%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

### 3.7.1.5 Community Halls and Facilities

Stellenbosch is the proud owner of two top-class town halls and nine community facilities that cater for local residents and national and international visitors.

The facilities are available throughout the year (365 days per annum) and can be booked for events such as meetings, weddings, training sessions, conferences and community and social events.



### 3.7.1.6 Total employees - Community Halls and Facilities

Table 3:75: Total Employees – Community Halls and Facilities

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	0	0	0	0%
15 – 13	2	1	1	40%
12 – 10	2	1	1	40%
9 – 7	3	2	1	40%
6 – 4	18	13	5	20%
3 – 0	0	0	0	0%
<b>Total</b>	<b>25</b>	<b>17</b>	<b>8</b>	<b>32%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.





## 3.8 COMPONENT G: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services and property services.

### 3.8.1 FINANCIAL SERVICES

#### 3.8.1.1 Service statistics

Table 3:76: Service Statistics for Financial Services

Details of the types of account raised and recovered	2018/19		
	Billed in Year	Actual for accounts billed in year	Proportion of value of accounts billed that were collected
	R		%
Property Rates	308 174 922.25	304 930 269.65	98.95
Electricity	471 225 714.21	468 974 485.72	99.52
Water	210 578 505.13	171 067 488.00	81.24
Sanitation	75 665 849.26	92 326 006.65	122.04
Refuse	60 711 616.13	57 265 787.74	94.32

#### 3.8.1.2 Total employees – Finance

Table 3:77: Total Employees – Finance

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	7	5	2	1.21%
15 – 13	23	23	0	0%
12 – 10	22	5	17	10.3%
9 – 7	12	7	5	3.03%
6 – 4	101	59	42	25.5%
3 – 0	0	0	0	0
<b>Total</b>	<b>165</b>	<b>99</b>	<b>66</b>	<b>40%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.



### 3.8.2 HUMAN RESOURCE SERVICES

Stellenbosch Municipality views the Human Resources Management component as the governance of the organisation's employees. More commonly, human resources per se refers to the people or human capital appointed or employed by the organisation whose skills are used to reduce risk and maximise return on investment. The vision of the Human Resources Department is undoubtedly to build partnerships with management at all levels of the organisation, to create a culture or working environment where employees are valued or appreciated and to ensure a diverse, qualified, healthy and highly motivated workforce focused on achieving the critical outcomes, through the development and administration of cost-effective and results-oriented human resources. Accordingly, the mission of the Human Resources Management Department is to address and achieve the goals and challenges of Stellenbosch Municipality by providing services that promote a work environment that is characterised by fair treatment of staff, open communications, personal accountability, trust and mutual respect. We will seek and provide solutions to workplace issues that support and optimise the operating principles of the organisation.

The Human Resources Management Department objectives for Stellenbosch Municipality include but are not limited to:

- Helping the organisation achieve its goals.
- Ensuring effective utilisation and maximum development of human resources.
- Ensuring respect for human beings.
- Identifying and satisfying the needs of individuals.
- Ensuring reconciliation of individual goals with those of the organisation.
- Achieving and maintaining high morale among employees.
- Providing the organisation with well-trained and well-motivated employees.
- Increasing employee's job satisfaction and self-actualisation.
- Developing and maintaining quality of work life.
- Being ethically and socially responsive to the needs of the community.
- Developing overall personality of each employee in its multidimensional aspect.
- Enhancing employee's capabilities to perform the present job.
- Ensuring service excellence for the broader Stellenbosch community.

The Human Resources services include:

- Strategic Human Resources Management,
- Labour Relations;
- Recruitment and Selection;
- Training and Development;
- Employee Assistance;
- Occupational Health and Safety;
- Employment Equity; and
- All Human Resources Administration.

Each director, manager, departmental head, superintendent, assistant superintendent and foreman are responsible for setting objectives, delegating responsibilities and tasks, motivating staff, disciplining staff, developing skills and career paths, measuring performance and generally guiding their staff. In these endeavours, management and line management are assisted by the Human Resource Department, who provides policies, guidelines, support, systems and specialised inputs.



Main focus priorities for HR Services in 2018/19 were:

- Implementation of the biometric time and attendance system: The system was implemented from November 2018 and most workplaces has a finger device installed where employees log in.
- Finalisation of Human Resources management policies;

The following policies was approved during 2018/19:

- a) Communication – 25 July 2018;
  - b) Guidelines on Flexi-time – 25 July 2018;
  - c) Time and Attendance – 26 September 2018;
  - d) Employee Bursary – 26 September 2018;
  - e) Appointment of certain employees during the restructuring process – 26 September 2018;
  - f) Overtime – 28 November 2018;
  - g) Firearms policy – 28 November 2018;
  - h) Ating Allowance – 28 November 2018;
  - i) Motor Vehicle Allowance – 28 November 2018;
  - j) Guidelines on negotiation regarding remuneration for retention and attraction of staff – 24 April 2018; and
  - k) Additional Responsibility Allowance – 24 April 2018.
- Implementation of the TASK Job Evaluation System; and Consultation on the implementation of a policy was initiated and is ongoing.
  - Finalisation of historical human resources issues: Employees were placed and offered alternative positions within the new organisation structure.

The highlights for the Human Resources Department in 2018/19 were the following:

- The appointment of a service provider for the Minimum Competency Training as prescribed by legislation;
- 6 employees completed the Minimum Competency Training;
- P Net was appointed on a trail period;
- The finalisation of historical resources issues;
- Placements into the approved organogram was done and is ongoing;
- The finalisation of the Human Resources and Development Framework and standards;
- The introduction of a new induction programme; and
- 94.5 % of the Training Budget was spent.

The challenges for the Human Resources Department in 2018/19 were the following:

- Implementation of the biometric system to all user departments: Experience teething problems with devices / finger prints of employees but are on a continuous basis analysing and correcting issues that arise;
- Data cleansing process on mSCOA; and Initiated and in process with assistance of finance; and
- ESS System fully functional.

The following was submitted within the 2018/19 year and is under consideration at the LLF:

- a) Measures to recover arrear monies from employees;
- b) TASK Evaluation policy; and
- c) Employee Parking Policy.



### 3.8.2.1 Total employees – HR

Table 3:78: Total Employees – HR

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	2	1	1	4.55%
15 – 13	6	4	2	9.09%
12 – 10	9	5	4	18.18%
9 – 7	1	0	1	4.55%
6 – 4	4	1	3	13.63%
3 – 0	0	0	0	0
<b>Total</b>	<b>22</b>	<b>11</b>	<b>11</b>	<b>50%</b>

\* Employee statistics will be imprecise due to the 2011 structure, partial implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

### 3.8.2.2 Information and Communication Technology (ICT) Services

The ICT department committed its time in the 2018/19 financial year to purchasing and replacing computer software and hardware to improve the efficiency of the various municipal business units. Capital Projects in the form of a Firewall Hardware and Data Storage Tender were completed as well as the renewal of the Network Infrastructure Support Contract. The ICT department achieved a total spend of 92.99% of the Capital Budget.

The department successfully procured the services of SITA to assist with the drawing up of the Disaster Recovery Plan and the ICT Strategy plan as our focus moved toward a strategic enabling department. The implementation of the ICT Steering Committee further took place with the aim of aligning ICT with the municipal goals.

#### Highlights:

- Firewall Project was extended by way of procuring additional hardware devices for our critical sites. These newly procured items will act as secondary firewalls synchronising with the main firewall at our Data Centre, that was implemented during the 2018/2019 financial year.
- The Municipality's Data Storage for ICT systems was further capacitated by procuring an additional Tintri VMstore T850 hybrid-flash solution. Tintri's VM-aware storage speeds performance 6x to save us time and packs storage 10x more densely to save us money.
- Matopie High site is one of the Municipality's key ICT service centres feeding the Pniel and Franschoek offices. It was with this in mind that we embarked on securing the site with the installation of Uninterruptable Power Supply securing uptime of ICT services. Motopie High site will also be secured with proper fencing in order to address possible risks of damage and vandalism.
- The Municipality successfully procured a new IP based PABX with Switchboard capabilities for a 3 year period. The setup and commission of the solution took place in the first quarter of the new financial year 2018-2019.
- The 2018-2019 financial year saw the Municipality embark on the constructing and implementing of a new Data Centre for the Stellenbosch Municipality. The aim is to ensure that the main business operations of the Municipality are stable and to provide capacity for the growing needs of the



Municipality. This project was completed in the second quarter of the 2018/2019 financial year.

- The upgrade of the Backup Infrastructure to accommodate and include all critical systems to ensure sustainability of the ICT services.
- Disaster Recovery Centre project was successfully completed by Avalon Technology Group and the current DR centre is at TERACO in Claremont and meets all the AG requirements.
- The ICT Strategy Plan of the Stellenbosch Municipality 2018/2019 was also reviewed by ICT to align ICT to business strategic goals.
- A Geospatial Forum was established.
- The ICT department procured and roll-out 73 laptops and 122 desktops for Stellenbosch Municipality users.
- Biometric project was revived and municipal officials are clocking in. Additional clocks were procured and will be installed during the 2018/2019 financial year.
- Biometric Morph software was upgraded to version 14 and is currently stable. There were 28 more clocks which were added at various municipal sites. Biometrics reports are currently distributed monthly to all departments.
- With the implementation of the Next Generation Firewall, the use of the Internet has been ever since tightly controlled via strict access firewall policies.
- Threat management has been implemented by way of hardening the firewall access policies to best safeguard the Municipal data. ICT to conduct vulnerability assessment and implement a threat protection solution.
- ICT developed an Enterprise Architecture Framework to show the view of the current IT environment with regards to High-level business processes, ICT Governance, ICT Processes, Application and Data Architecture, Infrastructure Architecture and ICT Resources and Skill
- All existing ICT Policies were reviewed and new ICT Policies were developed.
- ICT Governance, Risk and Compliance Management Framework was developed to institutionalise the Corporate Governance of ICT and ICT Risk Management as an integral part of corporate governance within municipalities in a uniform and coordinated manner.

#### Challenges:

- ICT structure does not align to best practices and thus cannot be agile enough to support the Municipality.
- Lack of system integration.
- After hours system maintenance resources to ensure continued service provision, especially after load shedding/power failure.

### 3.8.2.3 Service Statistics – Information and Communication Technology (ICT) Services

**Table 3:79: Service Statistics – ICT**

Details	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	%					
Ensure the availability of the network to ensure effective ICT systems for municipal processes	98	98	98	99.9	99.9	99
Provide ICT support to all municipal departments by attending to requests within 4 working days	97	97	98	98	98	98
Connecting all municipal sites to the ICT network	100	100	100	100	100	100



### 3.8.2.4 Capital Expenditure – Information and Communication Technology (ICT) Services

Table 3:80: Capital Expenditure as at 30 June 2019: ICT Services

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R		
Upgrade and Expansion of IT Infrastructure Platforms	10 255 246	8 595 869	-16.18%
Purchase and Replacement of Computer/software and Peripheral devices	3 845 651	3 429 168	-10.83%
Public WI-FI Network	379 156	378 526	-0.17%

ICT have spent, **85.66%** of the capital budget for the financial year.

### 3.8.2.5 Total employees – Information and Communication Technology (ICT) Services

Table 3:81: Total Employees – ICT

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
19	3	3	0	0%
18 – 16	1	1	0	0%
15 – 13	11	11	0	0%
12 – 10	0	0	0	0%
9 – 7	0	0	0	0%
6 – 4	0	0	0	0%
3 – 0	15	15	0	0%
<b>Total</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

## 3.8.3 LEGAL SERVICES

The Legal Services Department in conjunction with user departments ensures and manages the implementation, monitoring, evaluation and reporting on sequences of outcomes associated with programmes designed to accomplish key service delivery objectives with respect to Legal Services.

#### The main objectives are the following:

- All new legislation and proclamations for comment;
- Advising Council on items submitted to meetings;
- To ensure by-laws are promulgated after consultation with user departments and Council; and
- To provide legal opinions and input on policies, contracts, agreements, legislation, by-laws and authorities.



### Challenges:

- To deal with urgent requests for legal input to Portfolio and Council Committees.
- To deal with disciplinary matters for Councillors and Section 56 Managers.
- Lack of skilled administrative support to chief legal advisors.
- Availability of well-maintained legal library and reference resources.

### 3.8.3.1 Total employees – Legal Services

**Table 3:82: Total Employees – Legal Services**

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	1	0	0%
15 – 13	0	0	0	0%
12 – 10	0	0	0	0%
9 – 7	0	0	0	0%
6 – 4	0	0	0	0%
3 – 0	0	0	0	0%
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.

### 3.8.3.2 Municipal Court – Additional Court - Stellenbosch

The Municipal Court is responsible for the following Prosecutions:

- Traffic by-laws;
- Provincial Traffic by-laws;
- SAPS by-laws;
- Law Enforcement by-laws;
- Fire by-laws; and
- Building and Land Use Regulations, and all other By- Law contraventions.
- Electrical By-laws
- Noise pollution

#### Mission Statement

Our aim is to:-

- promote Justice and service delivery;
- enhance revenue to invest in our community;
- "let Justice be seen to be done"; and
- minimise crime and have a safer Stellenbosch.

The Municipal Court was established to:

- Support and secure good governance;
- Ease the burden on regular courts;
- Increase the speed of services;
- Allow for more successful prosecutions by applying specialist knowledge;



- Improve communications between the by-law prosecutors and enforcers;
- Support by-law enforcement;
- Ensure a user friendly court; and
- Keeps members of the public who committed a minor crime (such as a traffic offence) away from hardened criminals.

Our revenue for the past financial year amounted to a healthy R3 957 980 with a number of 13,859 cases on our court role.

We are also looking into having an Ad Hoc Court in Franschhoek / Klipmuts in the near future. This could be another boost for our Municipal Court service to the community. Prosecuting some of our cases in the Paarl Magistrate`s Court is also currently being considered.

The introduction of the Additional Municipal Court has definitely been an essential, strategic implementation that will benefit the whole community of Stellenbosch.

### 3.8.3.3 Statistical Report – Case Load

Table 3:83: Statistical Report Case load

Months:	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Cases on the role	936	734	1 000	1 027	1 737	804	2 188	816	561	1 145	1 858	1 054
Withdrawn	2	9	2	2	7	2	26	11	11	0	33	12
Struck of the role	233	167	238	265	399	226	557	163	135	567	378	151
Warrants authorised	678	515	737	737	1 248	553	1 526	607	374	527	1 363	759
Deferment	0	0	0	0	0	0	18	0	0	0	0	0
Payments	21	38	18	18	69	23	61	25	9	31	81	12
Postponed	2	5	5	5	14	0	0	10	32	20	3	9
Mediations	0	0	0	0	0	0	0	0	0	0	0	0

### 3.8.3.4 Financial Report

Table 3:84: Financial Report of the Municipal Court

	Traffic Fines	Saps Fines	Law Enforcement Fines	Contempt of Court Fines	Provincial Fines	Building	Total Amount
Jul	240 890	=	=	=	=	=	5 000
Aug	341 350	=	=	=	=	-	5 000
Sep	219 600	=	=	=	300	=	
Oct	367 950	=	=	=	=	=	
Nov	398 980	=	=	=	=	=	
Dec	328 450	=	5 000	150	=	=	-
Jan	304 070	500	12 350	=	=	=	





	Traffic Fines	Saps Fines	Law Enforcement Fines	Contempt of Court Fines	Provincial Fines	Building	Total Amount
<b>Feb</b>	257 050	=	=	=	300	2 800	
<b>Mar</b>	381 350	-	-	250	-	-	
<b>Apr</b>	367 800	150	8 000	=	=	=	2 500
<b>May</b>	410 210	150	8 000	400	600	1 200	3 000
<b>June</b>	381 580	=	2 500	250	300	=	

### 3.8.3.5 Total employees – Municipal Court

Table 3:85: Total Employees – Municipal Court

Job Level*	Posts*	Employees*	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
Number				%
18 – 16	1	0	0	0%
15 – 13	1	1	1	16.7%
12 – 10	0	0	0	0%
9 – 7	1	1	0	0%
6 – 4	3	3	0	0%
3 – 0	0	0	0	0%
<b>Total</b>	<b>6</b>	<b>5</b>	<b>1</b>	<b>16.7%</b>

\* Employee statistics will be imprecise due to the implementation of the 2017 structure, the TASK gradings of 2015 and the revised TASK gradings currently used by the Human Resources Department which are based on actual evaluations or benchmarking against industry norms. The difference between gradings implemented up to 2015 and the new gradings on the Municipality's payroll system creates some anomalies i.t.o. accurate figures on job and occupation levels. The Municipality is busy rectifying these anomalies through the implementation of the new structure and with the implementation of standard industry norms and TASK gradings.



## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 4.1 NATIONAL KEY PERFORMANCE INDICATORS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

**Table 4.1: National KPIs – Municipal Transformation and Organisational Development**

KPA and INDICATORS	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
The number of people from <b>employment equity</b> target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	1	4	13	4	50%*	33%*
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	0.006%*	0.83%	0.97%	0.94%	72%**	94.56%**
*The unit of measurement changed from number to percentage for the employment equity target.						
** Percentage was calculated using the total personnel budget as in terms of the Skills Development Act. The aforementioned percentage for the 2018/19 financial year is based on the Total Annual Payroll as depicted in the SDBIP.						

### 4.2 INTRODUCTION TO THE MUNICIPAL WORKFORCE

Stellenbosch Municipality currently employs **1 164** officials (excl. Councillors) (excluding non-permanent positions), who individually and collectively contribute to the achievement of the Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

#### 4.2.1 EMPLOYMENT EQUITY

The Employment Equity Act (1998), Chapter 3, section 15 (1), states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to the "number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan" The following table provides clarity on the employment equity status as at 30 June 2019.

**Table 4.2: EE Targets/Actual by Racial Classification**

	African			Coloured			Indian			White		
	Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached
2015/16	334	361	92.52%	497	676	73.52%%	28	3	9.33%	83	111	74.77%
2016/17	334	368	90.76%	497	671	74.06%	23	5	4.60%	75	103	72.81%
2017/18	334	378	113%	497	671	74.06%	23	4	17%	75	110	146%
2018/19	334	372	111.4%	497	651	131%	23	4	17%	75	94	125.3%



Table 4.3: Targets/Actual by Gender Classification

	Male			Female			Disability		
	Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached
2015/16	425	783	54.27%	518	368	71.04%	0	0	n/a
2016/17	681	782	78.87%	670	363	54.18%	0	10	n/a
2017/18	681	785	115%	670	378	56%	10	10	100%
2018/19	681	750	110.1%	670	371	55.3%	10	10	100%

#### 4.2.1.1 Occupational categories - Race

The table below categorises the number of employees by race within the occupational levels:

Table 4.4: Occupational Categories – Race

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management and Councillors	5	13	0	11	6	8	0	6	49
Senior management	2	10	1	7	0	3	0	1	24
Professionally qualified and experienced specialists and mid-management	9	28	2	14	9	16	0	8	86
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	50	154	1	34	76	120	0	24	459
Semi-skilled and discretionary decision making	80	116	0	3	19	41	0	1	260
Unskilled and defined decision making	101	134	0	0	25	26	0	0	286
<b>Total permanent</b>	<b>247</b>	<b>455</b>	<b>4</b>	<b>69</b>	<b>132</b>	<b>214</b>	<b>0</b>	<b>40</b>	<b>1 164</b>
Non- permanent employees (incl. EPWP, Conditional Grants, Provincial Grants)	16	35	0	0	31	42	0	3	127
<b>Grand total</b>	<b>263</b>	<b>490</b>	<b>4</b>	<b>69</b>	<b>163</b>	<b>256</b>	<b>0</b>	<b>43</b>	<b>1 291</b>

#### 4.2.1.2 Directorates per Race

The following table categorises the number of employees by race within the different Directorates:

Table 4.5: Directorates per Race

Directorate	Male				Female				Total
	A	C	I	W	A	C	I	W	
Office of the Mayor	4	12	0	9	6	7	0	5	43
Office of the Municipal Manager	1	3	0	1	3	6	0	2	16
Financial Services	7	26	1	2	15	37	0	6	95
Planning and Economic Development	10	34	0	7	18	19	0	7	95
Corporate Services	6	20	1	2	15	23	0	4	71
Community and Protection Services	79	123	1	26	59	94	0	12	394
Infrastructure Services	141	237	1	20	19	28	0	4	450
<b>Total permanent</b>	<b>247</b>	<b>455</b>	<b>4</b>	<b>69</b>	<b>135</b>	<b>214</b>	<b>0</b>	<b>40</b>	<b>1 164</b>
Non-permanent (incl. EPWP, Conditional Grants, Provincial Grants)	16	35	0	0	31	42	0	3	127
<b>Grand total</b>	<b>263</b>	<b>490</b>	<b>4</b>	<b>69</b>	<b>166</b>	<b>256</b>	<b>0</b>	<b>43</b>	<b>1 291</b>



## 4.2.2 VACANCY RATE

The approved organogram for the Municipality had **1 120** (funded) posts based on the 2017/18 financial year. On 1 July 2018 the approved organogram of 25th October 2017 was implemented which brought about a total post compliment of 1 873 posts and was further reviewed and revised with another 123 posts which made the total post compliment 1 996 posts on 27 February 2019. The actual positions filled in the 2018/19 financial year are indicated in the tables below by post level and by functional level. A total of 832 posts were vacant at the end of 2018/19, resulting in a vacancy rate of 41.68%. Below is a table that indicates the vacancies within the Municipality:

**Table 4:6: Vacancy rate per post and functional level**

Per Post Level		
Post level	Filled	Vacant
Top Management (MM and MSA section 57 Managers)	6	0
Senior Management	24	6
Middle management	86	21
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	459	286
Semi-skilled	260	519
Unskilled and defined decision making	286	0
<b>Total</b>	<b>1 121 (Excluding Councillors)</b>	<b>832</b>
PER FUNCTIONAL LEVEL		
Functional area	Filled	Vacant
Office of the Mayor	43	0
Office of the Municipal Manager	16	8
Financial Services	95	68
Planning and Economic Development	95	63
Corporate	71	57
Community and Protection Services	394	210
Infrastructure Services	450	426
<b>Total</b>	<b>1 164 (Including Councillors)</b>	<b>832</b>

## 4.2.3 TURNOVER RATE

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organisational knowledge. Below is a table that shows the turnover rate in the Municipality.

The table below indicates the turn-over rate over the last four years:

**Table 4:7: Turn-over Rate**

Financial year	Total no appointments at the end of each Financial Year	New appointments	Number of terminations during the year	Turn-over Rate
2014/15	1 092	86 (excl. promotions)	63	5,76%
2015/16	1 110	136	71	6.4%
2016/17	1 144	100	36	3.14%
2017/18	1 120	42	69	6.16%



Financial year	Total no appointments at the end of each Financial Year	New appointments	Number of terminations during the year	Turn-over Rate
2018/19	1 121	55	39	3.47%

## 4.2.4 MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analysing and coordinating employee behaviour.

### 4.2.4.1 Injuries

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. An occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The injury rate shows a decrease for the 2017/18 financial year from 120 employees to 86 employees in the 2018/19 financial year. The table below indicates the total number of injuries within the different directorates:

**Table 4:8: Injuries as at 30 June**

Directorates	2014/15	2015/16	2016/17	2017/18	2018/19
Office of the Municipal Manager	0	2	1	1	0
Financial Services	3	2	3	0	0
Planning and Economic Development Services	1	0	0	3	3
Corporate Services	1	2	1	1	1
Community and Protection Services	42	40	54	73	49
Engineering Services	63	86	64	42	32
Human Settlements and Property Management	4	4	7	5	1
<b>Total</b>	<b>114</b>	<b>136</b>	<b>130</b>	<b>120</b>	<b>86</b>

Injuries in the Operational Services are normally higher due to the nature of work and the constant handling of equipment and machinery.

### 4.2.4.2 Sick Leave

The number of days' sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of employees that have taken sick leave during the 2018/19 financial year shows an increase of 1 644 working days when comparing it to the 2017/18 financial year.



The table below indicates the total number of sick leave days taken within the different directorates:

**Table 4:9: Sick Leave as at 30 June**

Department	2014/15	2015/16	2016/17	2017/18	2018/19
Office of the Municipal Manager	35	342	96	66	89
Financial Services	592	1 339.5	908.50	631	692
Planning and Economic Development	427	1 244.5	501	267	393
Corporate Services	653	808.43	727	410	493
Community and Protection Services	2 867.50	3 758.5	2 726	1 562	2 958
Infrastructure Services	4 042	5 230	3 633	2 730	2 765
Human Settlements and Property Management*	474	8	455	444	364
<b>Total</b>	<b>9 090.50</b>	<b>12 730.93</b>	<b>9 046.50</b>	<b>6 110</b>	<b>7 754</b>

*Note: These Sections' figures will be incorporated in the Planning and Economic Development and Corporate Services Directorates respectively for the 2019/20 financial year. The Human Resources System will be modified to effect these organogram changes.*

#### 4.2.4.3 Human Resources Policies and Plans

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the status of the Human Resources policies and plans:

**Table 4:10: Approved Policies**

Name of policy	Date approved/ revised
Recruitment and Selection	29 November 2012
Leave Policy Guideline and Procedures	29 November 2012
Overtime and Standby Policy Guidelines and Procedures	29 November 2012
Occupational Health and Safety Policy	29 November 2012
HIV AIDS Policy	29 November 2012
Guidelines for Official Parking	August 2008
Staff Attraction and Retention Policy	August 2008
Smoking Policy	August 2008
Skills Development Policy	August 2008
Minimum Service Level Agreement on Essential Services	August 2008
Recruitment and Selection	August 2008
Employee Assistance Programme	25 February 2015
Education, Training, Development Policy	25 February 2015
Attendance and Punctuality Policy	25 February 2015
Evaluation of Probationary Periods Policy	25 February 2015
Whistleblowing Policy	25 February 2015
New Occupational Health and Safety Policy	25 February 2015
Substance Abuse Policy	25 February 2015
Succession Planning and Career Patching Policy	25 February 2015
Unpaid leave policy	25 February 2015
Work Related Functions Policy	25 February 2015
Nepotism Policy	25 February 2015
External Bursary Aid Policy	25 February 2015

**Table 4:11: Policies still to be developed**

Policies still to be developed	
Name of policy	Proposed date of approval
HIV AIDS Policy (Review)	31 December 2017
Smoking Policy (Review)	31 December 2017
Communication Policy	25 July 2018
Guidelines on Flexi-time	25 July 2018
Time and Attendance	26 September 2018
Employee Bursary Policy (Internal)	26 September 2018
Proposal on Appointment of Certain Temporary Employees during the Restructuring Process	26 September 2018
Firearms Policy	28 November 2018
Acting Allowance Policy	28 November 2018
Motor Vehicle Allowance Policy	28 November 2018
Guidelines on Negotiation in regard to Remuneration (Within the National Negotiated Framework) for the Retention and Attraction of Staff	24 April 2019
Additional Allowance Responsibility Policy	24 April 2019
Measures to Recover Arrear Monies from Employees owing on their municipal accounts to Stellenbosch Municipality for a period of 90 days plus	1 August 2019

The Human Resources department submits policies to the Local Labour Forum on a regular basis for review purposes.

#### 4.2.5 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the Municipal Systems Act (MSA) states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 1999 (Act No. 28 of 1999).



#### 4.2.5.1 Skills Matrix

The table below indicates the number of employees that received training in the year under review:

**Table 4:12: Skills Matrix**

Management level	Gender	Number of employees identified for training at start of the year	Number of employees that received training
MM and S57	Female	0	0
	Male	1	0
Legislators, senior officials and managers	Female	3	2
	Male	8	8
Professionals	Female	21	15
	Male	10	8
Associate professionals and Technicians	Female	32	12
	Male	65	61
Community and Personal Services	Female	0	0
	Male	0	0
Clerks	Female	45	31
	Male	12	14
Service and sales workers	Female	50	28
	Male	43	51
Plant and machine operators and assemblers	Female	23	0
	Male	44	29
Elementary occupations	Female	129	23
	Male	128	174
<b>Sub-total</b>	<b>Female</b>	<b>303</b>	<b>285</b>
	<b>Male</b>	<b>311</b>	<b>345</b>
<b>Total</b>		<b>614</b>	<b>630</b>

#### 4.2.5.2 Skills Development – Training provided

The Skills Development Act (1998) and the Municipal Systems Act (2000), require that employers supply employees with the necessary training in order to develop its human resource capacity. Section 55(1) (f) states that as head of administration, the Municipal Manager is responsible for the management, utilisation and training of staff.





Table 4:13: Skills Development Training provided

Occupational categories	Gender	Learnerships		Skills programmes and other short courses		Total	
		Actual	Target	Actual	Target	Actual	Target
MM and S57	Female	0	0	0	0	0	0
	Male	0	0	0	0	0	0
Legislators, senior officials and managers	Female	0	0	2	0	2	0
	Male	0	0	8	0	8	0
Professionals	Female	0	0	15	0	15	0
	Male	3	0	5	0	8	0
Technicians and associate professionals	Female	0	0	12	0	12	0
	Male	1	0	60	0	61	0
Clerks	Female	0	0	31	0	31	0
	Male	0	0	14	0	14	0
Service and sales workers	Female	0	0	28	0	28	0
	Male	0	0	51	0	51	0
Plant and machine operators and assemblers	Female	0	0	0	0	0	0
	Male	0	0	29	0	29	0
Elementary occupations	Female	0	0	23	0	23	0
	Male	3	0	171	0	174	0
<b>Sub-total</b>	<b>Female</b>	<b>0</b>	<b>0</b>	<b>111</b>	<b>0</b>	<b>111</b>	<b>0</b>
	<b>Male</b>	<b>7</b>	<b>0</b>	<b>338</b>	<b>0</b>	<b>338</b>	<b>0</b>
<b>Total</b>		<b>7</b>	<b>0</b>	<b>449</b>	<b>0</b>	<b>449</b>	<b>456</b>

#### 4.2.5.3 Skills Development - Budget allocation

The table below indicates that a total amount of **R 2 511 080** allocated to the workplace skills plan and that **94.5%** of the total amount was spent in the 2018/19 financial year:

Table 4:14: Budget allocated and spent for skills development

Year	Total personnel budget	Total Allocated	Total Spend	% Spent
	R	R	R	
2013/14	280 637 485	2 450 170	1 776 397	73
2014/15	324 832 04	2 743 370	2 716 719	99
2015/16	416 062 658	3 420 000	3 406 325	99
2016/17	407 801 472	3 400 000	3 204 069	94
2017/18	444 578 881	4 919 000	3 541 680	72
2018/19	528 251 635	2 511 080	2 374 501	94



## 4.2.6 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

### 4.2.6.1 Personnel Expenditure

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past three financial years and that the municipality is well below the national norm of between 35 to 40%:

**Table 4:15: Personnel Expenditure as % of Total Operating Expenditure**

Financial year	Total expenditure salary and allowances	Total operating expenditure	Percentage
	R		%
2013/14	282 932	1 047 586	27
2014/15	313 819	1 150 240	27
2015/16	367 463	1 254 937	29
2016/17	407 801	1 307 335	31
2017/18	441 295	1 363 953	32
2018/19	461 114	1 487 578	31

Below is a summary of Councillor and staff benefits for the year under review:

**Table 4:16: Councillor and staff benefits**

Financial year	2017/18		2018/19	
	Actual	Original Budget	Adjusted Budget	Actual
<b>Councillors (Political Office Bearers plus Other)</b>				
Salary	11 325 801	11 031	11 031	11 509
Pension Contributions	204 379	1 926	1 926	512
Medical Aid Contributions	505 090	183	183	222
Motor Vehicle Allowance	4 060 066	4 268	4 268	4 136
Cell Phone and Other Allowances	1 357 101	1 285	1 415	1 894
<b>Sub-Total - Councillors</b>	<b>17 452 437</b>	<b>18 693</b>	<b>18 823</b>	<b>18 272</b>
<b>% Increase/(Decrease) on Actual</b>	<b>7%</b>	<b>7.11%</b>	<b>7.85%</b>	<b>4.70%</b>
<b>Other Municipal Staff</b>				
Basic Salaries and Wages	291 071 777	357 803	339 992	322 290
Pension and UIF Contributions	44 645 034	50 995	50 995	47 734
Medical Aid Contributions	20 026 902	21 784	21 784	21 652
Overtime	32 633 229	30 418	30 418	31 607
Performance Bonus	322 731	22 558	22 558	591
Motor Vehicle Allowance	9 918 888	12 458	12 458	9 781
Cellphone Allowance	943 753	890	890	1 342
Housing Allowances	2 232 675	2 329	2 329	2 853
Other benefits and allowances	42 783 892	22 488	22 488	23 264
Payments in lieu of leave		5 248	5 248	-
Long service awards		271	271	-



Financial year	2017/18		2018/19	
Description	Actual	Original Budget	Adjusted Budget	Actual
Post-retirement benefit obligations		39 568	39 568	-
<b>Sub-Total - Other Municipal Staff</b>	<b>444 578 881</b>	<b>566 808</b>	<b>548 997</b>	<b>461 114</b>
<b>% Increase/(Decrease)</b>	<b>11%</b>	<b>28.44%</b>	<b>24.41%</b>	<b>4.49%</b>
<b>Total Municipality</b>	<b>462 031 318</b>	<b>585 500</b>	<b>567 819</b>	<b>479 387</b>
<b>% Increase/(Decrease)</b>	<b>11%</b>	<b>18%</b>	<b>18%</b>	<b>11%</b>



## 5 CHAPTER 5: FINANCIAL PERFORMANCE

### 5.1 COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of financial performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

#### 5.1.1 FINANCIAL SUMMARY

The table below indicates the summary of the financial performance for the 2018/19 financial year:

**Table 5.1: Financial Performance**

Description	2017/18	2018/19		2018/19 Variance		
	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
R'000				%		
<b>Financial Performance</b>						
Property rates	309 989	329 307	344 307	332 958	1.11	-3.30
Service charges	862 001	937 772	907 772	817 760	-12.80	-9.92
Investment revenue	55 110	45 501	45 501	44 272	-2.70	-2.70
Transfers recognised - operational	133 601	144 700	164 974	145 981	0.89	-11.51
Other own revenue	171 439	172 266	169 766	183 015	6.24	7.80
<b>Total revenue (excluding capital transfers and contributions)</b>	<b>1 532 140</b>	<b>1 629 546</b>	<b>1 632 320</b>	<b>1 523 986</b>	<b>-6.48</b>	<b>-6.64</b>
Employee costs	441 295	566 808	548 997	461 114	-18.65	-16.01
Remuneration of councillors	17 308	18 693	18 823	18 272	-2.25	-2.93
Depreciation and asset impairment	163 936	198 819	198 819	176 665	-11.14	-11.14
Finance charges	18 775	26 477	20 477	23 207	-12.35	13.33
Materials and bulk purchases	366 105	415 190	415 890	412 264	-0.70	-0.87
Transfers and grants	6 261	9 102	9 102	8 990	-1.23	-1.23
Other expenditure	350 273	481 242	506 997	387 066	-19.57	-23.66
<b>Total Expenditure</b>	<b>1 363 953</b>	<b>1 716 331</b>	<b>1 719 105</b>	<b>1 487 578</b>	<b>-13.33</b>	<b>-13.47</b>
<b>Surplus/(Deficit)</b>	<b>168 187</b>	<b>-86 785</b>	<b>-86 785</b>	<b>36 408</b>	<b>-141.95</b>	<b>-141.95</b>
Transfers recognised - capital	77 359	60 137	98 513	88 153	46.59	-10.52
Contributions recognised - capital and contributed assets	230	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers and contributions</b>	<b>245 776</b>	<b>-26 648</b>	<b>11 728</b>	<b>124 561</b>	<b>-567.43</b>	<b>962.08</b>
<b>Capital expenditure and funds sources</b>						
Capital expenditure						



Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Transfers recognised - capital	80 137	91 804	106 074	83 574	-8.96	-21.21
Public contributions and donations	230	-	-	-	0.00	0.00
Borrowing	-	160 000	160 000	122 904	-23.19	-23.19
Internally generated funds	353 258	276 237	297 476	286 825	3.83	-3.58
<b>Total sources of capital funds</b>	<b>433 625</b>	<b>528 041</b>	<b>563 550</b>	<b>493 303</b>	<b>-6.58</b>	<b>-12.47</b>
<b>Financial position</b>						
Total current assets	858 510	822 269	809 946	906 539	10.25	11.93
Total non-current assets	5 184 017	5 507 560	5 543 069	5 494 494	-0.24	-0.88
Total current liabilities	424 499	325 826	325 826	517 416	58.80	58.80
Total non-current liabilities	455 436	601 220	601 220	596 463	-0.79	-0.79
Community wealth/equity	5 162 592	5 402 784	5 425 970	5 287 154	-2.14	-2.56
<b>Cash flows</b>						
Net cash from (used) operating	349 918	332 164	323 538	387 190	16.57	19.67
Net cash from (used) investing	-362 468	-528 041	-563 550	-383 881	-27.30	-31.88
Net cash from (used) financing	-13 084	144 609	144 609	145 498	0.61	0.61
<b>Cash/cash equivalents at the year end</b>	<b>-25 634</b>	<b>423 733</b>	<b>433 363</b>	<b>148 807</b>	<b>-64.88</b>	<b>-65.66</b>
<b>Cash backing/surplus reconciliation</b>						
Cash and investments available	-25 634	423 733	433 363	148 807	-64.88	-65.66
Application of cash and investments	290 618	336 814	210 864	380 386	12.94	80.39
Balance - surplus (shortfall)	-269 934	82 727	208 677	-210 896	-354.93	-201.06
<b>Asset management</b>						
Asset register summary (WDV)	5 491 469	5 503 960	5 539 469	5 491 469	-0.23	-0.87
Depreciation	163 936	198 819	198 819	176 665	-11.14	-11.14
Renewal of Existing Assets	149 980	37 050	33 519	46 361	25.13	38.31
Repairs and Maintenance	43 056	91 427	91 427	60 923	-33.36	-33.36
<b>Free Services</b>						
Cost of Free Basic Services provided	85 751	96 808	96 808	96 808	0.00	0.00
Revenue cost of free services provided	61 225	66 773	66 773	66 773	0.00	0.00
<b>Households below minimum service level</b>						
Water:	2	2	2	2	0	0
Sanitation/sewerage:	2	2	2	2	0	0
Energy:	3	3	3	3	0	0
Refuse:	5	5	5	5	0	0



Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned						

The table below shows a summary of performance against budgets:

**Table 5:2: Performance against Budgets**

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'000				R'000			
2014/15	1 179 649	1 154 899	-24 750	-2.10%	1 159 839	1 132 013	27 826	2.40%
2015/16	1 349 945	1 416 703	66 758	4.95%	1 284 671	1 265 567	19 104	1.49%
2016/17	1 490 495	1 534 354	43 859	2.94%	1 450 845	1 316 387	134 458	9.27%
2017/18	1 629 546	1 609 729	-19 817	-1.22%	1 575 255	1 363 953	211 302	13.41%
2018/19	1 730 833	1 612 139	-118 694	-6.86%	1 719 105	1 487 578	231 527	13.47%

### 5.1.1.1 Revenue collection by vote

The table below indicates the revenue collection performance by vote:

**Table 5:3: Revenue collection performance by vote**

Vote Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Municipal Manager	6	360	360	4 061	1 028.16	1 028.16
Planning and Development	43 517	71 543	71 543	67 415	-5.77	-5.77
Infrastructure Services	150 516	137 269	137 269	153 113	11.54	11.54
Community and Protection Services	1 000 041	1 077 892	1 077 892	953 834	-11.51	-11.51
Corporate Services	7 367	12 162	12 162	4 728	-61.13	-61.13
Financial Services	408 281	422 123	422 123	428 989	1.63	1.63
<b>Total Revenue by Vote</b>	<b>1 609 728</b>	<b>1 721 350</b>	<b>1 721 350</b>	<b>1 612 139</b>	<b>-6.34</b>	<b>-6.34</b>

### 5.1.1.2 Revenue collection by Source

The table below indicates the Revenue collection performance by source for the 2018/19 financial year:

**Table 5:4: Revenue Collection by Source**

Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Property rates	309 989	329 307	344 307	332 958	1.11	-3.30
Service Charges	862 001	937 772	907 772	817 760	-12.80	-9.92



Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Rentals of facilities and equipment	14 992	17 766	17 766	14 524	-18.24	-18.24
Interest earned - external investments	55 110	45 501	45 501	44 272	-2.70	-2.70
Interest earned - outstanding debtors	6 849	10 576	10 576	8 025	-24.12	-24.12
Dividends received	0	0	0	0	-	0.00
Fines	114 767	102 132	102 132	118 046	15.58	15.58
Licences and permits	6 757	5 092	5 092	6 611	29.82	29.82
Agency services	2 521	2 690	2 690	2 833	5.32	5.32
Transfers recognised - operational	133 601	144 700	164 974	145 981	0.89	-11.51
Transfers recognised - capital	77 588	91 804	106 074	88 153	-3.98	-16.89
Other revenue	25 125	34 009	31 509	32 924	-3.19	4.49
Gains on disposal of PPE	427	0	0	52	100.00	100.00
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 609 728</b>	<b>1 721 350</b>	<b>1 738 394</b>	<b>1 612 139</b>	<b>-6.34</b>	<b>-7.26</b>

### 5.1.1.3 Operational Services Performance

The table below indicates the operational services performance for the 2018/19 financial year:

**Table 5.5: Operational Services Performance: Expenditure**

Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
<b>Operating Cost</b>						
Water	105 146	142 849	131 224	126 339	13.07	3.87
Waste Water (Sanitation)	923 894	1 226 585	1 149 003	905 640	35.44	26.87
Electricity	4 150 860	4 713 214	4 535 361	4 473 683	5.35	1.38
Waste Management	55 723	84 501	84 494	81 206	4.06	4.05
Housing	30 617	47 641	50 798	30 669	55.34	65.63
<b>Component A: sub-total</b>	<b>5 266 240</b>	<b>6 214 789</b>	<b>5 950 879</b>	<b>5 617 537</b>	<b>10.63</b>	<b>5.93</b>
Roads and Stormwater	87 912	104 874	106 209	90 443	15.96	17.43
<b>Component B: sub-total</b>	<b>87 912</b>	<b>104 874</b>	<b>106 209</b>	<b>90 443</b>	<b>15.96</b>	<b>17.43</b>
Town Planning and Spatial Planning	17 614	22 016	22 086	18 983	15.98	16.35
Local Economic Development	9 013	11 071	11 071	10 755	2.94	2.94
<b>Component C: sub-total</b>	<b>26 627</b>	<b>33 087</b>	<b>33 157</b>	<b>29 738</b>	<b>11.26</b>	<b>11.50</b>
Libraries	13 235	27 193	22 193	12 793	112.56	73.48
Cemeteries	3 439	4 317	4 317	3 756	14.94	14.94
Community development	6 648	14 065	14 120	10 965	28.26	28.76
<b>Component D: sub-total</b>	<b>23 323</b>	<b>45 575</b>	<b>40 630</b>	<b>27 514</b>	<b>65.64</b>	<b>47.67</b>
Environmental Protection	-	-	-	-	0.00	0.00



Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustment Budget
	R'000					
<b>Component E: sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
Traffic services	173 175	206 702	209 222	194 853	6.08	7.37
Fire Services and Disaster Management	34 769	37 060	38 260	41 098	-9.82	-6.90
<b>Component F: sub-total</b>	<b>207 944</b>	<b>243 762</b>	<b>247 482</b>	<b>235 951</b>	<b>3.31</b>	<b>4.89</b>
Holiday Resorts and Campsites	206	304	304	219	38.71	38.71
Sport grounds, parks, swimming pools	63 209	69 576	68 976	63 146	10.18	9.23
Community Halls, Facilities and thusong Centres	4 093	5 110	5 110	4 274	19.55	19.55
<b>Component G: sub-total</b>	<b>67 509</b>	<b>74 990</b>	<b>74 390</b>	<b>67 639</b>	<b>10.87</b>	<b>9.98</b>
Office of the MM	23 338	24 572	24 772	24 174	1.65	2.47
Financial Services	72 153	0	3 786	53 228	-100.00	-92.89
Administration	58 707	87 450	92 148	73 599	18.82	25.20
Property and contract management	28 835	0	37 438	29 693	-100.00	26.09
HR	30 291	38 992	39 242	29 026	34.34	35.20
IT	19 414	25 686	0	26 972	-4.77	-100.00
Internal Audit	10 298	13 084	12 584	10 117	29.32	24.38
Legal Services	8 641	0	14 580	13 339	-100.00	9.30
Free Basic Services	251 677	189 784	224 550	260 148	-27.05	-13.68
<b>Component H: sub-total</b>	<b>5 931 232</b>	<b>6 906 860</b>	<b>6 677 296</b>	<b>6 328 969</b>	<b>9.13</b>	<b>5.50</b>
<b>Total Expenditure</b>	<b>63 209</b>	<b>69 576</b>	<b>68 976</b>	<b>63 146</b>	<b>10.18</b>	<b>9.23</b>

In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

## 5.2 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

### 5.2.1 WATER SERVICES

Table 5.6: Financial Performance: Water Services

Description	2017/18	2018/19			Variance to Budget
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	
	R'000				
Total Operational Revenue	(256 841)	(241 550)	(206 550)	(164 175)	-47.13
<b>Expenditure:</b>					
Employees	26 631	27 894	27 918	27 549	-1.25
Repairs and Maintenance	1 752	9 951	9 451	6 650	-49.64
Other	76 763	105 004	93 855	92 140	-13.96
<b>Total Operational Expenditure</b>	<b>105 146</b>	<b>142 849</b>	<b>131 224</b>	<b>126 339</b>	<b>-13.07</b>
<b>Net Operational (Service)</b>	<b>(151 695)</b>	<b>(98 701)</b>	<b>(75 326)</b>	<b>(37 836)</b>	<b>-160.87</b>

Variances are calculated by dividing the difference between the actual and original budget by the actual.





## 5.2.2 SANITATION SERVICES

Table 5.7: Financial Performance: Sanitation Services

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(115 644)	(174 829)	(149 110)	(147 926)	-18.19
<b>Expenditure:</b>					
Employees	40 061	38 768	38 800	41 527	6.64
Repairs and Maintenance	7 689	12 525	12 025	6 397	-95.80
Other	44 640	71 365	64 075	42 640	-67.37
<b>Total Operational Expenditure</b>	<b>92 389</b>	<b>122 658</b>	<b>114 900</b>	<b>90 564</b>	<b>-35.44</b>
<b>Net Operational (Service)</b>	<b>(23 254)</b>	<b>(52 171)</b>	<b>(34 210)</b>	<b>(57 362)</b>	<b>9.05</b>

Variances are calculated by dividing the difference between the actual and original budget by the actual.

## 5.2.3 ELECTRICITY SERVICES

Table 5.8: Financial Performance: Electricity Services

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(553 809)	(580 374)	(590 374)	(561 723)	-3.32
<b>Expenditure:</b>					
Employees	25 499	39 317	23 317	26 823	-46.58
Repairs and Maintenance	7 752	15 333	11 047	8 022	-91.14
Other	381 834	416 671	419 171	412 524	-1.01
<b>Total Operational Expenditure</b>	<b>415 086</b>	<b>471 321</b>	<b>453 536</b>	<b>447 368</b>	<b>-5.35</b>
<b>Net Operational (Service)</b>	<b>(138 723)</b>	<b>(109 052)</b>	<b>(136 838)</b>	<b>(114 355)</b>	<b>4.64</b>

Variances are calculated by dividing the difference between the actual and original budget by the actual.



## 5.2.4 WASTE MANAGEMENT SERVICES (REFUSE COLLECTIONS, WASTE DISPOSAL AND RECYCLING)

**Table 5:9: Financial Performance: Waste Management Services (Refuse Collections, Waste Disposal, and Recycling)**

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(70 751)	(81 266)	(85 031)	(78 801)	-3.13
<b>Expenditure:</b>					
Employees	22 439	27 980	27 980	24 621	-13.64
Repairs and Maintenance	1 912	4 439	4 439	2 438	-82.08
Other	31 371	52 082	52 075	54 146	3.81
<b>Total Operational Expenditure</b>	<b>55 723</b>	<b>84 501</b>	<b>84 494</b>	<b>81 206</b>	<b>-4.06</b>
<b>Net Operational (Service)</b>	<b>(15 028)</b>	<b>3 234</b>	<b>(537)</b>	<b>2 405</b>	<b>-34.48</b>

Variances are calculated by dividing the difference between the actual and original budget by the actual.

## 5.2.5 HOUSING

**Table 5:10: Financial Performance: Housing Personnel Expenditure**

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(34 639)	(63 802)	(63 802)	(52 290)	-22.02
<b>Expenditure:</b>					
Employees	18 015	23 848	23 848	19 538	-22.06
Repairs and Maintenance	116	3 212	2 562	1 181	-171.99
Other	12 486	20 580	24 387	9 950	-106.85
<b>Total Operational Expenditure</b>	<b>30 617</b>	<b>47 641</b>	<b>50 798</b>	<b>30 669</b>	<b>-55.34</b>
<b>Net Operational (Service)</b>	<b>(4 021)</b>	<b>(16 162)</b>	<b>(13 005)</b>	<b>(21 621)</b>	<b>25.25</b>

Variances are calculated by dividing the difference between the actual and original budget by the actual.



## 5.2.6 ROADS AND STORMWATER

Table 5:11: Financial Performance: Roads and Stormwater

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(4 429)	(1 108)	(1 108)	(1 025)	-8.16
<b>Expenditure:</b>					
Employees	24 193	25 586	25 932	26 280	2.64
Repairs and Maintenance	6 764	15 778	16 178	10 279	-53.50
Other	56 956	63 510	64 099	53 884	-17.87
<b>Total Operational Expenditure</b>	<b>87 912</b>	<b>104 874</b>	<b>106 209</b>	<b>90 443</b>	<b>-15.96</b>
<b>Net Operational (Service)</b>	<b>83 483</b>	<b>103 766</b>	<b>105 100</b>	<b>89 418</b>	<b>-16.05</b>

Variations are calculated by dividing the difference between the actual and original budget by the actual.

## 5.2.7 TOWN PLANNING AND SPATIAL PLANNING

Table 5:12: Financial Performance: Town Planning and Spatial planning

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(253)	(84)	(84)	(148)	43.05
<b>Expenditure:</b>					
Employees	16 535	20 605	20 605	17 859	-15.37
Repairs and Maintenance	2	9	59	6	-45.27
Other	1 077	1 402	1 422	1 118	-25.46
<b>Total Operational Expenditure</b>	<b>17 614</b>	<b>22 016</b>	<b>22 086</b>	<b>18 983</b>	<b>-15.98</b>
<b>Net Operational (Service)</b>	<b>17 361</b>	<b>21 931</b>	<b>22 001</b>	<b>18 835</b>	<b>-16.44</b>

Variations are calculated by dividing the difference between the actual and original budget by the actual.



## 5.2.8 LOCAL ECONOMIC DEVELOPMENT (LED)

Table 5:13: Financial Performance: LED

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	–	–	–	(3 561)	100.00
<b>Expenditure:</b>					
Employees	4 859	4 157	4 157	5 257	20.91
Repairs and Maintenance	67	36	36	24	-50.73
Other	4 088	6 877	6 877	5 474	-25.63
<b>Total Operational Expenditure</b>	<b>9 013</b>	<b>11 071</b>	<b>11 071</b>	<b>10 755</b>	<b>-2.94</b>
<b>Net Operational (Service)</b>	<b>9 013</b>	<b>11 071</b>	<b>11 071</b>	<b>7 194</b>	<b>-53.89</b>

Variances are calculated by dividing the difference between the actual and original budget by the actual.

## 5.2.9 LIBRARIES

Table 5:14: Financial Performance: Libraries

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(14 845)	(12 326)	(12 326)	(12 330)	0.03
<b>Expenditure:</b>					
Employees	11 824	24 404	16 593	11 023	-121.39
Repairs and Maintenance	76	–	–	13	100.00
Other	1 335	2 789	5 600	1 757	-58.71
<b>Total Operational Expenditure</b>	<b>13 235</b>	<b>27 193</b>	<b>22 193</b>	<b>12 793</b>	<b>-112.56</b>
<b>Net Operational (Service)</b>	<b>(1 610)</b>	<b>14 867</b>	<b>9 867</b>	<b>463</b>	<b>-3110.59</b>

Variances are calculated by dividing the difference between the actual and original budget by the actual.

## 5.2.10 COMMUNITY DEVELOPMENT

Table 5:15: Financial Performance: Community Development

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(1 377)	(5 722)	(5 722)	(5 722)	0.00
<b>Expenditure:</b>					
Employees	7 271	8 886	8 886	8 032	-10.63
Repairs and Maintenance	2	10	25	20	48.44
Other	4 174	9 657	9 697	8 244	-17.14



Total Operational Expenditure	11 447	18 553	18 608	16 296	-13.85
Net Operational (Service)	10 069	12 831	12 886	10 574	-21.35

Variations are calculated by dividing the difference between the actual and original budget by the actual.

## 5.2.11 CEMETERIES

Table 5:16: Financial Performance: Cemeteries

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(849)	(1 797)	(1 797)	(859)	-109.19
<b>Expenditure:</b>					
Employees	2 603	2 953	2 953	2 775	-6.42
Repairs and Maintenance	233	349	254	113	-209.20
Other	604	1 015	1 110	868	-16.93
<b>Total Operational Expenditure</b>	<b>3 439</b>	<b>4 317</b>	<b>4 317</b>	<b>3 756</b>	<b>-14.94</b>
<b>Net Operational (Service)</b>	<b>2 590</b>	<b>2 519</b>	<b>2 519</b>	<b>2 896</b>	<b>13.02</b>

Variations are calculated by dividing the difference between the actual and original budget by the actual.

## 5.2.12 TRAFFIC SERVICES

Table 5:17: Financial Performance: Traffic Services

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(126 639)	(112 402)	(112 402)	(132 683)	15.28
<b>Expenditure:</b>					
Employees	60 169	65 420	65 420	59 658	-9.66
Repairs and Maintenance	1 773	1 888	2 280	2 215	14.77
Other	111 234	139 393	141 521	132 980	-4.82
<b>Total Operational Expenditure</b>	<b>173 175</b>	<b>206 702</b>	<b>209 222</b>	<b>194 853</b>	<b>-6.08</b>
<b>Net Operational (Service)</b>	<b>46 536</b>	<b>94 299</b>	<b>96 819</b>	<b>62 171</b>	<b>-51.68</b>

Variations are calculated by dividing the difference between the actual and original budget by the actual.



## 5.2.13 FIRE SERVICES AND DISASTER MANAGEMENT

Table 5:18: Financial Performance: Fire Services and Disaster Management Personnel Expenditure

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(1 955)	(3 555)	(3 555)	(353)	-907.53
<b>Expenditure:</b>					
Employees	29 513	31 260	31 260	34 726	9.98
Repairs and Maintenance	806	907	1 207	1 524	40.51
Other	4 451	4 893	5 793	4 848	-0.94
<b>Total Operational Expenditure</b>	<b>34 769</b>	<b>37 060</b>	<b>38 260</b>	<b>41 098</b>	<b>9.82</b>
<b>Net Operational (Service)</b>	<b>32 814</b>	<b>33 505</b>	<b>34 705</b>	<b>40 745</b>	<b>17.77</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

## 5.2.14 HOLIDAY RESORTS AND CAMPSITES

Table 5:19: Financial Performance: Holiday Resorts and Campsites

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(445)	(648)	(648)	(293)	-121.06
<b>Expenditure:</b>					
Employees	156	181	181	166	-8.79
Repairs and Maintenance	–	–	–	–	0.00
Other	51	123	123	53	-132.94
<b>Total Operational Expenditure</b>	<b>206</b>	<b>304</b>	<b>304</b>	<b>219</b>	<b>-38.71</b>
<b>Net Operational (Service)</b>	<b>(239)</b>	<b>(344)</b>	<b>(344)</b>	<b>(74)</b>	<b>-364.71</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

## 5.2.15 SPORT GROUNDS, PARKS AND SWIMMING POOLS

Table 5:20: Financial Performance: Sport Grounds, Parks and Swimming Pools

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(2 588)	(1 224)	(1 224)	(545)	-124.41
<b>Expenditure:</b>					
Employees	33 636	40 208	39 308	34 794	-15.56
Repairs and Maintenance	7 863	14 934	14 578	13 878	-7.61
Other	21 711	14 433	15 090	14 474	0.28
<b>Total Operational Expenditure</b>	<b>63 209</b>	<b>69 576</b>	<b>68 976</b>	<b>63 146</b>	<b>-10.18</b>



<b>Net Operational (Service)</b>	<b>60 621</b>	<b>68 352</b>	<b>67 752</b>	<b>62 600</b>	<b>-9.19</b>
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Variations are calculated by dividing the difference between the actual and original budget by the actual.

## 5.2.16 COMMUNITY HALLS AND THUSONG CENTRES

**Table 5:21: Financial Performance: Community Halls and Thusong Centre's**

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(558)	(942)	(651)	(3 519)	73.21
<b>Expenditure:</b>					
Employees	2 956	3 666	3 666	3 204	-14.42
Repairs and Maintenance	11	30	30	3	-1037.89
Other	1 126	1 414	1 414	1 068	-32.47
<b>Total Operational Expenditure</b>	<b>4 093</b>	<b>5 110</b>	<b>5 110</b>	<b>4 274</b>	<b>-19.55</b>
<b>Net Operational (Service)</b>	<b>3 535</b>	<b>4 167</b>	<b>4 459</b>	<b>755</b>	<b>-451.76</b>

Variations are calculated by dividing the difference between the actual and original budget by the actual.

## 5.2.17 OFFICE OF THE MUNICIPAL MANAGER

**Table 5:22: Financial Performance: Office of the Municipal Manager**

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(1)	(360)	(360)	13 038	102.76
<b>Expenditure:</b>					
Employees	17 006	16 785	16 785	17 824	5.82
Repairs and Maintenance	22	23	23	4	0.00
Other	6 309	7 764	7 964	6 346	-22.34
<b>Total Operational Expenditure</b>	<b>23 338</b>	<b>24 572</b>	<b>24 772</b>	<b>24 174</b>	<b>-1.65</b>
<b>Net Operational (Service)</b>	<b>23 337</b>	<b>24 212</b>	<b>24 412</b>	<b>37 212</b>	<b>34.94</b>

Variations are calculated by dividing the difference between the actual and original budget by the actual.



## 5.2.18 HUMAN RESOURCE SERVICES

**Table 5:23: Financial Performance: Human Resource Services**

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(1 347)	(64)	(64)	(1 008)	93.62
<b>Expenditure:</b>					
Employees	6 252	11 711	11 711	6 433	-82.05
Repairs and Maintenance	–	43	43	2	-2586.96
Other	24 039	27 239	27 489	22 592	-20.57
<b>Total Operational Expenditure</b>	<b>30 291</b>	<b>38 992</b>	<b>39 242</b>	<b>29 026</b>	<b>-34.34</b>
<b>Net Operational (Service)</b>	<b>28 944</b>	<b>38 928</b>	<b>39 178</b>	<b>28 018</b>	<b>-38.94</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					





## 5.2.19 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Table 5:24: Financial Performance: Information and Communication Technology (ICT) Services

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	–	–	–	20 218	100.00
<b>Expenditure:</b>					
Employees	7 099	7 891	–	7 635	-3.34
Repairs and Maintenance	100	465	465	30	-1441.62
Other	12 215	17 330	(465)	19 306	10.24
<b>Total Operational Expenditure</b>	<b>19 414</b>	<b>25 686</b>	<b>–</b>	<b>26 972</b>	<b>4.77</b>
<b>Net Operational (Service)</b>	<b>19 414</b>	<b>25 686</b>	<b>–</b>	<b>47 190</b>	<b>45.57</b>

Variations are calculated by dividing the difference between the actual and original budget by the actual.

## 5.2.20 LEGAL SERVICES

Table 5:25: Financial Performance: Legal Services

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	(3)	(4)	(4)	(2)	-102.50
<b>Expenditure:</b>					
Employees	4 012	4 604	4 604	4 316	-6.68
Repairs and Maintenance	–	–	–	–	0.00
Other	4 628	(4 604)	9 975	9 023	151.03
<b>Total Operational Expenditure</b>	<b>8 641</b>	<b>–</b>	<b>14 580</b>	<b>13 339</b>	<b>100.00</b>
<b>Net Operational (Service)</b>	<b>8 638</b>	<b>(4)</b>	<b>14 575</b>	<b>13 337</b>	<b>100.03</b>

Variations are calculated by dividing the difference between the actual and original budget by the actual.



## 5.2.21 PROPERTY MANAGEMENT

Table 5:26: Financial Performance: Property and Contract Management

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(1 451)	(9 139)	(6 639)	1 868	589.16
<b>Expenditure:</b>					
Employees	7 669	8 548	8 548	7 728	-10.61
Repairs and Maintenance	5 453	7 406	6 406	6 848	0.00
Other	15 713	(15 954)	22 484	15 117	205.54
<b>Total Operational Expenditure</b>	<b>28 835</b>	<b>-</b>	<b>37 438</b>	<b>29 693</b>	<b>100.00</b>
<b>Net Operational (Service)</b>	<b>27 383</b>	<b>(9 139)</b>	<b>30 799</b>	<b>31 561</b>	<b>128.96</b>

Variations are calculated by dividing the difference between the actual and original budget by the actual.

## 5.2.22 FINANCIAL SERVICES

Table 5:27: Financial Performance: Financial Services

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(408 286)	(422 123)	(430 356)	(469 144)	10.02
<b>Expenditure:</b>					
Employees	47 168	56 090	2 087	48 313	-16.10
Repairs and Maintenance	651	1 793	-	1 240	0.00
Other	24 333	(57 884)	1 700	3 676	1674.61
<b>Total Operational Expenditure</b>	<b>72 153</b>	<b>-</b>	<b>3 786</b>	<b>53 228</b>	<b>100.00</b>
<b>Net Operational (Service)</b>	<b>(336 134)</b>	<b>(422 123)</b>	<b>(426 570)</b>	<b>(415 916)</b>	<b>-1.49</b>

Variations are calculated by dividing the difference between the actual and original budget by the actual.



## 5.2.23 INTERNAL AUDIT

Table 5:28: Financial Performance: Financial Services

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
					%
Total Operational Revenue	–	–	–	–	0.00
<b>Expenditure:</b>					
Employees	3 693	4 530	4 530	3 837	-18.05
Repairs and Maintenance	–	–	–	–	0.00
Other	6 605	8 554	8 054	6 280	-36.21
<b>Total Operational Expenditure</b>	<b>10 298</b>	<b>13 084</b>	<b>12 584</b>	<b>10 117</b>	<b>-29.32</b>
<b>Net Operational (Service)</b>	<b>10 298</b>	<b>13 084</b>	<b>12 584</b>	<b>10 117</b>	<b>-29.32</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

## 5.2.24 ADMINISTRATION

Table 5:29: Financial Performance: Administration

Description	2017/18	2018/19			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
					%
Total Operational Revenue	(13 017)	(10 399)	(10 399)	(11 158)	6.81
<b>Expenditure:</b>					
Employees	26 128	34 320	41 977	25 660	-33.75
Repairs and Maintenance	15	372	372	37	-904.22
Other	32 565	52 758	49 799	47 902	-10.14
<b>Total Operational Expenditure</b>	<b>58 707</b>	<b>87 450</b>	<b>92 148</b>	<b>73 599</b>	<b>-18.82</b>
<b>Net Operational (Service)</b>	<b>45 690</b>	<b>77 051</b>	<b>81 750</b>	<b>62 441</b>	<b>-23.40</b>
Variances are calculated by dividing the difference between the actual and original budget by the actual.					



## 5.3 GRANTS

### 5.3.1 GRANT PERFORMANCE

The Municipality had a total amount of R 145 million for operational expenditure available that was received in the form of grants from the National and Provincial Governments during the 2018/19 financial year. The performance in the spending of these grants are summarised as follows:

**Table 5:30: Grant Performance**

Description	2017/18	2018/19			2018/19 Variance	
	Actual	Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
<b>National Government:</b>	<b>117 001</b>	<b>131 448</b>	<b>131 448</b>	<b>131 855</b>	<b>0%</b>	<b>0%</b>
Equitable Share	110 631	124 176	124 176	124 176	0	100
Financial Management Grant	1 550	1 550	1 550	1 550	0	100
Municipal Systems Improvement	-	-	-	-	0	0
EPWP	4 820	5 722	5 722	5 722	0	100
<b>Provincial Government:</b>	<b>16 300</b>	<b>60 975</b>	<b>31 059</b>	<b>14 127</b>	<b>76.83</b>	<b>54.52</b>
Human Settlements Development Grant	4 929	48 094	17 866	1 455	96.97	91.86
Library Services Support	11 045	12 210	12 210	12 210	0	100
CDW Support	56	56	56	56	0	100
LG Financial Management Support Grant	255	255	255	255	0	100
Financial Management Capacity Building Grant	-	360	600	139	61.39	76.83
LG Graduate Internship	15	-	72	12	100	83.33
<b>Other Grant Providers:</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.</b>	<b>0</b>
Arbor City Awards	300	-	-	-	0	0
<b>Total Operating Transfers and Grants</b>	<b>133 601</b>	<b>192 423</b>	<b>162 507</b>	<b>145 982</b>	<b>24.13</b>	<b>99.99</b>

### 5.3.2 LEVEL OF RELIANCE ON GRANTS AND SUBSIDIES

**Table 5:31: Reliance on Grants**

Financial year	Total grants and subsidies received	Total Operating Revenue	Percentage
	R'000		%
2014/15	139 590	1 175 909	11.87
2015/16	227 268	1 411 274	16.10
2016/17	227 752	1 534 354	14.84
2017/18	211 190	1 609 728	13.12
2018/19	234 134	1 612 139	14.52



## 5.4 ASSET MANAGEMENT

Asset management is practised within the organisation based on a comprehensive Asset Management Policy. The Asset Management Policy provides direction for the management, accounting and control of property, plant and equipment (assets) owned or controlled by the municipality to ensure the following:

Implementation of the approved Asset Management Policy as required in terms of section 63 of the Municipal Finance Management Act (MFMA).

- Verify assets in possession of the Council annually, during the course of the financial year.
- Keep a complete and balanced record of all assets in possession of the Council.
- Report in writing all asset losses, where applicable, to Council.
- Those assets are valued and accounted for in accordance with a statement of GRAP.

## 5.5 REPAIRS AND MAINTENANCE

**Table 5:32: Repairs and Maintenance Expenditure**

Description	2016/17	2017/18			2017/18 Variance
	Actual	Original Budget	Adjustment Budget	Actual	Budget variance
	R'000				%
Repairs and Maintenance Expenditure	43 056	91 427	91 427	60 923	33.36

## 5.6 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

### 5.6.1 LIQUIDITY RATIO

Financial Ratios Based on Key Performance Indicators

**Table 5:33: Liquidity Ratio**

Description	Basis of calculation	2014/15	2015/16	2016/17	2017/18	2018/19
Current Ratio	Current assets/current liabilities	2.54	2.72	2.18	2.02	1.75
Current Ratio adjusted for aged debtors	Current assets - debtors > 90 days/current liabilities	1.92	2.6	2.18	1.38	1.17
Liquidity Ratio	Monetary Assets/Current Liabilities	2.50	2.61	1.51	1.92	1.65



## 5.6.2 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

**Table 5:34: Liquidity Ratio**

Description	Basis of calculation	2014/15	2015/16	2016/17	2017/18	2018/19
Current Ratio	Current assets/current liabilities	2.54	2.72	2.18	2.02	1.75
Current Ratio adjusted for aged debtors	Current assets - debtors > 90 days/current liabilities	1.92	2.6	2.18	1.38	1.17
Liquidity Ratio	Monetary Assets/Current Liabilities	2.50	2.61	1.51	1.92	1.65

## 5.6.3 IDP REGULATION FINANCIAL VIABILITY INDICATORS

**Table 5:35: IDP Regulation Financial Viability of Indicators**

Description	Basis of calculation	2014/15	2015/16	2016/17	2017/18	2018/19
Cost Coverage	(Available cash + investments)/monthly fixed operational expenditure	9.89	1.4	5.71	0.38	0.33
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	18.22	10.22	18.09	28.05	30.96
Debt Coverage	(Total operating revenue - operating grants)/debt service payments due within financial year)	42.45	40.97	47.16	46.81	46.49

## 5.6.4 BORROWING MANAGEMENT

**Table 5:36: Borrowing Management**

Description	Basis of calculation	2014/15	2015/16	2016/17	2017/18	2018/19
Capital Charges to Operating Expenditure	Interest and Principal Paid /Operating Expenditure	2.36%	1.6%	1.21%	2.31%	2.12%

## 5.6.5 EMPLOYEE COSTS

**Table 5:37: Employee Costs**

Description	Basis of calculation	2014/15	2015/16	2016/17	2017/18	2018/19
Employee costs	Employee costs/(total revenue - capital revenue)	28.60%	28.10%	26.84%	28.80%	30.26%



## 5.7 COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### 5.7.1 CAPITAL EXPENDITURE

#### 5.7.1.1 Capital Expenditure by assets programme

Table 5:38: Capital Expenditure by asset programme

Description	2018/19		
	Original Budget	Adjustment Budget	Actual Expenditure
	R'000		
<b>Capital Expenditure by Asset Class</b>			
<b>Infrastructure</b>	<b>418 612</b>	<b>433 012</b>	<b>354 601</b>
<b>Roads Infrastructure</b>	<b>86 932</b>	<b>91 401</b>	<b>75 994</b>
Roads	72 007	74 706	60 612
Road Structures	12 950	12 248	12 236
Road Furniture	975	1 075	1 331
Storm water Infrastructure		0	0
Storm water Conveyance	1 000	3 372	1 816
<b>Electrical Infrastructure</b>	<b>78 900</b>	<b>76 824</b>	<b>86 468</b>
HV Substations	10400	10 400	0
MV Switching Stations	2 000	2 000	66 773
MV Networks	45 800	42 370	0
LV Networks	20 050	20 004	7 118
Capital Spares	650	2 050	12 576
<b>Water Supply Infrastructure</b>	<b>81 130</b>	<b>77 629</b>	<b>59 961</b>
Dams and Weirs	1 000	1 000	0
Boreholes	450	933	0
Reservoirs	31 200	31 716	832
Water Treatment Works	12 100	12 100	0
Bulk Mains	20 880	18 480	20 408
Distribution	15 400	13 400	38 348
Capital Spares	100	0	372
<b>Sanitation Infrastructure</b>	<b>160 450</b>	<b>172 070</b>	<b>119 401</b>
Pump Station	500	500	50519
Reticulation	20 865	22151	0
Waste Water Treatment Works	59 500	65 500	0
Outfall Sewers	79 385	83 519	68 614
Toilet Facilities	0	0	268
Capital Spares	200	400	0
<b>Solid Waste Infrastructure</b>	<b>8 600</b>	<b>12 387</b>	<b>11 869</b>
Landfill Sites	7 000	10 567	11 869
Waste Transfer Stations	500	500	0
Waste Drop-off Points	0	0	0
Waste Separation Facilities	1100	1320	0
Capital Spares	0	0	0



Description	2018/19		
	Original Budget	Adjustment Budget	Actual Expenditure
	R'000		
<b>Information and Communication Infrastructure</b>	<b>2 600</b>	<b>2 700</b>	<b>908</b>
Data Centres	1 700	1 800	0
Capital Spares	900	900	908
<b>Community Assets</b>	<b>36 039</b>	<b>17 652</b>	<b>11 646</b>
<b>Community Facilities</b>	<b>28 539</b>	<b>12 121</b>	<b>9 561</b>
Halls	2 300	4 900	20
Centres	1 000	1 000	0
Fire/Ambulance Stations	0	0	1 909
Testing Stations	0	0	0
Theatres	700	700	0
Libraries	2 269	2 719	247
Cemeteries/Crematoria	770	-12 956	0
Police	0	999	0
Public Open Space	8 100	7520	1 959
Stalls	7 400	2 400	5 327
Taxi Ranks/Bus Terminals	6 000	5 000	0
Capital Spares	0	-160	100
<b>Sport and Recreation Facilities</b>	<b>7 500</b>	<b>5 531</b>	<b>2 084</b>
Outdoor Facilities	7 500	5 531	2 084
<b>Heritage assets</b>	<b>100</b>	<b>100</b>	<b>0</b>
Historic Buildings	100	100	0
Conservation Areas	0	0	0
<b>Investment properties</b>	<b>4 500</b>	<b>900</b>	<b>0</b>
Revenue Generating	2 700	-400	0
Improved Property	2 700	-400	0
Unimproved Property	0	0	0
Non-revenue Generating	1 800	1 300	0
Improved Property	1 800	-400	0
Unimproved Property	0	0	0
<b>Other assets</b>	<b>22 445</b>	<b>64 099</b>	<b>87 218</b>
Operational Buildings	6 000	23 279	16 656
Municipal Offices	1 100	600	177
Yards	200	200	0
Stores	0	0	0
Training Centres	1 500	1500	0
Manufacturing Plant	-	0	0
Depots	3 200	3426	0
Capital Spares	7 375	0	7 113
Housing	9 070	40 820	63 272
Social Housing	9 070	38 935	0
<b>Biological or Cultivated Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>
Biological or Cultivated Assets	0	0	0





Description	2018/19		
	Original Budget	Adjustment Budget	Actual Expenditure
	R'000		
<b>Intangible Assets</b>	<b>450</b>	<b>450</b>	<b>5378</b>
Licences and Rights	150	150	
Computer Software and Applications	300	300	5 378
<b>Computer Equipment</b>	<b>6 000</b>	<b>10 500</b>	<b>7 801</b>
Computer Equipment	6 000	10 500	7 801
<b>Furniture and Office Equipment</b>	<b>0</b>	<b>1 334</b>	<b>5 872</b>
Furniture and Office Equipment	0	1 334	5872
<b>Machinery and Equipment</b>	<b>17 075</b>	<b>4 915</b>	<b>9 172</b>
Machinery and Equipment	17 075	4 915	9172
<b>Transport Assets</b>	<b>12 770</b>	<b>13 837</b>	<b>11615</b>
Transport Assets	12 770	13 837	11615

### 5.7.1.2 Sources of Finance

The table below indicates the capital expenditure by funding source for the 2018/19 financial year:

**Table 5:39: Capital Expenditure by Funding Source**

Details	2018/19				
	Original Budget (OB)	Adjustment Budget	Actual	Adjustment Budget Variance	Adjustment Budget Variance
	R'000				%
<b>Source of finance</b>					
External Loans	160 000	160 000	122 904	37 096	23.19
Public Contributions and Donations	-	-	0	-	-
Grants and Subsidies	91 804	106 074	83 574	22 500	21.21
Other	276 237	297 476	286 825	10 651	3.58
<b>Total</b>	<b>528 041</b>	<b>563 550</b>	<b>493 303</b>	<b>70 247</b>	<b>12.47</b>
External Loans	30.30	28.39	24.91	3.48	12.25
Public Contributions and Donations	0.00	0.00	0.00	0.00	-
Grants and Subsidies	17.39	18.82	16.94	1.88	9.99
Own Funding	52.31	52.79	58.14	-5.36	-10.15
Water and Sanitation	207 435	225 324	189 996	35 328	15.68
Electricity	84 900	80 114	70 138	9 976	12.45
Housing	82 272	96 862	67 757	29 105	30.05
Roads and Stormwater	68 025	75 926	78 460	-2 534	-3.34
Other	85 409	85 324	86 952	-1 628	-1.91
<b>Total</b>	<b>528 041</b>	<b>563 550</b>	<b>493 303</b>	<b>70 247</b>	<b>12.47</b>
Water and Sanitation	39.28	39.98	38.52	1.47	3.67
Electricity	16.08	14.22	14.22	-4.18	-29.40



Details	2018/19				
	Original Budget (OB)	Adjustment Budget	Actual	Adjustment Budget Variance	Adjustment Budget Variance
	R'000				%
Housing	15.58	17.19	13.74	71.06	413.43
Roads and Stormwater	12.88	13.47	15.91	26.09	193.65
Other	16.17	15.14	17.63	-1.25	-8.26

## 5.8 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Projects with the highest capital expenditure in 2018/19:

**Table 5:40: Capital Expenditure on the 5 Largest Projects**

Name of Project	2018/19			Variance 2018/19	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment Variance
	R'000			%	
Extention Of WWTW: Stellenbosch	46 000	53 097	41 069	10.72	22.65
New Plankenburg Main Outfall Sewer	45 385	45 385	40 792	10.12	10.12
Kayamandi: Watergang and Zone O	5 860	24 162	21 856	-272.97	9.54
Idas Valley Merriman Outfall Sewer	20 000	22 653	21 541	-7.71	4.91
Idas Valley IRDP / FLISP	20 365	21 251	21 937	-7.72	-3.23

## 5.9 BASIC SERVICES AND INFRASTRUCTURE BACKLOGS - OVERVIEW

Out of the various Master Plans revised, various infrastructure backlogs and upgrades were identified which will be required to meet current and future development needs. Budgetary provision will be made accordingly.

The service level above minimum standard can be interpreted as the backlogs to upgrade current households above minimum standard to households supplied with water inside dwelling.

In terms of the definition for backlogs for the minimum standard water supply, Stellenbosch Municipality has zero (0) backlogs. Major backlogs exist in terms of dilapidated infrastructure and the bulk services to provide for future development and current provision of water and sanitation.



## 5.10 MUNICIPAL INFRASTRUCTURE GRANT (MIG)

Table 5:41: Municipal Infrastructure Grant (MIG)

Details	Budget	Adjustment Budget	Actual	Variance
	R'000			Budgets
				%
New Plankenburg Main Outfall Sewer	3 500	8 158	8 158	-
Idas Valley Merriman Outfall Sewer	7 220	13 934	13 934	-
Bulk Sewer Outfall: Jamestown	4 000	1 364	1 364	-
Stellenbosch WC024 Material Recovery Facility	4 387	-	-	-
Bulk Water Supply Pipe Reservoir: Dwars Rivier (Johannesdal / Kylemore / Pniel)	12 500	11 651	11 651	-
New 5 MI Reservoir: Cloetesville	500	-	-	-
Upgrade of Sport Facilities	3 000	-	-	-
New Plankenburg Main Outfall Sewer	3 500	8 158	8 158	-
Idas Valley Merriman Outfall Sewer	7 220	13 934	13 934	-

## 5.11 CASH FLOW

Table 5:42: Cash Flow

Description	2017/18	2018/19		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000			
<b>Cash Flow from Operating Activities</b>				
<b>Receipts</b>				
Ratepayers and Other	1 179 109	1 296 573	1 279 073	1 204 432
Government Grants	237 075	236 504	248 152	282 044
Interest	55 110	55 654	55 654	44 272
<b>Payments</b>				
Employee Costs	-470 494	-566 808	-566 808	-490 304
Suppliers	-632 107	-663 282	-672 056	-630 046
Finance Costs	-18 775	-26 477	-20 477	-23 207
<b>Net Cash from/(Used) Operating Activities</b>	<b>349 918</b>	<b>332 164</b>	<b>323 538</b>	<b>387 191</b>
<b>Cash Flow from Investing Activities</b>				
<b>Receipts</b>				
Proceeds on Disposal of PPE	998	-	-	1 917
Proceeds on Disposal of Biological Assets	409	-	-	52
Movement in Non-Current Receivables	-	-	-	-
<b>Payments</b>				
Purchase of PPE	-433 675	-528 041	-563 550	-493 304
Movement in Non-Current Receivables	-	-	-	-
Movement in Investments	69 801	-	-	107 454
<b>Net Cash from/(Used) Investing Activities</b>	<b>-362 467</b>	<b>-528 041</b>	<b>-563 550</b>	<b>-383 881</b>
<b>Cash Flow from Financing Activities</b>				



Description	2017/18	2018/19		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
R'000				
<b>Receipts</b>				
Proceeds from Other Financial Liabilities		160 000	160 000	160 000
Increase in consumer deposits				
<b>Payments</b>				
Repayment of Borrowing	-13 084	-15 391	-15 391	-14 502
Prior period error	-			-
<b>Net Cash from/(Used) Financing Activities</b>	<b>-13 084</b>	<b>144 609</b>	<b>144 609</b>	<b>145 498</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>-25 633</b>	<b>-51 268</b>	<b>-95 403</b>	<b>148 808</b>
<b>Cash/Cash Equivalents at the Year-Begin:</b>	<b>46 317</b>	<b>475 000</b>	<b>528 766</b>	<b>20 682</b>
<b>Cash/Cash Equivalents at the Year-End:</b>	<b>20 684</b>	<b>423 732</b>	<b>433 363</b>	<b>169 490</b>

## 5.12 GROSS OUTSTANDING DEBTORS PER SERVICE

Table 5:43: Gross Outstanding Debtors per Service

Financial year	Rates	Trading services	Trading services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
(R'000)						
2016/17	33 364	160 171	35 220	23 150	136 874	388 779
2017/18	37 123	199 311	42 441	24 242	194 296	497 413
Difference	3 759	39 140	7 221	1 092	57 422	108 634
<b>% growth year on year</b>	<b>11%</b>	<b>24%</b>	<b>21%</b>	<b>5%</b>	<b>42%</b>	<b>28%</b>
2018/19	39 149	207 104	46 069	23 908	204 212	520 442
Difference	2 026	7 793	3 628	-334	9 916	23 029
<b>% growth year on year</b>	<b>5%</b>	<b>4%</b>	<b>9%</b>	<b>-1%</b>	<b>5%</b>	<b>5%</b>

Note: Figures exclude provision for bad debt.

## 5.13 DEBTORS AGE ANALYSIS

Table 5:44: Debtors Age Analysis

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	Between 90-120 days	More than 120 days	Total
	(R'000)					
2016/17	154 377	13 233	11 156	7 891	202 121	388 778
2017/18	192 766	16 564	17 223	12 474	258 386	497 413
Difference	38 389	3 331	6 067	4 583	56 265	108 635
<b>% growth year on year</b>	<b>25%</b>	<b>25%</b>	<b>54%</b>	<b>58%</b>	<b>28%</b>	<b>28%</b>
	184 334	18 591	16 417	12 897	288 203	520 442
Difference	-8 432	2 027	-806	423	29 817	23 029
<b>% growth year on year</b>	<b>-4%</b>	<b>12%</b>	<b>-5%</b>	<b>3%</b>	<b>12%</b>	<b>5%</b>

Note: Figures exclude provision for bad debt.



## 5.14 BORROWING AND INVESTMENTS

The Municipality's cash position is monitored on a daily basis and any cash not required immediately to meet cash flow requirements is invested on a monthly basis at approved institutions, strictly in accordance with Council's approved Cash and Investment Policy.

### 5.14.1 ACTUAL BORROWINGS

**Table 5:45: Actual Borrowings**

Instrument	2014/15	2015/16	2016/17	2017/18	2018/19
	R'000				
Long-Term Loans	159 439	198 294	186 386	173 302	318 800

### 5.14.2 MUNICIPAL INVESTMENTS

**Table 5:46: Municipal Investments**

Investment type	2014/15	2015/16	2016/17	2017/18	2018/19
	R'000				
Deposits - Bank	592 648	600 239	575 418	505 618	398 164



## 6 CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS

### 6.1 INTRODUCTION

This chapter provides the details on the audit outcomes for the past two financial years with the correctives steps implemented.

### 6.2 COMPONENT A: AUDITOR-GENERAL OPINION 2017/18

#### 6.2.1 . AUDITOR GENERAL REPORT 2017/18

Table 6:1: Auditor General Report 2017/18

2017/18	
<b>Audit Report Status:</b>	<b>Unqualified with findings</b>
2017/18	
Issue raised	Corrective step implemented
<b>Emphasis of matter:</b>	
<b>Restatement of corresponding figures</b>	
As disclosed in notes 61 to the financial statements, the corresponding figures for 30 June 2017 were restated as a result of errors detected during the 2017-18 financial year in the financial statements of the Municipality at, and for the year ended, 30 June 2018.	The Municipality is allowed in terms of GRAP 3, to restate corresponding figures in the event of any misstatements being identified. The Municipality however is putting controls in place to identify the errors within the year they occur.
<b>Material losses</b>	
As disclosed in note 5 to the financial statements, the Municipality provided for the impairment of trade and other receivables from exchange transactions amounting to R60,8 million (2016-17: R60,9 million).	Writing off of irrecoverable debt is allowed in terms of GRAP 19 where the debt impairment will be utilised against the provision.
As disclosed in note 6 to the financial statements, the Municipality provided for the impairment of trade and other receivables from non-exchange transactions amounting to R146,0 million (2016-17: R92,9 million).	The interpretation of the Standards of GRAP, IGRAP 1 became effective from the 2013/2014 financial year and the impact was that the Municipality had to account for all fines issued as revenue. As the payment rate of fines for the period was only 19%, the provision for impairment of fines amounted to R 141 524 917.
As disclosed in note 59 to the financial statements, material water losses of 21,6% (2016-17: 21,7%) were incurred.	The water losses are within the national norm of between 15% and 30%. The Municipality are implementing programmes to limit water losses.
<b>Annual Performance Report</b>	
The targets set for indicators TL43 – number of households with access to basic services (water, sanitation, refuse removal), TL44 – number of indigent households with access to free basic water and TL45 – number of indigent households with access to free basic electricity, did not logically link to the indicators. The indicators focussed on the number of households receiving basic services whereas the targets relate to the free units of water and electricity supplied to an individual household. The AGSA was also unable to confirm the reliability of the actual performance against these targets as the actual performance reflects the approved free units to be supplied and not the actual free units supplied.	The Top-Layer SDBIP will be revised taking account of AGSA's recommendations. The Mid-Year revision to the Top-Layer SDBIP will be tabled in Council on 30 Jan 2019.
<b>Material Non-Compliance</b>	
<b>Consequence Management</b>	
Irregular expenditure incurred by the Municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.	A guideline/directive will be prepared that defines irregular, unauthorised, fruitless and wasteful expenditure. It will also set out the process that needs to be followed when the expenditure is identified.



2017/18	
	<p>All irregular, fruitless and wasteful expenditure will be recorded in a central register. These expenditure will be timeously investigated and reported to the MPAC.</p> <p>The Municipality is also in the process of drafting a consequence management policy.</p>

## 6.2.2. COMPONENT B: AUDITOR-GENERAL OPINION 2018/19

Table 6:2: Auditor-General Opinion 2018/19

2018/19	
<b>Audit Report Status:</b>	<b>Unqualified with findings</b>
2018/19	
Issue raised	Corrective step implemented
<b>Emphasis of matter:</b>	
<b>Restatement of corresponding figures</b>	
As disclosed in note 63 to the financial statements, the corresponding figures for 30 June 2018 were restated as a result of errors detected during the 2018-19 financial year in the financial statements of the Municipality at, and for the year ended, 30 June 2019.	The Municipality is allowed in terms of GRAP 3, to restate corresponding figures in the event of any misstatements being identified. The Municipality however is putting controls in place to identify the errors within the year they occur.
<b>Material Impairments</b>	
As disclosed in note 5 to the financial statements, the Municipality provided for the impairment of trade and other receivables from exchange transactions amounting to R125,5 million (2017-18: R104,7 million).	Writing off of irrecoverable debt is allowed in terms of GRAP 19 where the impairment will be utilised against the provision, also in terms of this standard.
As disclosed in note 6 to the financial statements, the Municipality provided for the impairment of trade and other receivables from non-exchange transactions amounting to R167,5 million (2017-18: R164,2 million).	The interpretation of the Standards of GRAP, IGRAP 1 became effective from the 2013/2014 financial year and the impact was that the Municipality had to account for all fines issued as revenue. As the payment rate of fines for the period was only 25%, the debt impairment for fines amounted to R142 321 642.
<b>Material losses</b>	
As disclosed in note 61 to the financial statements, material water losses of 28% (2017-18: 21,6%) were incurred.	The water losses are within the national norm of between 15% and 30%. The Municipality are implementing programmes to limit water losses.
<b>Material Non-Compliance</b>	
<b>Annual financial statements</b>	
The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets, liabilities, Revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.	The Municipality will compile Interim financial statements with a complete audit file for review by the AGSA. The annual financial statements process plan will be reviewed to allow for sufficient time to adequately review the AFS before submission to the AG.



**ANNEXURE A: AUDITED FINANCIAL STATEMENTS 2018/19**



Planning by	Reviewed	Performed by	Final review





Stellenbosch Municipality  
Annual Financial Statements  
for the year ended 30 June 2019  
Auditor-General of South Africa

# Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

## General Information

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### Mayoral committee

Executive Mayor	G van Deventer
Deputy Executive Mayor	N Jindela
Speaker	M Pietersen
Executive Councillors	P Biscoombe
	J De Villiers
	A Frazenburg
	E Groenewald
	X Mdemka
	S Peters
	W Petersen
	P Crawley
	Q Smit
Councillors	F Adams
	F Badenhorst
	N Bakubaku Vos
	F Bangani-Menziwa
	G Cele
	J Serdyn
	A Crombie
	M De Wet
	R Du Toit
	A Florence
	E Fredericks
	T Gosa
	J Hamilton
	A Hanekom
	D Hendrickse
	J Hendriks
	L Horsband
	M Johnson
	Mananga-Gugushe
	C Manuel
	M Mc Ombring
	R Nalumango
	N Olayi
	M Oliphant
	D Joubert
	W Pietersen
	S Schafer
	N Sinkinya
	P Sitshoti
	L Stander
	E Vermeulen

### Accounting Officer

G Mettler

### Chief Finance Officer (CFO)

K Carolus

### Registered office

Plein Street  
Stellenbosch

**Stellenbosch Municipality**

Annual Financial Statements for the year ended 30 June 2019

**General Information**

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	7600
<b>Business address</b>	Plein Street Stellenbosch 7600
<b>Postal address</b>	P O Box 17 Stellenbosch 7599
<b>Bankers</b>	ABSA NEDBANK
<b>Auditors</b>	Auditor-General of South Africa

# Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

## Index

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The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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### Abbreviations

CRR	Capital Replacement Reserve
GRAP	Generally Recognised Accounting Practice
IAS	International Accounting Standards
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
VAT	Value added Tax

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Accounting Officer's Responsibilities and Approval

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The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

I acknowledge that I am ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable me to meet these responsibilities, I set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

I am of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

I am responsible for the preparation of these financial statements in terms of Section 126(1) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) and signed the Annual Financial Statements on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 34 and 35 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

The annual financial statements have been prepared on the going concern basis, is hereby approved.

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**Accounting Officer**  
**Geraldine Mettler**

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Statement of Financial Position as at 30 June 2019

Figures in Rand	Note(s)	2019	*Restated 2018
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	169 490 533	20 683 383
Short term investments	4	398 163 664	505 617 672
Receivables from exchange transactions	5	161 402 873	170 499 812
Receivables from non-exchange transactions	6	65 966 659	57 937 486
Other receivables from exchange transactions	7	10 155 967	6 209 038
Inventories	8	52 307 942	41 690 312
VAT receivable	9	47 420 470	54 272 329
Long term receivables	15	1 630 959	1 600 207
		<b>906 539 067</b>	<b>858 510 239</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	10	5 057 061 065	4 750 605 846
Investment property	11	420 777 174	421 147 702
Intangible assets	12	6 534 960	3 009 333
Biological assets that form part of an agricultural activity	13	6 321 448	6 321 448
Heritage assets	14	774 002	774 002
Long term receivable	15	3 024 999	2 158 458
		<b>5 494 493 648</b>	<b>5 184 016 789</b>
<b>Total Assets</b>		<b>6 401 032 715</b>	<b>6 042 527 028</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Consumer deposits	16	17 077 912	15 673 925
Employee benefit obligation	17	55 599 752	49 603 946
Operating lease liability	18	971 080	1 079 160
Other financial liabilities	19	25 869 707	14 501 990
Provisions	20	642 909	-
Payables from exchange transactions	21	269 021 019	243 315 870
Unspent conditional grants and receipts	22	148 233 956	100 324 080
		<b>517 416 335</b>	<b>424 498 971</b>
<b>Non-Current Liabilities</b>			
Other financial liabilities	19	292 930 440	158 800 148
Employee benefit obligation	17	201 830 792	217 470 757
Provisions	20	101 701 567	79 165 186
		<b>596 462 799</b>	<b>455 436 091</b>
<b>Total Liabilities</b>		<b>1 113 879 134</b>	<b>879 935 062</b>
<b>Net Assets</b>		<b>5 287 153 581</b>	<b>5 162 591 966</b>
Accumulated surplus	23	5 287 153 581	5 162 591 948

\* See Note 63

# Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

## Statement of Financial Performance

Figures in Rand	Note(s)	2019	*Restated 2018
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Service charges	24	817 760 063	862 001 445
Rental of facilities and equipment	25	14 524 336	14 992 251
Interest earned - outstanding receivables		8 024 881	6 848 597
Agency services	27	2 833 175	2 521 016
Licences and permits	28	6 610 962	6 757 407
Other income	29	26 705 321	25 125 344
Investment revenue	30	44 271 827	55 109 631
Gain on disposal of assets and liabilities		-	335 771
Gain on biological assets and agricultural produce		51 591	91 149
Reversal of inventory losses		6 218 654	-
<b>Total revenue from exchange transactions</b>		<b>927 000 810</b>	<b>973 782 611</b>
<b>Revenue from non-exchange transactions</b>			
<b>Taxation revenue</b>			
Property rates	31	332 957 900	309 988 786
<b>Transfer revenue</b>			
Government grants & subsidies	32	234 134 499	211 189 788
Fines, penalties and forfeits	33	118 046 132	114 767 168
<b>Total revenue from non-exchange transactions</b>		<b>685 138 531</b>	<b>635 945 742</b>
<b>Total revenue</b>		<b>1 612 139 341</b>	<b>1 609 728 353</b>
<b>Expenditure</b>			
Employee related costs	34	(461 114 130)	(441 294 811)
Remuneration of councillors	35	(18 272 420)	(17 307 558)
Contribution to/from provisions	37	(6 025 885)	(996 043)
Contribution to employee benefits	38	(1 273 639)	(11 727 667)
Depreciation and amortisation	39	(174 958 815)	(157 549 555)
Reversal of impairments		(1 705 912)	(6 386 273)
Finance costs	40	(23 207 266)	(18 775 322)
Lease rentals on operating lease	41	(2 933 062)	(8 085 133)
Debt Impairment	42	(105 207 214)	(47 970 580)
Contribution to allowance for doubtful debt	43	(21 952 121)	(72 459 662)
Bulk purchases	44	(380 670 630)	(329 679 492)
Contracted services	45	(151 817 580)	(125 083 457)
Transfers and Subsidies	46	(8 990 039)	(6 261 185)
Loss on disposal of assets and liabilities		(5 111 906)	-
Fair value adjustments		(350 833)	(795 806)
Inventories losses/write-downs		(2 157 273)	(643 179)
General Expenses	47	(121 828 999)	(118 936 974)
<b>Total expenditure</b>		<b>(1 487 577 724)</b>	<b>(1 363 952 697)</b>
<b>Surplus for the year</b>		<b>124 561 617</b>	<b>245 775 656</b>

\* See Note 63



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	4 930 628 374	4 930 628 374
Adjustments		
Prior year adjustments	(13 812 082)	(13 812 082)
<b>Balance at 01 July 2017 as restated*</b>	<b>4 916 816 292</b>	<b>4 916 816 292</b>
Changes in net assets		
Surplus for the year	245 775 656	245 775 656
Total changes	245 775 656	245 775 656
<b>Restated* Balance at 01 July 2018</b>	<b>5 162 591 964</b>	<b>5 162 591 964</b>
Changes in net assets		
Surplus for the year	124 561 617	124 561 617
Total changes	124 561 617	124 561 617
<b>Balance at 30 June 2019</b>	<b>5 287 153 581</b>	<b>5 287 153 581</b>

Refer to note 23.

\* See Note 63

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Cash Flow Statement

Figures in Rand	Note(s)	2019	*Restated 2018
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Sale of goods and services		1 204 431 992	1 179 108 887
Grants		282 044 375	237 075 284
Interest income		44 271 827	55 109 631
		<u>1 530 748 194</u>	<u>1 471 293 802</u>
<b>Payments</b>			
Employee costs		(490 304 348)	(470 493 590)
Suppliers		(630 046 091)	(632 107 109)
Finance costs		(23 207 266)	(18 775 322)
		<u>(1 143 557 705)</u>	<u>(1 121 376 021)</u>
<b>Net cash flows from operating activities</b>	49	<b><u>387 190 489</u></b>	<b><u>349 917 781</u></b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	10	(487 925 719)	(432 960 732)
Proceeds from sale of property, plant and equipment	10	1 916 743	998 250
Purchase of other intangible assets	12	(5 377 971)	(664 395)
Purchases of heritage assets	14	-	(50 000)
Proceeds from sale of biological assets that form part of an agricultural activity	13	51 591	408 708
Movement in investments		107 454 008	69 800 642
		<u>(383 881 348)</u>	<u>(362 467 527)</u>
<b>Net cash flows from investing activities</b>		<b><u>(383 881 348)</u></b>	<b><u>(362 467 527)</u></b>
<b>Cash flows from financing activities</b>			
Movement in other financial liabilities		145 498 009	(13 083 929)
		<u>145 498 009</u>	<u>(13 083 929)</u>
<b>Net cash flows from financing activities</b>		<b><u>145 498 009</u></b>	<b><u>(13 083 929)</u></b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>148 807 150</b>	<b>(25 633 675)</b>
Cash and cash equivalents at the beginning of the year		20 683 383	46 317 058
<b>Cash and cash equivalents at the end of the year</b>	3	<b><u>169 490 533</u></b>	<b><u>20 683 383</u></b>

\* See Note 63

# Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Revenue from exchange transactions</b>						
Service charges	907 772 339	-	907 772 339	817 760 063	(90 012 276)	BD1
Rental of facilities and equipment	17 765 541	-	17 765 541	14 524 336	(3 241 205)	BD2
Interest received (trading)	10 576 074	-	10 576 074	8 024 881	(2 551 193)	BD3
Agency services	2 690 098	-	2 690 098	2 833 175	143 077	
Licences and permits	5 092 474	-	5 092 474	6 610 962	1 518 488	BD4
Other income - (rollup)	31 509 264	-	31 509 264	26 705 321	(4 803 943)	BD5
Interest received - investment	45 500 783	-	45 500 783	44 271 827	(1 228 956)	
<b>Total revenue from exchange transactions</b>	<b>1 020 906 573</b>	<b>-</b>	<b>1 020 906 573</b>	<b>920 730 565</b>	<b>(100 176 008)</b>	
<b>Revenue from non-exchange transactions</b>						
<b>Taxation revenue</b>						
Property rates	344 306 916	-	344 306 916	332 957 900	(11 349 016)	
<b>Transfer revenue</b>						
Government grants & subsidies	271 048 330	-	271 048 330	234 134 499	(36 913 831)	BD6
Fines, Penalties and Forfeits	102 132 446	-	102 132 446	118 046 132	15 913 686	BD7
<b>Total revenue from non-exchange transactions</b>	<b>717 487 692</b>	<b>-</b>	<b>717 487 692</b>	<b>685 138 531</b>	<b>(32 349 161)</b>	
<b>Total revenue</b>	<b>1 738 394 265</b>	<b>-</b>	<b>1 738 394 265</b>	<b>1 605 869 096</b>	<b>(132 525 169)</b>	
<b>Expenditure</b>						
Employee related costs	(509 428 895)	-	(509 428 895)	(461 114 130)	48 314 765	BD35
Remuneration of councillors	(18 822 740)	-	(18 822 740)	(18 272 420)	550 320	
Contribution to/from provision	(1 755 980)	-	(1 755 980)	(6 025 885)	(4 269 905)	BD8
Contribution to employee benefits	(39 567 700)	-	(39 567 700)	(1 273 639)	38 294 061	BD9
Depreciation and amortisation	(189 600 297)	-	(189 600 297)	(174 958 815)	14 641 482	
Impairment loss/ Reversal of impairments	(9 218 430)	-	(9 218 430)	(1 705 912)	7 512 518	BD10
Finance costs	(20 476 730)	-	(20 476 730)	(23 207 266)	(2 730 536)	BD11
Collection Cost	(2 800 000)	-	(2 800 000)	(2 933 062)	(133 062)	
Debt Impairment	(90 629 000)	-	(90 629 000)	(105 207 214)	(14 578 214)	BD12
Contribution to allowance for doubtful debt	(30 903 850)	-	(30 903 850)	(21 952 121)	8 951 729	BD13
Bulk purchases	(383 281 710)	-	(383 281 710)	(380 670 630)	2 611 080	
Contracted Services	(251 074 405)	-	(251 074 405)	(151 817 580)	99 256 825	BD14
Transfers and Subsidies	(9 102 419)	-	(9 102 419)	(8 990 039)	112 380	
General Expenses	(162 442 294)	-	(162 442 294)	(121 828 999)	40 613 295	BD15
<b>Total expenditure</b>	<b>(1 719 104 450)</b>	<b>-</b>	<b>(1 719 104 450)</b>	<b>(1 479 957 712)</b>	<b>239 146 738</b>	
<b>Operating surplus</b>	<b>19 289 815</b>	<b>-</b>	<b>19 289 815</b>	<b>125 911 384</b>	<b>106 621 569</b>	
Loss on disposal of assets and liabilities	-	-	-	(5 111 906)	(5 111 906)	BD16
Fair value adjustments	-	-	-	(350 833)	(350 833)	BD17

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Gain on biological assets and agricultural produce	-	-	-	51 591	<b>51 591</b>	
Inventories losses/write-downs	-	-	-	4 061 381	<b>4 061 381</b>	BD18
	-	-	-	<b>(1 349 767)</b>	<b>(1 349 767)</b>	
<b>Surplus before taxation</b>	<b>19 289 815</b>	-	<b>19 289 815</b>	<b>124 561 617</b>	<b>105 271 802</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>19 289 815</b>	-	<b>19 289 815</b>	<b>124 561 617</b>	<b>105 271 802</b>	

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Statement of Financial Position</b>						
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	6 237 103	-	6 237 103	169 490 533	163 253 430	BD19
Short term investments	405 172 823	-	405 172 823	398 163 664	(7 009 159)	
Receivable from exchange transactions	107 059 105	-	107 059 105	161 402 873	54 343 768	BD20
Receivables from non-exchange transactions	71 959 832	-	71 959 832	65 966 659	(5 993 173)	
Other receivables from exchange transactions	165 060 506	-	165 060 506	10 155 967	(154 904 539)	BD21
Inventories	52 125 000	-	52 125 000	52 307 942	182 942	BD22
VAT receivable	-	-	-	47 420 470	47 420 470	BD23
Long term receivables	2 332 000	-	2 332 000	1 630 959	(701 041)	BD24
	<b>809 946 369</b>	-	<b>809 946 369</b>	<b>906 539 067</b>	<b>96 592 698</b>	
<b>Non-Current Assets</b>						
Property, plant and equipment	5 112 121 789	-	5 112 121 789	5 057 061 065	(55 060 724)	
Investment property	407 388 869	-	407 388 869	420 777 174	13 388 305	
Intangible assets	7 596 638	-	7 596 638	6 534 960	(1 061 678)	BD25
Biological assets that form part of an agricultural activity	9 938 121	-	9 938 121	6 321 448	(3 616 673)	BD26
Heritage assets	2 424 002	-	2 424 002	774 002	(1 650 000)	BD27
Long term receivables	3 600 000	-	3 600 000	3 024 999	(575 001)	BD24
	<b>5 543 069 419</b>	-	<b>5 543 069 419</b>	<b>5 494 493 648</b>	<b>(48 575 771)</b>	
<b>Total Assets</b>	<b>6 353 015 788</b>	-	<b>6 353 015 788</b>	<b>6 401 032 715</b>	<b>48 016 927</b>	
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Consumer deposits	14 274 110	-	14 274 110	17 077 912	2 803 802	BD28
Employee benefit obligation	54 737 255	-	54 737 255	55 599 752	862 497	BD29
Operating lease liability	-	-	-	971 080	971 080	BD30
Other financial liabilities	15 244 695	-	15 244 695	25 869 707	10 625 012	BD31
Provisions	-	-	-	642 909	642 909	BD32
Payables from exchange transactions	241 569 841	-	241 569 841	269 021 012	27 451 171	BD33
Unspent conditional grants and receipts	-	-	-	148 233 956	148 233 956	BD34
	<b>325 825 901</b>	-	<b>325 825 901</b>	<b>517 416 328</b>	<b>191 590 427</b>	
<b>Non-Current Liabilities</b>						
Other financial liabilities	321 540 081	-	321 540 081	292 930 440	(28 609 641)	
Employee benefit obligation	235 109 072	-	235 109 072	201 830 792	(33 278 280)	BD29
Provisions	44 570 452	-	44 570 452	101 701 567	57 131 115	BD32
	<b>601 219 605</b>	-	<b>601 219 605</b>	<b>596 462 799</b>	<b>(4 756 806)</b>	
<b>Total Liabilities</b>	<b>927 045 506</b>	-	<b>927 045 506</b>	<b>1 113 879 127</b>	<b>186 833 621</b>	
<b>Net Assets</b>	<b>5 425 970 282</b>	-	<b>5 425 970 282</b>	<b>5 287 153 588</b>	<b>(138 816 694)</b>	

**Stellenbosch Municipality**

Annual Financial Statements for the year ended 30 June 2019

**Statement of Comparison of Budget and Actual Amounts**

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Net Assets</b>						
<b>Net Assets Attributable to Owners of Controlling Entity</b>						
<b>Reserves</b>						
Accumulated surplus	5 425 970 282		- 5 425 970 282	5 287 153 588	(138 816 694)	

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Cash Flow Statement</b>						
<b>Cash flows from operating activities</b>						
<b>Receipts</b>						
Sale of goods and services	1 279 073 094	-	1 279 073 094	1 204 782 825	(74 290 269)	
Grants	248 152 000	-	248 152 000	282 044 375	33 892 375	CF11
Interest income	55 653 814	-	55 653 814	44 271 827	(11 381 987)	CF12
	<b>1 582 878 908</b>	<b>-</b>	<b>1 582 878 908</b>	<b>1 531 099 027</b>	<b>(51 779 881)</b>	
<b>Payments</b>						
Suppliers and employees	(1 229 761 819)	-	(1 229 761 819)	(1 120 701 271)	109 060 548	CF1
Transfers and grants	(9 102 419)	-	(9 102 419)	-	9 102 419	CF2
Finance costs	(20 476 730)	-	(20 476 730)	(23 207 266)	(2 730 536)	
	<b>(1 259 340 968)</b>	<b>-</b>	<b>(1 259 340 968)</b>	<b>(1 143 908 537)</b>	<b>115 432 431</b>	
<b>Net cash flows from operating activities</b>	<b>323 537 940</b>	<b>-</b>	<b>323 537 940</b>	<b>387 190 490</b>	<b>63 652 550</b>	
<b>Cash flows from investing activities</b>						
Purchase of property, plant and equipment	(563 550 230)	-	(563 550 230)	(487 925 720)	75 624 510	CF3
Proceeds from sale of property, plant and equipment	-	-	-	1 916 743	1 916 743	CF4
Purchase of other intangible assets	-	-	-	(5 377 971)	(5 377 971)	CF5
Proceeds from sale of biological assets that form part of an agricultural activity	-	-	-	51 591	51 591	CF8
Movement in investments	-	-	-	107 454 008	107 454 008	CF9
<b>Net cash flows from investing activities</b>	<b>(563 550 230)</b>	<b>-</b>	<b>(563 550 230)</b>	<b>(383 881 349)</b>	<b>179 668 881</b>	
<b>Cash flows from financing activities</b>						
Proceeds from other financial liabilities	144 609 363	-	144 609 363	145 498 009	888 646	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(95 402 927)</b>	<b>-</b>	<b>(95 402 927)</b>	<b>148 807 150</b>	<b>244 210 077</b>	
Cash and cash equivalents at the beginning of the year	528 766 223	-	528 766 223	20 683 383	(508 082 840)	
<b>Cash and cash equivalents at the end of the year</b>	<b>433 363 296</b>	<b>-</b>	<b>433 363 296</b>	<b>169 490 533</b>	<b>(263 872 763)</b>	

# Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

## Accounting Policies

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### 1. Basis of Preparation

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives, issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand. All figures are rounded to the nearest Rand.

Accounting policies for material transactions, events or conditions not covered by the GRAP Standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

#### 1.1 Housing development fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

#### 1.2 Internal reserves

##### Capital replacement reserve (CRR)

In order to finance the acquisition of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR in terms of the Annual Budget. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount when the amounts in the CRR are utilised.

##### Self insurance reserve

The municipality has a Self-insurance reserve to set aside amounts to offset potential losses or claims that cannot be insured externally. The balance of the self-insurance fund is invested in short-term investments

Claims are settled by transferring a corresponding amount from the self-insurance reserve to the accumulated surplus.

##### Accumulated surplus

The accumulated surplus/deficit represent the net difference between the total assets and the total liabilities of the municipality. Any surpluses and deficits realised during a specific financial year are credited/debited against accumulated surplus/deficit. Prior year adjustments, relating to income and expenditure, are debited/credited against accumulated surplus when retrospective adjustments are made.

#### 1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are insignificant to the annual financial statements are set out below:

##### Revenue recognition



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#### 1.3 Significant judgements and sources of estimation uncertainty (continued)

Accounting Policy 1.16 on Revenue from Exchange Transactions and Accounting Policy 1.17 on Revenue from Non-exchange Transactions describes the conditions under which revenue will be recorded by the management of the municipality.

In concluding judgement, management considered the detailed criteria for recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and, in particular, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services are rendered, whether the service has been rendered. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

#### Sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

##### Impairment of financial assets

Accounting Policy 1.9: Financial Instruments, referring to the paragraph on impairment of financial assets, describes the process followed to determine the value with which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments - Recognition and Measurement. The management of the municipality is satisfied that impairment of financial assets recorded during the year is appropriate. Details of the impairment loss calculation are provided in the applicable notes to the annual financial statements.

##### Useful lives of property, plant and equipment and intangible assets

As described in Accounting Policy 1.6 and 1.7 the municipality depreciates its property, plant and equipment and intangible assets over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful life, which is determined when the assets are brought into use. The useful life and residual values of the assets are based on industry knowledge. The review of useful life and residual values of assets are only reviewed if one of the indicators of potential review is triggered.

##### Employee benefit obligations

The municipality obtains actuarial valuations of its employee benefit obligations. The employee benefit obligations of the municipality that were identified are post-retirement health benefit obligations and long-service awards. The estimated liabilities are recorded in accordance with the requirements of GRAP 25. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in the applicable notes to the annual Financial Statements.

##### Impairment of non-financial assets

The recoverable amounts of cash-generating units have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The recoverable amounts of individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

It is reasonably possible that the assumptions may change which may then impact our estimations and would require a material adjustment to the carrying value of tangible assets.

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#### 1.3 Significant judgements and sources of estimation uncertainty (continued)

##### Value in use of cash generating assets

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including economic factors such as inflation and interest.

##### Value in use of non-cash generating assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that the impairment may have occurred, the remaining service potential of the asset is determined. The most appropriate approach selected to determine the remaining service potential is dependent on the availability of data and the nature of the impairment.

##### Provisions

Provisions are raised and management determines an estimate based on the information available. Additional disclosures of these estimates of provisions are included in note 20 - Provisions.

##### Allowance for slow moving, damaged and obsolete stock

An allowance for inventory to write inventory down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the surplus/deficit.

##### Effective interest rate

The municipality uses the rate of charged on all debtors as the effective interest rate. The effective interest rate on outstanding debtors amounts to prime plus 1%.

#### 1.4 Biological assets that form part of an agricultural activity

The municipality recognises a biological assets that form part of an agricultural activity or agricultural produce when, and only when:

- the municipality controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the municipality; and
- the fair value or cost of the asset can be measured reliably.

Biological assets that form part of an agricultural activity are measured at their fair value less costs to sell.

A gain or loss arising on initial recognition of biological assets that form part of an agricultural activity or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of a biological assets that form part of an agricultural activity, is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable, is used to determine fair value.

Where fair value of biological assets can be reliably measured, the municipality shall measure it at its fair value less costs to sell.

The municipality classifies biological assets as consumables which consist of timber in the form of pine trees. All biological assets are held for sale.

<b>Item</b>	<b>Useful life</b>
Trees in timber plantation - Consumable	indefinite

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#### 1.5 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services; or for
- administrative purposes; or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that is associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Depreciation is calculated at the straight line method over a period of 30 years.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

The nature OR type of properties classified as held for strategic purposes are as follows:

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements (see note 11).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note 11).

#### 1.6 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

Property, plant and equipment is recognised as an asset when:

- it is probable that the future economic benefits or service potential that are associated with the property, plant and equipment will flow to the municipality; and
- the cost or fair value of the item can be determined reliably.

##### Measurement

Property, plant and equipment are initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary cost of dismantling and removing the asset and restoring the site on which it is located.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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#### 1.6 Property, plant and equipment (continued)

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the municipality is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Subsequent to initial measurement property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

#### **Incomplete construction work**

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is available for use.

#### **Impairment**

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable service amount, it is written down immediately to its recoverable service amount and an impairment loss is charged to the statement of financial performance.

The useful lives of items of property, plant and equipment have been assessed as follows:

<b>Asset Class</b>	<b>Average useful life</b>
• Land	indefinite
• Machinery and equipment	1-25
• Furniture and office equipment	2-24
• Transport assets	4-20
• Computer equipment	5-23
• Community assets	4-30
• Other property, plant and equipment	6-99
• Capital restoration asset	5-30
• Electrical infrastructure	10-50
• Water supply infrastructure	10-100
• Solid waste infrastructure	10-30
• Roads infrastructure	10-100
• Information and communication infrastructure	3-15
• Waste water network	10-100
• Stormwater infrastructure	10-50

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

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#### 1.6 Property, plant and equipment (continued)

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 10).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 10).

#### 1.7 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from the municipality and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale;
- there is an intention to complete and use or sell it;
- there is an ability to use or sell it;
- it will generate probable future economic benefits or service potential;
- there are available technical, financial and other resources to complete the development and to use or sell the asset; and
- the expenditure attributable to the asset during its development can be measured reliably.

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#### 1.7 Intangible assets (continued)

Intangible assets are initially measured at cost.

Subsequent to initial measurement Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software, other	3 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible asset is the difference between the net disposal proceeds and the carrying amount and is included in surplus or deficit when the asset is derecognised.

#### 1.8 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note 14).

##### Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Where the municipality holds a heritage asset, but on initial recognition it does not meet the recognition criteria because it cannot be reliably measured, information on such a heritage asset is disclosed in note 14 Heritage assets.

##### Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

##### Subsequent measurement

Subsequent to initial measurement classes of heritage assets are carried at cost less any accumulated impairment losses.

##### Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

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#### 1.8 Heritage assets (continued)

##### Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

##### Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

#### 1.9 Financial instruments

A financial instrument can broadly be defined as those contracts that results in a financial asset in one entity and a financial liability or residual interest in another entity. A key distinguishing factor between financial assets and financial liabilities and other assets and liabilities, is that they are settled in cash or by exchanging financial instruments rather than through the provision of goods or services..

##### Classification

The municipality has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non-exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Other receivables from exchange transactions	Financial asset measured at amortised cost
Short term investments	Financial asset measured at amortised cost
Long term receivables	Financial asset measured at amortised cost

The municipality has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost
Consumer deposits	Financial liability measured at amortised cost
Other financial liabilities	Financial liability measured at amortised cost

##### Initial recognition

The municipality recognises a financial asset or a financial liability in its statement of financial position when the municipality becomes a party to the contractual provisions of the instrument.

##### Initial measurement of financial assets and financial liabilities

The municipality measures a financial asset and financial liability initially at its fair value plus, in the case of a financial asset or a liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

##### Subsequent measurement of financial assets and financial liabilities

The municipality measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.

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#### 1.9 Financial instruments (continued)

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

##### Fair value measurement considerations

##### Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

##### Impairment and uncollectibility of financial assets

The municipality assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

For amounts due to the municipality, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

##### Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.



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#### 1.9 Financial instruments (continued)

##### Derecognition

##### Financial assets

The municipality derecognises financial assets using trade date accounting.

The municipality derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with a maturity period of between three and twelve months and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried in the balance sheet at amortised cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and cash with bank, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

##### Financial liabilities

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another municipality by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

#### 1.10 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the municipality assesses the classification of each element separately.

##### Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. The difference between the amounts recognised as revenue and the contractual payments are recognised as an operating lease asset or liability.

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#### 1.10 Leases (continued)

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

#### Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Any contingent rent are expensed in the period in which they are incurred.

#### 1.11 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for:

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

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#### 1.12 Landfill site

Site restoration and dismantling cost - The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes:

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located;
- changes in the measurement of an existing decommissioning, restoration and similar liability that result from change in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in discount rate; and
- the obligation the municipality incurs for having used the items during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

#### 1.13 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Management has judged all assets as non cash generating assets.

#### Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

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#### 1.13 Impairment of cash-generating assets (continued)

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

##### Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

##### Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

##### Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

##### Reversal of impairment loss

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#### 1.13 Impairment of cash-generating assets (continued)

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

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#### 1.14 Employee benefits

##### Short term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the municipality during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The municipality measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The municipality recognise the expected cost of bonus, incentive and performance related payments when the municipality has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

##### Accrued leave pay

Liabilities for annual leave are recognised as they accrue to employees. Liability is based on the total accrued leave days owing to employees and is reviewed annually.

##### Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which a municipality provides post-employment benefits for one or more employees.

##### Multi-employer plans

The municipality classifies a multi-employer plan as a defined contribution plan or a defined benefit plan under the terms of the plan (including any constructive obligation that goes beyond the formal terms).

Where a plan is a defined contribution plan, the municipality accounts for it the same way as for any other defined contribution plan.

Where a plan is a defined benefit plan, the municipality accounts for its proportionate share of the defined benefit obligation, plan assets and cost associated with the plan in the same way as for any other defined benefit plan.

When sufficient information is not available to use defined benefit accounting for a plan, that is a defined benefit plan, the municipality accounts for the plan as if it was a defined contribution plan.

##### Post-employment benefits: Defined contribution plans

## Stellenbosch Municipality

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#### 1.14 Employee benefits (continued)

Defined contribution plans are post-employment benefit plans under which the municipality pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the municipality during a reporting period, the municipality recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, the municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

#### Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the municipality recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the municipality recognise past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement.

The amount determined as a defined benefit liability may be negative (an asset). The municipality measure the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

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#### 1.14 Employee benefits (continued)

Any adjustments arising from the limit above is recognised in surplus or deficit.

The municipality should determine the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The municipality recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The municipality uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, the municipality shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the municipality attributes benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The municipality recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the municipality re-measures the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The municipality offsets an asset relating to one plan against a liability relating to another plan when the municipality has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Accounting Policies

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#### 1.14 Employee benefits (continued)

##### Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
  - those changes were enacted before the reporting date; or
  - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

##### Other long term employee benefits

The municipality provides post-retirement health care benefits, housing subsidies and gratuities upon retirement to some retirees.

Long term service awards is payable after 10 years of continuous service and after every 5 years thereafter to employees. Additional to this employees shall be entitled to a 14th cheque for continuous employment on their 30th and every 5th year onward. Furthermore a retirement gift is payable on retirement to employees with 10 years or more service. The provision is an estimate of the long service award based on historical staff turnover based on historical staff turnover. No other long service benefits are provided to employees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The municipality shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost; and
- the effect of any curtailments or settlements.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Accounting Policies

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#### 1.14 Employee benefits (continued)

##### Termination benefits

The municipality recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The municipality is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than twelve months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Accounting Policies

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#### 1.15 Provisions and Contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation. Additional text

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation. Additional text

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

If the municipality has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

#### **Provision for the rehabilitation of landfill sites**

At year end a provision is raised for the rehabilitation of landfill sites. The provision is the net present value of the future cash flows to rehabilitate damaged land at year end.

As the related asset is measured using the cost model:

- changes in the liability is added to, or deducted from, the cost of the related asset in the current period;
- the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit;
- if the adjustments result in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may be fully recoverable. If there is such an indication, the municipality tests the asset for impairment by estimating its recoverable amount or recoverable service amount, and accounts for any impairment loss, in accordance with the accounting policy on impairment of assets as described in the accounting policy on impairment of cash-generating assets and/ or impairment of non-cash generating assets.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability are recognised in surplus or deficit as they occur.

## Stellenbosch Municipality

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### Accounting Policies

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#### Provisions and contingencies (continued)

##### Contingencies

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

A contingent liability is a:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality;
- present obligation that arises from past events but is not recognised because: it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 54.

##### Grant-in-aid contributions

Provision is made for any constructive obligations of the municipality. A constructive obligation arises through an established pattern of past practice, published policies or a sufficiently specific current standard, whereby the municipality has indicated to other parties that it will accept certain responsibilities and as a result, the municipality has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

The municipality transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the municipality does not:

- receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- expect to be repaid in future; or
- expect a financial return, as would be expected from an investment.

#### 1.16 Revenue from exchange transactions

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Accounting Policies

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#### 1.16 Revenue from exchange transactions (continued)

##### Service charges

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the billings done during July and August. The billing and invoiced amounts done in July are recognised in total as an accrual as all billing in July pertains to services rendered prior to 30 June. An estimate is then made based on August billing pertaining to services rendered up until 30 June..

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved from Council and are levied monthly.

##### Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by surveys of work performed.

##### Pre-paid electricity

Revenue from the sale of electricity prepaid units is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- The costs incurred or to be incurred in respect of the transaction can be measure reliably.

##### Interest earned

Interest earned on investments is recognised in the statement of financial performance on the time proportionate basis that takes into account the effective yield on the investment.

##### Charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant approved tariff. This includes the issuing of licences and permits.

##### Income from agency services

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Accounting Policies

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#### 1.16 Revenue from exchange transactions (continued)

Income for agency services is recognised on a monthly basis once the income collected on behalf of principals has been quantified. The income recognised is in terms of the agency agreement.

#### 1.17 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

#### Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs are recognised in the statement of financial performance in the period in which they become receivable.

## Stellenbosch Municipality

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#### 1.17 Revenue from non-exchange transactions (continued)

##### Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

##### Property rates

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources.

Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

##### Transfers

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

##### Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

The municipality makes use of estimates to determine the amount of revenue that it is entitled to collect. Where settlement discounts or reductions in the amount payable are offered, the municipality considers past history in assessing the likelihood of these discounts or reductions being taken up by receivables.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting municipality.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Accounting Policies

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#### 1.17 Revenue from non-exchange transactions (continued)

##### Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

##### Services in-kind

Services in-kind that are significant to the municipality's operations and/or service delivery objectives are recognised as assets and the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality discloses the nature and type of services in-kind received during the reporting period.

##### Collection charges and penalties

Collection charges and penalty interest is recognised when:

- it is probable that the economic benefits or service potential associated with the transactions will flow to the municipality; and
- the amount of revenue can be measured reliably; and to the extent that there has been compliance with the relevant legal requirements (if applicable).

#### 1.18 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

#### 1.19 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. Refer to note and 60 for detail.

#### 1.20 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

#### 1.21 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

#### 1.22 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure.



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Accounting Policies

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#### 1.22 Irregular expenditure (continued)

All expenditure relating to irregular expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

#### 1.23 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

##### Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also test a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

##### Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

##### Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an oversized or overcapacity asset. Oversized assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

##### Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

##### Reversal of an impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Accounting Policies

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#### 1.23 Impairment of non-cash-generating assets (continued)

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### 1.24 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Key management as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Management is defined as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by Municipal Manager.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

#### 1.25 Changes in accounting policies, estimates and errors

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

#### 1.26 Commitments

Items are classified as commitments where the municipality commits itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Accounting Policies

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#### 1.26 Commitments (continued)

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- approved and contracted commitments;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

#### 1.27 Budget information

The approved budget is prepared on the accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2018/07/01 to 2019/06/30.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the statement of comparison of budget and actual amounts.

#### 1.28 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

#### Independent Schools Association of Southern Africa / eThekweni Municipality / Stellenbosch Municipality & Others

During the year of assessment, the Municipality joined, as co-applicant together with eThekweni Municipality, in application for the review and setting aside of the Amended Municipal Property Rates Regulation promulgated on 12 March 2010. Initial application was brought against the eThekweni Municipality (Defendant) from the Independent School Association of Southern Africa (Applicant) regarding property rates charged on property of public benefit organisations.

This matter was heard in Kwa-Zulu Natal Local Division: Durban High Court on 5 June 2019. Judgement was delivered on 3 July 2019 and was not in favour of the plaintiff, the Independent Schools Association of Southern Africa. Due to the ruling made, the municipality considers this to be an event after reporting date. Based on the precedent set on the ruling in this case, the judgement may have a material impact on the measurement of revenue from property rates for the municipalities in subsequent accounting periods.

The municipalities were ordered to pay the legal costs of the applicant. This amount is approximated to be R250 000. The municipalities submitted its leave to appeal against the judgement on 24 July 2019, this was subsequently argued and leave to appeal was granted.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand 2019 2018

#### 2. New standards and interpretations

##### 2.1 Standards and Interpretations early adopted

The municipality has not early adopted any GRAP standard that is not effective.

##### 2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2019 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 34: Separate Financial Statements	01 April 2020	Unlikely there will be a material impact
• GRAP 35: Consolidated Financial Statements	01 April 2020	Unlikely there will be a material impact
• GRAP 36: Investments in Associates and Joint Ventures	01 April 2020	Unlikely there will be a material impact
• GRAP 37: Joint Arrangements	01 April 2020	Unlikely there will be a material impact
• GRAP 38: Disclosure of Interests in Other Entities	01 April 2020	Unlikely there will be a material impact
• GRAP 110 (as amended 2016): Living and Non-living Resources	01 April 2020	Unlikely there will be a material impact
• Guideline: Accounting for Arrangements Undertaken i.t.o the National Housing Programme	01 April 2019	Unlikely there will be a material impact
• GRAP 18 (as amended 2016): Segment Reporting	01 April 2020	Not expected to impact results but may result in additional disclosure
• GRAP 20: Related parties	01 April 2019	Unlikely there will be a material impact
• GRAP 32: Service Concession Arrangements: Grantor	01 April 2019	Unlikely there will be a material impact
• GRAP 108: Statutory Receivables	01 April 2019	Not expected to impact results but may result in additional disclosure
• GRAP 109: Accounting by Principals and Agents	01 April 2019	Unlikely there will be a material impact
• IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset	01 April 2019	Unlikely there will be a material impact
• IGRAP 18: Interpretation of the Standard of GRAP on Recognition and Derecognition of Land	01 April 2019	Unlikely there will be a material impact
• IGRAP 19: Liabilities to Pay Levies	01 April 2019	Unlikely there will be a material impact

#### 3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	19 220	13 150
Bank balances	169 368 979	10 250 972
Call accounts	-	10 396 986
Trust and charitable bank	102 334	22 275
	<b>169 490 533</b>	<b>20 683 383</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018				
<b>3. Cash and cash equivalents (continued)</b>						
<b>Call accounts</b>						
Nedbank	-	10 396 986				
<b>The municipality had the following bank accounts</b>						
<b>Account number / description</b>	<b>Bank statement balances</b>			<b>Cash book balances</b>		
	<b>30 June 2019</b>	<b>30 June 2018</b>	<b>30 June 2017</b>	<b>30 June 2019</b>	<b>30 June 2018</b>	<b>30 June 2017</b>
Nedbank - primary account	167 107 031	10 498 115	-	169 368 979	10 250 972	-
ABSA bank - current account	1 277 273	1 569 981	15 888 554	-	-	16 606 566
Trust and charitable	112 334	22 275	-	102 334	22 275	-
<b>Total</b>	<b>168 496 638</b>	<b>12 090 371</b>	<b>15 888 554</b>	<b>169 471 313</b>	<b>10 273 247</b>	<b>16 606 566</b>
The following are restrictions on cash and investments:						
• External Loans R37 096 470						
The comparative amounts were restated. Refer to note 61.1						
<b>4. Short term investments</b>						
<b>Short term investments</b>						
Fixed deposits				398 163 664	505 617 672	
Short term investments include all other investments for a period of 1-12 months that are not included in cash and cash equivalents. The interest rates for these investments range between <b>7.650%</b> (2mths) and <b>9.050%</b> (12mths)						
Short term investments consists of the following:						
<b>ABSA - Investments</b>						
				-	152 308 603	
				-	(152 308 603)	
				-	-	
<b>FNB - Investments</b>						
				203 467 342	102 083 164	
				(203 467 342)	101 384 178	
				-	<b>203 467 342</b>	
<b>Nedbank - Investments</b>						
				199 994 027	180 604 685	
				86 768 945	19 389 342	
				<b>286 762 972</b>	<b>199 994 027</b>	
<b>Standard Bank - Investments</b>						
				102 156 301	140 421 863	
				(51 793 528)	(38 265 562)	
				<b>50 362 773</b>	<b>102 156 301</b>	
<b>Investec</b>						
				61 037 918	-	

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>5. Receivables from exchange transactions</b>		
<b>Gross balances</b>		
Electricity	40 181 151	32 746 739
Water	84 298 215	73 036 271
Sewerage	23 192 540	22 801 193
Refuse	22 876 061	19 639 669
Housing rental	23 907 609	24 241 851
Sundry	9 863 657	9 227 033
Electricity accrual	67 102 118	66 364 959
Water accrual	15 522 807	27 162 747
	<b>286 944 158</b>	<b>275 220 462</b>
<b>Less: Allowance for impairment</b>		
Electricity	(5 981 186)	(4 497 445)
Water	(66 846 818)	(53 807 665)
Sewerage	(16 152 217)	(13 395 340)
Refuse	(18 354 951)	(15 250 409)
Housing rental	(9 258 460)	(9 236 205)
Sundry	(8 947 653)	(8 533 586)
	<b>(125 541 285)</b>	<b>(104 720 650)</b>
<b>Net balance</b>		
Electricity	34 199 965	28 249 294
Water	17 451 397	19 228 606
Sewerage	7 040 323	9 405 853
Refuse	4 521 110	4 389 260
Electricity accrual	67 102 118	66 364 959
Water accrual	15 522 807	27 162 747
Housing rental	14 649 149	15 005 646
Sundry	916 004	693 447
	<b>161 402 873</b>	<b>170 499 812</b>
<b>Electricity</b>		
Current (0 -30 days)	32 624 115	27 586 464
31 - 60 days	1 148 130	187 555
61 - 90 days	639 783	214 740
91 - 120 days	277 050	172 366
121 - 365 days	1 066 801	1 202 058
> 365 days	4 425 272	3 383 556
	<b>40 181 151</b>	<b>32 746 739</b>
<b>Water</b>		
Current (0 -30 days)	13 810 713	18 664 107
31 - 60 days	3 070 258	2 382 623
61 - 90 days	2 208 391	2 827 909
91 - 120 days	2 171 375	2 604 587
121 - 365 days	18 687 754	16 581 632
> 365 days	44 349 724	29 975 413
	<b>84 298 215</b>	<b>73 036 271</b>

# Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

## Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>5. Receivables from exchange transactions (continued)</b>		
<b>Sewerage</b>		
Current (0 -30 days)	5 807 634	8 714 528
31 - 60 days	483 993	483 949
61 - 90 days	435 064	373 598
91 - 120 days	374 823	372 138
121 - 365 days	3 100 555	2 690 204
> 365 days	12 990 471	10 166 776
	<b>23 192 540</b>	<b>22 801 193</b>
<b>Refuse</b>		
Current (0 -30 days)	3 383 765	3 704 813
31 - 60 days	498 839	377 679
61 - 90 days	389 466	356 344
91 - 120 days	372 158	370 867
121 - 365 days	3 402 793	3 035 105
> 365 days	14 829 040	11 794 861
	<b>22 876 061</b>	<b>19 639 669</b>
<b>Electricity accrual</b>		
Current (0 -30 days)	67 102 118	66 364 959
<b>Water accrual</b>		
Current (0 -30 days)	15 522 807	27 162 747
<b>Housing rental</b>		
Current (0 -30 days)	259 533	679 204
31 - 60 days	143 963	262 431
61 - 90 days	135 487	1 003 386
91 - 120 days	1 016 963	242 811
121 - 365 days	937 822	1 501 457
> 365 days	21 413 841	20 552 562
	<b>23 907 609</b>	<b>24 241 851</b>
<b>Other</b>		
Current (0 -30 days)	685 070	597 491
31 - 60 days	132 050	210 084
61 - 90 days	145 872	92 186
91 - 120 days	115 192	164 296
121 - 365 days	614 853	1 028 918
> 365 days	8 170 620	7 134 058
	<b>9 863 657</b>	<b>9 227 033</b>
<b>Reconciliation of allowance for impairment</b>		
Balance at beginning of the year	(104 720 650)	(83 285 939)
Contributions to allowance	(20 820 635)	(21 585 559)
Reversal of allowance	-	150 848
	<b>(125 541 285)</b>	<b>(104 720 650)</b>

### Receivables from exchange transactions past due but not impaired

The Council regards receivables from exchange transactions to be due for outstanding amounts more than 30 days to be past due.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand 2019 2018

#### 5. Receivables from exchange transactions (continued)

Debtors to the amount of R16 million have been ceded to the Development Bank of Southern Africa in providing security for a loan raised from them.

The water and electricity accrual is in respect of consumption between the last meter reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers. The estimate of the consumption are being recorded as revenue without being invoiced.

The comparative figures were restated. Refer to note 63.2

#### Government debt as at 30 June 2019

Department responsible for debt	Services	Interest	Sundry	Total
Nat. dept of Public Works	1 717 731	79 661	9 084	1 806 476
Prov. dept of Transport and Public Works	561 171	43 264	3 915	608 350
Western Cape education department	1 671 674	8 145	608	1 680 427
Dept of local government and housing	6 983	3 276	1 577	11 836
Other government departments	230 852	16 833	568	248 253
	<b>4 188 411</b>	<b>151 179</b>	<b>15 752</b>	<b>4 355 342</b>

#### Consumer debtors past due but not impaired

Consumer debtors which are more than 30 days past due but not impaired. At 30 June 2019, R 6 713 380 (2018: R 7 170 460) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

2019	31-60 days	61-90 days	91-120 days	121-365 days	>365 days	Total
Electricity	429 510	100 721	63 293	206 123	139 000	938 647
Water	557 643	308 579	225 389	1 375 192	884 864	3 351 667
Sewerage	172 159	115 625	63 333	258 502	307 537	917 156
Refuse	124 433	68 557	52 974	237 042	309 063	792 069
Housing rental	29 621	18 130	277 371	72 463	93 533	491 118
Sundry	35 012	27 577	23 419	56 661	80 054	222 723
	<b>1 348 378</b>	<b>639 189</b>	<b>705 779</b>	<b>2 205 983</b>	<b>1 814 051</b>	<b>6 713 380</b>
<b>2018</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>91-120 days</b>	<b>121-365 days</b>	<b>&gt;365 days</b>	<b>Total</b>
Electricity	434 154	58 821	90 800	348 568	101 333	1 033 676
Water	487 725	293 340	299 621	1 373 384	867 573	3 321 643
Sewerage	166 577	118 803	58 289	274 065	345 519	963 253
Refuse	115 262	66 230	49 585	273 174	352 413	856 664
Housing rental	68 947	64 615	172 982	201 983	188 755	697 282
Sundry	47 642	39 575	22 876	80 021	107 828	297 942
	<b>1 320 307</b>	<b>641 384</b>	<b>694 153</b>	<b>2 551 195</b>	<b>1 963 421</b>	<b>7 170 460</b>



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>6. Receivables from non-exchange transactions</b>		
Capital receivables represent funding that Council is awaiting from external institutions for capital expenditure incurred and claimed, but not yet received at year-end.		
The average credit period for capital receivables is dependent on the government department involved and the nature of the claim. No interest is charged on outstanding capital receivables. The subsidies are payable to the municipality resulting from allocations made in the DORA or based on agreements between the municipality and the relevant departments.		
<b>Gross balances</b>		
Capital receivables	15 297 872	4 434 340
Fines	178 242 746	175 675 416
Property rates	39 148 816	37 123 078
Other receivables	808 210	4 960 800
	<b>233 497 644</b>	<b>222 193 634</b>
<b>Less: Allowance for impairment</b>		
Fines	(142 321 642)	(141 524 917)
Property rates	(25 209 343)	(22 731 231)
	<b>(167 530 985)</b>	<b>(164 256 148)</b>
<b>Net balances</b>		
Capital receivables	15 297 872	4 434 340
Fines	35 921 104	34 150 499
Property rates	13 939 473	14 391 847
Other receivables	808 210	4 960 800
	<b>65 966 659</b>	<b>57 937 486</b>
<b>Fines</b>		
Current (0 -30 days)	16 915 892	16 672 243
31 - 60 days	12 135 462	11 960 668
61 - 90 days	11 927 257	11 755 462
91 - 120 days	8 029 964	7 914 304
121 - 365 days	61 530 102	60 643 850
> 365 days	67 704 069	66 728 889
	<b>178 242 746</b>	<b>175 675 416</b>
<b>Capital receivables</b>		
Current (0 -30 days)	12 119 045	695 512
> 365 days	3 178 827	3 738 828
	<b>15 297 872</b>	<b>4 434 340</b>
<b>Property rates</b>		
Current (0 -30 days)	16 047 171	16 962 930
31 - 60 days	978 421	699 286
61 - 90 days	535 796	599 738
91 - 120 days	539 047	632 848
121 - 365 days	5 178 110	4 636 112
> 365 days	15 870 271	13 592 164
	<b>39 148 816</b>	<b>37 123 078</b>
<b>Other receivables from non-exchange revenue</b>		
Current (0 -30 days)	56 000	4 960 800
> 365 days	752 210	-
	<b>808 210</b>	<b>4 960 800</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand 2019 2018

#### 6. Receivables from non-exchange transactions (continued)

##### Reconciliation of allowance for impairment for receivables from non-exchange transactions

Opening balance	(164 256 148)	(93 254 981)
Reversals to allowance	-	359 561
Contribution to allowance	(3 274 837)	(71 360 728)
	<b>(167 530 985)</b>	<b>(164 256 148)</b>

The Council regards receivables from non-exchange transactions to be due for outstanding amounts more than 30 days to be past due.

As at 30 June 2019, consumer debtors of R 1 764 383 (2018: R2 000 976) were past due but not impaired

The comparative figures were restated. Refer to note 63.3

2019	31-60 days	61-90 days	91-120	121-365 days	>365 days	Total
Property rates	434 142	165 413	132 038	576 796	455 994	1 764 383

2018	31-60 days	61-90 days	91-120 days	121-365 days	>365 days	Total
Property rates	460 241	239 409	158 142	560 209	582 975	2 000 976

#### 7. Other receivables from exchange transactions

Prepayments	5 879 933	3 741 658
Deposits	1 182 720	1 006 508
Public safety account	949 296	949 296
Special rating area debtor	337 827	239 221
Other receivable	1 350 935	170 839
Parking debtor	455 256	101 516
	<b>10 155 967</b>	<b>6 209 038</b>

#### 8. Inventories

Consumable stores	6 586 601	1 764 495
Maintenance materials	29 561 982	21 947 921
Water for distribution	1 896 630	2 766 318
Unsold Properties Held for Resale	14 262 729	15 204 047
Fuel (Diesel, Petrol)	-	7 531
	<b>52 307 942</b>	<b>41 690 312</b>

Inventories recognised as an expense during the year	25 087 435	21 430 939
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The amount of inventory reversed/ (written down) is R4 061 381 ( 2018: R (643 179)) and is recognised as an expense and a reduction in the carrying value of inventories. The circumstances relating to the write down is as a result of stock adjustments and shortages on general stock items as reported and approved accordingly.

No inventories were pledged as securities.

The comparative amounts were restated. Refer to note 63.4

#### 9. VAT receivable

VAT	47 420 470	54 272 329
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The comparative amounts were restated. Refer to note 63.5

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 10. Property, plant and equipment

	2019			2018		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	422 899 301	(27 052 477)	395 846 824	422 899 301	(27 052 477)	395 846 824
Machinery and equipment	57 972 643	(17 742 308)	40 230 335	76 361 381	(36 024 747)	40 336 634
Furniture and office equipment	40 447 652	(25 088 163)	15 359 489	36 248 003	(21 702 478)	14 545 525
Transport assets	123 061 480	(46 288 647)	76 772 833	116 404 208	(38 014 823)	78 389 385
Computer equipment	43 245 260	(22 060 276)	21 184 984	40 203 183	(18 514 987)	21 688 196
Community assets	90 030 057	(11 555 441)	78 474 616	78 606 898	(9 237 398)	69 369 500
Other property, plant and equipment	490 842 026	(69 071 872)	421 770 154	404 744 253	(60 239 380)	344 504 873
Capital restoration asset	11 141 169	331 285	11 472 454	14 821 186	(13 918 720)	902 466
Electrical infrastructure	1 294 210 443	(342 728 135)	951 482 308	1 207 567 025	(307 615 522)	899 951 503
Water supply infrastructure	1 670 817 950	(343 135 377)	1 327 682 573	1 610 857 489	(305 259 523)	1 305 597 966
Solid waste infrastructure	59 142 309	(28 608 563)	30 533 746	43 592 807	(11 811 837)	31 780 970
Roads infrastructure	1 094 827 510	(344 158 581)	750 668 929	1 020 648 641	(300 192 665)	720 455 976
Information and communication infrastructure	3 210 627	(1 860 443)	1 350 184	2 312 645	(1 596 692)	715 953
Wastewater network	1 030 699 083	(113 277 428)	917 421 655	911 472 694	(101 139 621)	810 333 073
Stormwater infrastructure	62 687 324	(45 877 343)	16 809 981	60 871 681	(44 684 679)	16 187 002
<b>Total</b>	<b>6 495 234 834</b>	<b>(1 438 173 769)</b>	<b>5 057 061 065</b>	<b>6 047 611 395</b>	<b>(1 297 005 549)</b>	<b>4 750 605 846</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 10. Property, plant and equipment (continued)

##### Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Land	395 846 824	-	-	-	-	395 846 824
Machinery and equipment	40 336 634	9 171 765	(1 546 065)	(7 731 999)	-	40 230 335
Furniture and office equipment	14 545 525	5 871 834	(597 600)	(4 460 270)	-	15 359 489
Transport assets	78 389 385	11 615 258	(2 482 307)	(9 260 221)	(1 489 282)	76 772 833
Computer equipment	21 688 196	7 801 311	(1 182 552)	(7 121 971)	-	21 184 984
Community assets	69 369 500	11 645 620	(36 222)	(2 504 282)	-	78 474 616
Other property, plant and equipment	344 504 873	87 218 130	(1 022 318)	(8 930 531)	-	421 770 154
Capital restoration asset	902 466	11 141 169	-	(571 181)	-	11 472 454
Electrical infrastructure	899 951 503	86 468 273	-	(34 937 468)	-	951 482 308
Water supply infrastructure	1 305 597 966	59 960 926	(465)	(37 689 912)	(185 942)	1 327 682 573
Solid waste infrastructure	31 780 970	728 316	-	(1 975 540)	-	30 533 746
Roads infrastructure	720 455 976	74 178 869	-	(43 965 916)	-	750 668 929
Information and communication infrastructure	715 953	907 873	(9 891)	(263 751)	-	1 350 184
Wastewater network	810 333 073	119 400 732	(151 229)	(12 130 233)	(30 688)	917 421 655
Stormwater infrastructure	16 187 002	1 815 643	-	(1 192 664)	-	16 809 981
	<b>4 750 605 846</b>	<b>487 925 719</b>	<b>(7 028 649)</b>	<b>(172 735 939)</b>	<b>(1 705 912)</b>	<b>5 057 061 065</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 10. Property, plant and equipment (continued)

##### Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Land	395 846 824	-	-	-	-	395 846 824
Machinery and equipment	39 491 913	3 505 939	(125 586)	(2 535 632)	-	40 336 634
Furniture and office equipment	9 640 842	6 978 786	(60 998)	(2 013 105)	-	14 545 525
Transport assets	68 558 391	17 846 755	(354 628)	(7 661 133)	-	78 389 385
Computer equipment	21 050 095	4 922 244	(53 025)	(4 231 118)	-	21 688 196
Community assets	36 904 158	41 980 771	-	(3 447 565)	(6 067 864)	69 369 500
Other property, plant and equipment	343 195 875	12 297 098	(68 242)	(10 919 858)	-	344 504 873
Capital restoration asset	3 910 688	-	-	(3 008 222)	-	902 466
Electrical infrastructure	876 722 056	44 390 803	-	(21 161 356)	-	899 951 503
Water supply infrastructure	1 196 708 026	144 718 690	-	(35 498 277)	(330 473)	1 305 597 966
Solid waste infrastructure	32 794 539	-	-	(1 013 569)	-	31 780 970
Roads infrastructure	696 230 127	74 853 232	-	(50 627 383)	-	720 455 976
Information and communication infrastructure	715 953	-	-	-	-	715 953
Wastewater network	741 750 473	80 703 509	-	(12 120 909)	-	810 333 073
Stormwater infrastructure	16 634 159	762 905	-	(1 210 062)	-	16 187 002
	<b>4 480 154 119</b>	<b>432 960 732</b>	<b>(662 479)</b>	<b>(155 448 189)</b>	<b>(6 398 337)</b>	<b>4 750 605 846</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 10. Property, plant and equipment (continued)

##### Work in progress

Community assets	26 523 244	35 975 603
Computer equipment	-	787
Electrical Infrastructure	141 502 726	97 657 612
Furniture and office equipment	217 315	-
Roads Infrastructure	86 823 968	60 673 094
Storm water infrastructure	1 597 688	762 905
Solid waste infrastructure	4 138 445	1 534 213
Sanitation infrastructure	624 103 843	505 623 704
Water infrastructure	272 132 716	210 302 265
Libraries	-	7 172 757
Machinery and equipment	744 489	1 831 428
Other property, plant and equipment	88 310 921	4 524 766
	-	-
	<b>1 246 095 355</b>	<b>926 059 134</b>

##### Expenditure incurred to repair and maintain property, plant and equipment

##### Expenditure incurred to repair and maintain property, plant and equipment included included in Statement of Financial Performance

Community assets	6 409 076	47 615
Electrical infrastructure	7 790 204	7 510 215
Furniture and office equipment	10 066 464	5 037 593
Other property, plant and equipment	6 737 392	9 704 507
Roads infrastructure	3 862 340	5 509 778
Sanitation infrastructure	5 186 700	6 219 768
Solid waste infrastructure	530 467	766 742
Storm water infrastructure	4 621 149	160 738
Transport infrastructure	9 630 001	6 883 217
Water supply infrastructure	6 089 595	1 215 475
	<b>60 923 388</b>	<b>43 055 648</b>

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

The comparative amounts were restated. Refer to note 63.6

# Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

## Notes to the Annual Financial Statements

### 11. Investment property

	2019			2018		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	437 893 410	(17 116 236)	420 777 174	437 893 410	(16 745 708)	421 147 702

#### Reconciliation of investment property - 2019

	Opening balance	Depreciation	Total
Investment property	421 147 702	(370 528)	420 777 174

#### Reconciliation of investment property - 2018

	Opening balance	Depreciation	Total
Investment property	421 518 236	(370 534)	421 147 702

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

The comparative amounts were restated. Refer to note 63.8

### 12. Intangible assets

	2019			2018		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	27 346 543	(20 811 583)	6 534 960	21 968 573	(18 959 240)	3 009 333

#### Reconciliation of intangible assets - 2019

	Opening balance	Additions	Amortisation	Total
Computer software, other	3 009 333	5 377 971	(1 852 344)	6 534 960

#### Reconciliation of intangible assets - 2018

	Opening balance	Additions	Amortisation	Total
Computer software, other	4 075 755	664 395	(1 730 817)	3 009 333

The comparative amounts were restated. Refer to note 63.7

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 13. Biological assets that form part of an agricultural activity

	2019			2018		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Trees in timber plantation - Consumable	6 321 448	-	6 321 448	6 321 448	-	6 321 448

#### Reconciliation of biological assets that form part of an agricultural activity - 2019

	Opening balance	Total
Trees in timber plantation - Consumable	6 321 448	6 321 448

#### Reconciliation of biological assets that form part of an agricultural activity - 2018

	Opening balance	Decreases due to harvest / sales	Gains or losses arising from changes in fair value	Total
Trees in timber plantation - Consumable	8 808 121	(317 559)	(2 169 114)	6 321 448

#### 14. Heritage assets

	2019			2018		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Collections of rare books, manuscripts and records	143 945	-	143 945	143 945	-	143 945
Historical monuments	630 057	-	630 057	630 057	-	630 057
<b>Total</b>	<b>774 002</b>	<b>-</b>	<b>774 002</b>	<b>774 002</b>	<b>-</b>	<b>774 002</b>

#### Reconciliation of heritage assets 2019

	Opening balance	Total
Collections of rare books, manuscripts and records	143 945	143 945
Historical monuments	630 057	630 057
	<b>774 002</b>	<b>774 002</b>

#### Reconciliation of heritage assets 2018

	Opening balance	Additions	Total
Collections of rare books, manuscripts and records	143 945	-	143 945
Historical monuments	580 057	50 000	630 057
	<b>724 002</b>	<b>50 000</b>	<b>774 002</b>



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>14. Heritage assets (continued)</b>		
<b>Heritage assets used for more than one purpose</b>		
A significant portion of the following heritage assets are used for office accommodation and is therefore included in the balance of property, plant and equipment:		
<b>The following heritage assets are used by the municipality for more than one purpose</b>		
Neethlingshuis and De Withuis	67 350 000	64 486 222
58 - 60 Andringa Street	2 000 000	1 919 137
35B Mark Street	3 250 000	3 176 414
127 Dorp Street, Transvalia, Alma & Bosmanshuis flats	13 050 000	12 803 367
116 - 118 Dorp Street, Voorgelegen - offices	5 800 000	5 638 273
4 Reservoir West, Mooiwater	2 170 000	2 105 309
34 Mark Street, Rynse Komplex; Toy Museum, Tourism	8 550 000	8 303 367
PMU Building, Alexander Street, Burger Huis	1 650 000	1 597 439
Merriman, Bergzicht Training Centre, Oude Libertas Theatre & Restaurant	64 350 000	62 808 743
Die Laan, Landbou Saal	5 950 000	4 370 417
	<b>174 120 000</b>	<b>167 208 688</b>
<b>15. Long term receivables</b>		
<b>At amortised cost</b>		
Other financial assets	4 464 106	3 530 877
Officials: Erven loans	116	5 415
Farmers: Water Schemes	191 736	222 373
	<b>4 655 958</b>	<b>3 758 665</b>
<b>Non-current assets</b>		
At amortised cost	3 024 999	2 158 458
<b>Current assets</b>		
At amortised cost	1 630 959	1 600 207
<b>16. Consumer deposits</b>		
Electricity	10 374 233	9 506 421
Water	6 005 431	5 645 034
Housing rental	698 248	522 470
	<b>17 077 912</b>	<b>15 673 925</b>
<b>17. Employee benefit obligations</b>		
<b>The amounts recognised in the statement of financial position are as follows:</b>		
<b>Carrying value</b>		
Salary Control	5 458 796	4 267 370
Leave gratuity	26 391 625	23 351 369
Bonus accrual	11 918 177	11 084 938
Post employment medical aid benefit	187 508 063	198 749 140
Long service awards	26 153 883	29 621 886
<b>Net liability</b>	<b>257 430 544</b>	<b>267 074 703</b>

# Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

## Notes to the Annual Financial Statements

Figures in Rand	2019	2018																																																						
<b>17. Employee benefit obligations (continued)</b>																																																								
Non-current liabilities	201 830 792	217 470 757																																																						
Current liabilities	55 599 752	49 603 946																																																						
	<b>257 430 544</b>	<b>267 074 703</b>																																																						
<b>17.1 Post-retirement healthcare benefit liability</b>																																																								
<p>The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. The plan is treated as a defined benefit plan under GRAP 25. No other post-retirement benefits are provided to these employees.</p> <p>The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2019 by C Weiss, Fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.</p> <p>The members of the Post-employment Health Care Benefit Plan are made up as follows:</p> <p><b>The members of the post-employment health care benefit plan are made up as follows:</b></p> <table border="1"> <tbody> <tr> <td>In-service members (Employees)</td> <td>653</td> <td>620</td> </tr> <tr> <td>Continuation members (Retirees, widow(ers) and orphans)</td> <td>171</td> <td>168</td> </tr> <tr> <td><b>Total members</b></td> <td><b>824</b></td> <td><b>788</b></td> </tr> </tbody> </table> <p><b>The liability in respect of past service has been estimated as follows:</b></p> <table border="1"> <tbody> <tr> <td>In-service members</td> <td>74 392 000</td> <td>103 840 969</td> </tr> <tr> <td>Continuation members</td> <td>113 116 000</td> <td>94 908 170</td> </tr> <tr> <td><b>Total liability</b></td> <td><b>187 508 000</b></td> <td><b>198 749 139</b></td> </tr> </tbody> </table> <p><b>The principal assumptions used for the purposes of the actuarial valuations were as follows:</b></p> <p><b>i) Rates of Interest</b></p> <table border="1"> <tbody> <tr> <td>Discount rate</td> <td>9.33 %</td> <td>9.54 %</td> </tr> <tr> <td>Health care cost inflation rate</td> <td>6.79 %</td> <td>7.34 %</td> </tr> <tr> <td>Net effective discount rate</td> <td>2.38 %</td> <td>2.05 %</td> </tr> </tbody> </table> <p><b>ii) Normal retirement age</b></p> <table border="1"> <tbody> <tr> <td>Expected retirement age - females</td> <td>63</td> <td>63</td> </tr> <tr> <td>Expected retirement age - males</td> <td>63</td> <td>63</td> </tr> </tbody> </table> <p>The PA (90) ultimate mortality table was used by the actuaries Pre-retirement: The SA 85-90 ultimate table, adjusted for female lives, was used.</p> <p><b>Movements in the present value of the Defined Benefit Obligation were as follows:</b></p> <table border="1"> <tbody> <tr> <td>Balance at the beginning of the year</td> <td>198 749 139</td> <td>201 981 567</td> </tr> <tr> <td>Current service costs</td> <td>7 945 828</td> <td>8 631 985</td> </tr> <tr> <td>Interest cost</td> <td>18 580 276</td> <td>19 029 154</td> </tr> <tr> <td>Actual employee benefits payments</td> <td>(8 231 483)</td> <td>(7 574 537)</td> </tr> <tr> <td>Actuarial (losses) / gains</td> <td>(29 535 697)</td> <td>(23 319 030)</td> </tr> <tr> <td><b>Present Value of Fund Obligation at the end of the Year</b></td> <td><b>187 508 063</b></td> <td><b>198 749 139</b></td> </tr> <tr> <td>Current liability</td> <td>8 723 730</td> <td>8 160 542</td> </tr> </tbody> </table>			In-service members (Employees)	653	620	Continuation members (Retirees, widow(ers) and orphans)	171	168	<b>Total members</b>	<b>824</b>	<b>788</b>	In-service members	74 392 000	103 840 969	Continuation members	113 116 000	94 908 170	<b>Total liability</b>	<b>187 508 000</b>	<b>198 749 139</b>	Discount rate	9.33 %	9.54 %	Health care cost inflation rate	6.79 %	7.34 %	Net effective discount rate	2.38 %	2.05 %	Expected retirement age - females	63	63	Expected retirement age - males	63	63	Balance at the beginning of the year	198 749 139	201 981 567	Current service costs	7 945 828	8 631 985	Interest cost	18 580 276	19 029 154	Actual employee benefits payments	(8 231 483)	(7 574 537)	Actuarial (losses) / gains	(29 535 697)	(23 319 030)	<b>Present Value of Fund Obligation at the end of the Year</b>	<b>187 508 063</b>	<b>198 749 139</b>	Current liability	8 723 730	8 160 542
In-service members (Employees)	653	620																																																						
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Current liability	8 723 730	8 160 542																																																						

**Stellenbosch Municipality**

Annual Financial Statements for the year ended 30 June 2019

**Notes to the Annual Financial Statements**

Figures in Rand	2019	2018
<b>17. Employee benefit obligations (continued)</b>		
<b>The amounts recognised in the Statement of Financial Position are as follows</b>		
Net Liability	187 508 063	198 749 139
<b>The amounts recognised in the Statement of Financial Performance are as follows:</b>		
Current service cost	7 945 828	8 631 985
Interest cost	18 580 276	19 029 154
Actuarial (gain)/ loss recognised in profit and loss	(29 535 697)	(23 319 030)
	<b>(3 009 593)</b>	<b>4 342 109</b>
<b>Amounts for the current and previous four periods are as follows:</b>		
<b>Present value of unfunded defined benefit</b>		
2019		187 508 063
2018		198 749 139
2017		201 981 567
2016		209 611 270
2015		192 290 959

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand 2019 2018

#### 17. Employee benefit obligations (continued)

##### Sensitivity analysis on the Accrued Liability (R Millions)

Assumption	Change	In-service	Continuation	Total	% change
Central assumptions		74.392	113.116	187.508	
Health care inflation	1 % (1)%	90.748 61.611	125.399 102.654	216.148 164.264	15 % (12)%
Discount rate	1 % (1)%	61.975 90.486	102.965 125.210	164.940 215.696	(12)% 15 %
Post-retirement mortality	-1 year	76.522	117.071	193.593	3 %
Average retirement age	-1 year	80.263	113.116	193.379	3 %
Continuation of membership at retirement	(10)%	65.331	113.116	178.447	(5)%

##### Sensitivity analysis on Current-service and Interest Costs

Assumption	Change	Current-service Cost	Interest cost	Total	% change
Central assumptions		7 945 800	18 580 300	26 526 100	
Health care inflation	1 % (1)%	9 955 100 6 404 400	21 614 700 16 121 900	31 569 800 22 526 300	20 % (16)%
Discount rate	1 % (1)%	6 502 400 9 839 200	17 882 000 19 316 400	24 384 400 29 155 600	(8)% 10 %
Post-retirement mortality	-1 year	8 198 200	19 239 900	27 438 100	3 %
Average retirement age	-1 year	8 218 000	19 452 500	27 670 500	4 %
Continuation of membership at retirement	(10)%	7 223 600	17 658 200	24 881 800	(6)%

##### Mortality Rates

Post retirement: PA (90) ultimate Mortality table was used.

Pre-retirement: The SA 85-90 ultimate table adjusted for female lives, was used.

##### Continuation of Membership

With the appointment of ARCH Actuarial Consulting for the year ending 30 June 2019.

The municipality expects to make a contribution of R13 821 112 to the Defined Benefit Plan during the next financial year.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>17. Employee benefit obligations (continued)</b>		
<b>17.2 Long Service Awards</b>		
<b>Total Liability</b>		
Opening balance	29 621 885	28 469 818
Additions	4 845 730	4 722 112
Utilised during the year	(2 436 254)	(1 993 489)
Actuarial (gains) losses	(5 877 479)	(1 576 556)
	<b>26 153 882</b>	<b>29 621 885</b>
<b>Current Liability</b>		
	3 107 424	2 739 727
<b>Movement in the present value of Long Service Awards were as follows:</b>		
Opening balance	29 621 885	28 469 818
Current service cost	2 388 150	2 362 635
Interest cost	2 457 580	2 359 477
Actuarial (gains) losses	(5 877 479)	(1 576 556)
Benefits paid	(2 436 254)	(1 993 489)
<b>Total included in employee related costs</b>	<b>26 153 882</b>	<b>29 621 885</b>
<b>The amount recognised in the Statement of Financial Position are as follows:</b>		
Present value of long service awards	26 153 882	29 621 885
<b>The amount recognised in the Statement of Financial Performance are as follows:</b>		
Current service cost	2 388 150	2 362 635
Interest cost	2 457 580	2 359 477
Actuarial gains (losses)	(5 877 479)	(1 576 556)
<b>Closing balance</b>	<b>(1 031 749)</b>	<b>3 145 556</b>
<p>Under the plan, a Long-service Award is payable after 10 years of continuous service and every 5 years thereafter to employees. Additional to this employees shall be entitled to a 14th cheque for continuous employment on their 30th and every 5th year onward. Furthermore a retirement gift is payable on retirement to employees with 10 years or more service. The provision is an estimate of the long service award based on historical staff turnover. No other long service benefits are provided to employees.</p>		
<b>Key assumptions used</b>		
Assumptions used at the reporting date:		
Discount rates used	8.18 %	8.69 %
General salary inflation	5.57 %	6.26 %
Net effective discount rate	2.47 %	2.29 %

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand 2019 2018

#### 17. Employee benefit obligations (continued)

##### Other assumptions

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

Amounts for the current and previous four years are as follows:

	2019 R	2018 R	2017 R	2016 R	2015 R
Accrued liabilities	26 153 882	29 621 885	28 469 818	27 719 640	25 716 595

##### Sensitivity analysis on the Unfunded Accrued Liability (in R Millions)

Assumption	Change	Liability	% change
Central assumptions		26.154	
General salary inflation	1 % (1)%	27.913 24.568	7 % (6)%
Discount rate	1 % (1)%	24.512 28.008	(6)% 7 %
Average retirement age	- 2 years + 2 years	21.979 29.414	(16)% 12 %
Withdrawal rates	(50)%	29.649	13 %

##### Sensitivity analysis on Current-service and Interest Costs

Assumption	Change	Current-service Cost	Interest Cost	Total	% change
Central assumptions		2 388 200	2 457 600	4 845 800	
General salary inflation	1 % (1)%	2 627 300 2 178 600	2 655 100 2 281 200	5 282 400 4 459 800	9 % (8)%
Discount rate	1 % (1)%	2 194 600 2 612 100	2 538 300 2 357 600	4 732 900 4 969 700	(2)% 3 %
Average retirement age	-2 years 2 years	2 111 800 2 668 700	2 131 800 2 801 700	4 242 600 5 470 400	(12)% 13 %
Withdrawal rates	(50)%	2 721 500	2 639 800	5 361 300	11 %

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 18. Operating lease liability

Operating Leases are recognised on the straight-line basis as per the requirement of GRAP 13. In respect of Non-cancellable Operating Leases the following liabilities have been recognised:

Balance at beginning of year	1 079 160	1 439 270
Operating lease expenses recorded	2 609 655	8 345 680
Operating lease revenue realised	(241 120)	(723 360)
Operating lease payments effected	(2 476 616)	(7 982 430)
	<b>971 079</b>	<b>1 079 160</b>

#### Leasing Arrangements

##### The Municipality as Lessee:

Operating Leases relate to Property, Plant and Equipment with lease terms not longer than 5 years, with an option to extend for a further period. All operating lease contracts contain market review clauses in the event that the municipality exercises its option to renew. The municipality does not have an option to purchase the leased asset at the expiry of the lease period.

##### Amounts Payable under Operating Leases

At the reporting date, the municipality had outstanding commitments under Non-cancellable Operating Leases for Property, Plant and Equipment, which fall due as follows:

##### Buildings:

Up to 1 year	1 908 696	6 509 708
2 to 5 years	-	1 746 814
	<b>1 908 696</b>	<b>8 256 522</b>

The following payments have been recognised as an expense in the Statement of Financial Performance:

##### Total operating lease expenses

Lease rentals on operating lease	2 933 062	8 085 133
----------------------------------	-----------	-----------

The following amounts have been recognised as revenue in the Statement of Financial Performance:

##### Total operating lease income

Minimum lease income	(241 120)	(723 360)
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No restrictions have been imposed on the municipality in terms of the operating lease agreements.

#### 19. Other financial liabilities

##### At amortised cost

Other financial liability	318 800 147	173 302 138
Terms and conditions		

Annuity loans from the Development Bank of South Africa have settlement periods of 14 to 15 years with fixed interest varying from 9.25% to 11.10% per annum.

The municipality entered into a loan agreement with Nedbank limited during the financial year under review for a period of 10 years at a fixed interest rate of 9.7%.

##### Non-current liabilities

At amortised cost	292 930 440	158 800 148
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**Stellenbosch Municipality**

Annual Financial Statements for the year ended 30 June 2019

**Notes to the Annual Financial Statements**

Figures in Rand	2019	2018
<b>19. Other financial liabilities (continued)</b>		
<b>Current liabilities</b>		
At amortised cost	25 869 707	14 501 990



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 20. Provisions

##### Reconciliation of provisions - 2019

	Opening Balance	Additions	Current Portion	Total
Environmental rehabilitation	79 165 186	22 536 381	642 909	102 344 476

##### Reconciliation of provisions - 2018

	Opening Balance	Additions	Reversed during the year	Total
Environmental rehabilitation	77 875 472	1 289 714	-	79 165 186
Alien vegetation	293 672	-	(293 672)	-
	<b>78 169 144</b>	<b>1 289 714</b>	<b>(293 672)</b>	<b>79 165 186</b>

Non-current liabilities			101 701 567	79 165 186
Current liabilities			642 909	-
			<b>102 344 476</b>	<b>79 165 186</b>

##### Environmental rehabilitation provision

In terms of the licensing of the landfill refuse sites, the municipality will incur licensing and rehabilitation costs of R107 652 351 (2018: R79 165 186) to restore the site at the end of its useful life, estimated to be in the 2019/2020 financial year. Provision has been made for the best estimate of costs at the reporting date with reference to the inflation rate.

The unwinding of the provision for landfill site for the current year was R6 174 066 (2018: R0 ) was included in the finance cost in the statement of financial performance.

The municipality expects an expenditure outflow of R 642 909 in the 2019/2020 financial year. No expenditure was incurred for the year under review.

Cells 1 and 2 have reached full capacity and must be rehabilitated. Cell 3 has come into use at the end of 30 June 2013 financial year and is the current landfill site in use.

The provision has been determined based on an independent valuation performed by a firm of consulting engineers as at 30 June 2019

Key cost parameters:

- Estimated post closure rehabilitation time 3 years
- Inflation rate 5.3% (2018: 4.83% )
- Discount rate at the weighted average cost of capital 7.58% (2018: 7.80% )

##### Clearing of alien vegetation

The provision for clearing of alien vegetation relates to the estimated cost for the clearing of alien vegetation from the areas under the jurisdiction of the municipality

In terms of the Conservation of Agricultural Resources Act, (Act 43 of 1983) the provision for the clearing of alien vegetation was established in 2005/06 as a start to address the backlogs that existed. The municipality eradicated the back-log

The clearing of alien vegetation as an on-going operational expense and is included in the operational budget.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>21. Payables from exchange transactions</b>		
Trade and other payables	175 368 586	163 930 429
Charitable trust and donations	112 334	22 275
Collection fees	151 389	151 389
Deposit sale of land	1 297 302	1 297 302
Don and Pat Bilton	256 056	256 056
Ex gratia pension fund (BDM)	123 541	123 541
Grouplife	2 423 664	2 423 664
Housing beneficiary contribution	115 787	115 787
Impounded vehicles	29 100	181 925
Libraries	59 815	71 134
Other creditors	19 155 016	12 926 543
Payments received in advance	12 926 302	9 822 295
Prepaid electricity	8 383 071	5 471 811
Retention	46 838 439	45 094 506
Sundry deposits	1 780 617	1 427 213
	<b>269 021 019</b>	<b>243 315 870</b>

The comparative figures were restated. Refer to note 63.9.

### 22. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

#### Unspent conditional grants and receipts

Developers contribution - refuse	1 857 506	1 583 226
Developers contribution - La clemence	1 170 940	1 170 940
Developers contribution - electricity	28 605 745	22 447 913
Developers contribution - general	1 611 569	1 038 188
Developers contribution - open areas	165 928	165 928
Developers contribution - parking	1 511 442	1 511 442
Developers contribution - roads	24 566 396	20 885 715
Developers contribution - sewerage	12 735 060	11 852 704
Developers contribution - stormwater	3 430 964	3 241 213
Developers contribution - water	11 189 204	9 963 073
Development of sport and recreational facilities	67 669	67 669
Fransdevco development rights	3 347 553	3 347 553
Franschhoek low cost housing (phase 2)	301 300	301 300
Housing consumer education	68 010	68 010
Human settlement development grant - capital	45 164 098	15 093 045
Human settlement development grant - operational	5 642 999	5 392 294
National lottery	1 032 768	1 032 768
Other sources	288 184	288 184
Shared Economic Infrastructure Facility Grant	1 953 031	467 884
Fire Services Capacity Building Grant	3 003 000	-
Western Cape Local Government Internship and capacity building grant	520 590	405 031
	<b>148 233 956</b>	<b>100 324 080</b>

The nature and extent of government grants recognised in the annual financial statements are an indication of other forms of government assistance from which the municipality has directly benefited; and

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

See note 32 for reconciliation of grants from National/Provincial Government.

These amounts are invested in a ring-fenced investment until utilised.

The comparative amounts were restated. Refer to note 63.10

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand 2019 2018

#### 23. Accumulated surplus

##### Ring-fenced internal funds and reserves within accumulated surplus - 2019

	Capital replacement reserve	Self insurance reserve	Housing development fund	Accumulated surplus	Total
Opening balance	38 691 498	9 885 492	(9 396 229)	5 123 411 216	5 162 591 977
Surplus for the year	-	-	-	124 561 617	124 561 617
Transfer to capital replacement reserve	297 467 204	-	-	(297 467 204)	-
Property, plant and equipment purchases	(266 154 970)	-	-	266 154 970	-
	<b>70 003 732</b>	<b>9 885 492</b>	<b>(9 396 229)</b>	<b>5 216 660 599</b>	<b>5 287 153 594</b>

##### Ring-fenced internal funds and reserves within accumulated surplus - 2018

	Capital replacement reserve	Self insurance reserve	Housing development fund	Accumulated surplus	Total
Opening balance	97 039 241	9 885 492	(9 396 229)	4 819 287 807	4 916 816 311
Surplus for the year	-	-	-	245 775 656	245 775 656
Transfer to capital replacement reserve	294 176 141	-	-	(294 176 141)	-
Property, plant and equipment purchases	(352 523 884)	-	-	352 523 884	-
	<b>38 691 498</b>	<b>9 885 492</b>	<b>(9 396 229)</b>	<b>5 123 411 206</b>	<b>5 162 591 967</b>

The capital replacement reserve is a reserve to finance future capital expenditure and is fully invested in ring-fenced Financial Instrument Investments.

The self insurance reserve is used to offset potential losses or claims of assets that cannot be insured externally.

The housing development fund is depleted. There is no cash or surplus generated from the fund. Therefore any additional cost must be carried by the municipality as part of its operations.

Refer to statement of changes in net assets for more detail and the movement on accumulated surplus.

#### 24. Service charges

Sale of electricity	531 494 348	523 067 966
Sale of water	147 275 947	197 306 311
Solid waste	55 127 852	50 008 048
Sewerage and sanitation charges	83 861 916	91 619 120
	<b>817 760 063</b>	<b>862 001 445</b>

The amounts disclosed above for service charges are in respect of services rendered which are billed to the consumers on a monthly basis according to approved tariffs.

#### 25. Rental of facilities and equipment

##### Premises

Rental Revenue from other facilities	4 033 584	1 707 946
Rental Revenue from buildings	134 805	138 598
Rental revenue from housing schemes	7 652 197	8 327 704
	<b>11 820 586</b>	<b>10 174 248</b>

##### Facilities and equipment

Rental Revenue from Land	2 703 750	4 818 003
	<b>14 524 336</b>	<b>14 992 251</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>26. Interest earned- outstanding receivables</b>		
Sundry	147	9 466
Electricity	796 089	582 366
Water	4 768 050	4 271 764
Waste water management	1 407 150	990 380
Waste management	1 053 445	994 621
	<b>8 024 881</b>	<b>6 848 597</b>
<b>27. Agency services</b>		
Vehicle Registration	2 833 175	2 521 016
The municipality collects licence fees on behalf of the provincial government western cape and receives a 12% agency fee.		
<b>28. Licences and permits (exchange)</b>		
Licences and permits	6 610 962	6 757 407
<b>29. Other income</b>		
Application fees	550 857	1 451 815
Building clause	176 674	253 433
Building plan fees	6 569 688	6 681 831
Cemetery and burial	859 210	849 105
Clearance certificates	348 522	319 228
Collection fees	1 220 121	1 549 848
Entrance fees	380 480	550 211
Flamable substance	352 862	466 291
Insurance	-	115 623
Merchandising, jobbing and contracts	2 714 189	2 561 251
Parking revenue	5 111 074	3 691 382
Removal of restrictions	798 036	172 074
Skills development levy	800 235	1 269 193
Special rating area	5 365 090	4 637 940
Staff recoveries	562 661	524 809
Sundry	895 622	31 310
	<b>26 705 321</b>	<b>25 125 344</b>
The amounts disclosed above are in respect of services, other than described in notes 24 and 25 rendered which are billed to or paid for by users as the services are reclaimed according to approved tariffs or offers received in terms of supply chain procedures, i.e wood sales.		
The comparative amounts were restated. Refer to note 63.14.		
<b>30. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	6 216 908	4 537 989
Investment deposits	38 054 919	50 571 642
	<b>44 271 827</b>	<b>55 109 631</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>31. Property rates</b>		
<b>Rates received</b>		
Residential	160 102 576	167 104 669
Commercial	151 667 440	123 236 395
Agricultural	21 187 884	19 647 722
	<b>332 957 900</b>	<b>309 988 786</b>

Assessment Rates are levied on the value of land and improvements, which valuation is performed every four years. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions. The last valuation came into effect on 1 July 2017. With reference to S78 of the Municipal Property Rates Act four reviews have been finalised and one interim valuation was performed during the financial year and implemented accordingly.

The following assessment rates were charged for the period ending June 2019:

R 0.010493 - Non Residential (2018: R 0.018048)

R 0.004770 - Residential (2018: R 0.004512)

R 0.001193 - Agricultural (2018: R 0.001128)

Rates are levied monthly on property owners and are payable the 7th of each month. Property owners can request that the full amount for the year be raised in July in which case the amount has to be paid by 7 October. Interest is levied as per council's Credit Control and Debt Collection Policy on outstanding rates amounts.

#### Relief measures

The relief measures on property rates are generally described in paragraph 8 of the approved Rates Policy of the municipality. This includes the specific under mentioned relief measures:

<b>Rebate and gross monthly household income for Qualifying senior citizens and Disabled persons</b>	Gross monthly household income	% Rebate
	Up to R8 000	100%
	From R8 001 to R 10 000	75%
	From R10 001 to R12 000	50%
	From R12 001 to R15 000	25%

#### Municipal valuation threshold value

On qualifying residential properties, up to a maximum value of R200 000, which amount includes the R15 000 as per Section 17(1)(h) of the MPRA and the R185 000 reduction granted as per paragraph 8.2.1(ii) of the approved Rates policy. Paragraph 8.2.1 (ii) is only applicable on properties with valuations up to R5 000 000.

#### Stellenbosch special rebate

A rebate of 20% may be granted as per paragraph 8.6 of the approved Rates policy of the municipality.

#### Other rebates

Rebates have also been granted to qualifying non-profit organisations and to organisations who qualified for the rebate as defined in paragraph 8.11 of the approved Rates policy. Any other exclusions or exemptions have been granted in accordance with the Local Government Property Rates Act.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 32. Government grants and subsidies

##### Operating grants

Equitable share	124 176 000	110 631 000
Arbor city award	-	300 000
Financial management grant	1 550 000	1 550 000
Capacity building	151 410	-
Community development workers	56 000	56 000
Provincial government Provincial Housing Projects top structures	1 454 546	4 929 421
Library services support grant	12 210 000	11 045 000
Financial management capacity building grant	-	14 969
Expanded Public Workers Program support grant	5 722 000	4 820 000
LG Financial management support grant	255 000	255 000
Natural Resources Management Grant	406 469	-
	<b>145 981 425</b>	<b>133 601 390</b>

##### Capital grants

Municipal infrastructure grant	35 107 000	36 358 000
Integrated national electrification grant	5 000 000	4 000 000
Energy efficiency and demand side management grant	-	7 236 000
Maintenance and construction of transport	971 000	2 176 000
Shared economic infrastructure facility	3 561 097	1 053 473
Human settlement development grant	43 513 977	20 587 782
Integrated Transport Planning Grant	-	1 433 152
Library support grant	-	3 714 395
Fire services capacity building grant	-	800 000
Donated assets	-	229 596
	<b>88 153 074</b>	<b>77 588 398</b>
	<b>234 134 499</b>	<b>211 189 788</b>

##### Conditional and Unconditional

Included in above are the following grants and subsidies received:

Conditional grants received	109 958 499	100 558 788
Unconditional grants received	124 176 000	110 631 000
	<b>234 134 499</b>	<b>211 189 788</b>

##### Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. Bulk basic services are also provided free of charge to informal settlements to ensure that these communities have access to basic services.

##### Developers contributions- Sewerage

Balance unspent at beginning of year	11 852 704	6 671 199
Current-year receipts	882 356	5 214 597
Conditions met - transferred to revenue	-	(33 092)
	<b>12 735 060</b>	<b>11 852 704</b>

Developer contributions are received in respect of the additional impact that their development will have on the bulk service. The funds will be utilised when services are developed. The unspent funds will remain a liability. Refer to note 22.

## Stellenbosch Municipality

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### Notes to the Annual Financial Statements

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#### 32. Government grants and subsidies (continued)

##### Developers contributions- Roads

Balance unspent at beginning of year	20 885 715	7 469 667
Current-year receipts	3 680 681	13 416 048
	<b>24 566 396</b>	<b>20 885 715</b>

Developer contributions are received in respect of the additional impact that their development have on the bulk service. The funds will be utilised when services are developed. The unspent funds will remain a liability. Refer to note 22.

##### Developers contributions- Electricity

Balance unspent at beginning of year	22 447 913	15 915 173
Current-year receipts	6 157 832	6 532 740
	<b>28 605 745</b>	<b>22 447 913</b>

Developer contributions are received in respect of the additional impact that their development have on the bulk service. The funds will be utilised when services are developed. The unspent funds will remain a liability. Refer to note 22.

##### Developers contributions- Water

Balance unspent at beginning of year	9 963 073	4 675 957
Current-year receipts	1 226 131	5 344 310
Conditions met - transferred to revenue	-	(57 194)
	<b>11 189 204</b>	<b>9 963 073</b>

Developer contributions are received in respect of the additional impact that their development have on the bulk service. The funds will be utilised when services are developed. The unspent funds will remain a liability. Refer to note 22.

##### Developers contributions- Open areas

Balance unspent at beginning of year	165 928	165 928
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Developer contributions are received in respect of the additional impact that their development have on the bulk service. The funds will be utilised when services are developed. The unspent funds will remain a liability. Refer to note 22.

##### Developers contributions- Parking

Balance unspent at beginning of year	1 511 442	1 511 442
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Developer contributions are received in respect of the additional impact that their development have on the bulk service. The funds will be utilised when services are developed. The unspent funds will remain a liability. Refer to note 22.

##### Developers contributions- General

Balance unspent at beginning of year	1 038 188	117 753
Current-year receipts	573 381	920 435
	<b>1 611 569</b>	<b>1 038 188</b>

Developer contributions are received in respect of the additional impact that their development have on the bulk service. The funds will be utilised when services are developed. The unspent funds will remain a liability. Refer to note 22.

## Stellenbosch Municipality

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### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>32. Government grants and subsidies (continued)</b>		
<b>Developers contributions- La Clemence</b>		
Balance unspent at beginning of year	1 170 940	1 170 940
Developer contributions are received in respect of the additional impact that their development have on the bulk service. The funds will be utilised when services are developed. The unspent funds will remain a liability. Refer to note 22.		
<b>Frantevco development</b>		
Balance unspent at beginning of year	3 347 553	3 347 553
Developer contributions are received in respect of the additional impact that their development have on the bulk service. The funds will be utilised when services are developed. The unspent funds will remain a liability. Refer to note 22.		
<b>FHK Low cost housing</b>		
Balance unspent at beginning of year	301 300	301 300
Developer contributions are received in respect of the additional impact that their development have on the bulk service. The funds will be utilised when services are developed. The unspent funds will remain a liability. Refer to note 22.		
<b>Financial Management Grant</b>		
Current-year receipts	1 550 000	1 550 000
Conditions met - transferred to revenue	(1 550 000)	(1 550 000)
	-	-
Conditions still to be met - remain liabilities (see note 22).		
All condition have been met.		
<b>Developers contributions- Refuse</b>		
Balance unspent at beginning of year	1 583 226	705 093
Current-year receipts	274 280	878 133
	<b>1 857 506</b>	<b>1 583 226</b>
Conditions still to be met - remain liabilities (see note 22).		
Developer contributions are received in respect of the additional impact that their development have on the bulk service. The funds will be utilised when services are developed.		
<b>Developers contributions- Stormwater</b>		
Balance unspent at beginning of year	3 241 213	1 976 853
Current-year receipts	189 751	1 264 360
	<b>3 430 964</b>	<b>3 241 213</b>
Conditions still to be met - remain liabilities (see note 22).		
Developer contributions are received in respect of the additional impact that their development have on the bulk service. The funds will be utilised when services are developed.		



## Stellenbosch Municipality

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### Notes to the Annual Financial Statements

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#### 32. Government grants and subsidies (continued)

##### Integrated National Electrification Programme Grant

Current-year receipts	5 000 000	4 000 000
Conditions met - transferred to revenue	(5 000 000)	(4 000 000)
	-	-

All conditions have been met.

To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of all existing and planned residential dwellings (including upgrade of informal settlements, new, and normalisation), and the installation of relevant bulk infrastructure.

##### Municipal Infrastructure Grant

Current-year receipts	35 107 000	36 358 000
Conditions met - transferred to revenue	(35 107 000)	(36 358 000)
	-	-

To provide specific capital finance for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities

##### Expanded Public Works Programme

Current-year receipts	5 722 000	4 820 000
Conditions met - transferred to revenue	(5 722 000)	(4 820 000)
	-	-

To incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP Guidelines:

- road maintenance and the maintenance of buildings
- low traffic volume roads and rural roads
- basic services infrastructure, including water and sewer reticulation, sanitation, pipelines and dams (excluding bulk infrastructure)
- other economic and social infrastructure
- tourism and cultural industries
- waste management
- parks and beautification
- sustainable land-based livelihoods.

##### Top structures

Balance unspent at beginning of year	5 392 294	7 471 715
Current-year receipts	-	2 850 000
Conditions met - transferred to revenue	250 705	(4 929 421)
	<b>5 642 999</b>	<b>5 392 294</b>

Conditions still to be met - remain liabilities (see note 22).

To provide funding for the creation of sustainable human settlements

##### Lotto

Balance unspent at beginning of year	1 032 768	1 032 768
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Conditions still to be met - remain liabilities (see note 22).

## Stellenbosch Municipality

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### Notes to the Annual Financial Statements

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#### 32. Government grants and subsidies (continued)

##### Western Cape Local Government Internship grant and capacity building grant

Balance unspent at beginning of year	405 031	180 000
Current-year receipts	432 000	240 000
Conditions met - transferred to revenue	(151 410)	(14 969)
Reimbursement	(165 031)	-
	<b>520 590</b>	<b>405 031</b>

Conditions still to be met - remain liabilities (see note 22) Financial Management Capacity Building Grant: Stellenbosch Municipality advertised the bursaries as part of their Annual Mayoral Bursary to save advertisement cost in the 2016/2017 financial year. Unfortunately, the response was very poor and we could not find any applications that met the requirements. Consequently, we contacted various Universities during the 2016/2017 and 2017/2018 financial years to obtain CV's of students studying in the designated areas as specified in the circular. After 3 attempts, we obtained 6 CV's of students, 5 of which reside outside the municipal area. The challenge however was that the applicants did not meet all of the required minimum criteria and deviating from the conditions of the grant is not permissible. Stellenbosch municipality could not obtain a list of students from the faculties at the tertiary institutions and placed reliance on the administration officers to indicate possible candidates for the bursaries. A total of R139 410.30 was paid during the 2018/19 financial year which relates to the roll over of 2017/18. R100 589.70 will be repaid as it relates to a roll over of 2017/18. The R360 000 will be spent during the 2019/20 financial year.

The student commenced employment on 1 May 2019 in terms of the Municipal Graduate Internship Programme Grant.

To provide financial assistance to municipalities in support of capacity building for the future by means of a graduate internship programme

To develop financial human capacity within municipal areas to enable a sustainable local financial skills pipeline that is responsive to municipalities' requirements to enable sound and sustainable financial management and good financial governance.

##### Libraries support grant

Balance unspent at beginning of year	-	1 714 395
Current-year receipts	12 210 000	2 000 000
Conditions met - transferred to revenue	(12 210 000)	(3 714 395)
	-	-

To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through recapitalised programme at provincial level in support of local government and national initiatives.

##### Non motorised Public Transport Infrastructure/Integrated Transport Planning/Fire Services Capacity Building

Balance unspent at beginning of year	-	13 152
Current-year receipts	971 000	2 220 000
Conditions met - transferred to revenue	(971 000)	(2 233 152)
	-	-

To provide Non-Motorised Transport (NMT) infrastructure in both the Municipality of Stellenbosch and the Municipality of Overstrand as part of the Provincial Sustainable Transport Programme (Formerly Provincial Public Transport Institutional Framework)

##### Housing consumer education

Balance unspent at beginning of year	68 010	68 010
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Conditions still to be met - remain liabilities (see note 22).

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>32. Government grants and subsidies (continued)</b>		
<b>Community development support grant</b>		
Current-year receipts	56 000	56 000
Conditions met - transferred to revenue	(56 000)	(56 000)
	-	-
<p>To provide financial assistance to municipalities to cover the operational costs pertaining to the line functions of the community development workers including regional coordinators</p>		
<b>Fire services capacity building grant</b>		
Current-year receipts	3 003 000	-
<p>Conditions still to be met - remain liabilities (see note 22). The grant has been fully committed by 30 June 2019. The specialized vehicle was handed over to the Municipality on 26 July 2019. Payment was done on 14 August 2019.</p> <p>To provide financial assistance to municipalities to ensure functional emergency communication, mobilisation systems and fire services.</p> <p>The comparative amounts were restated. Refer to note 63.15</p>		
<b>33. Fines, Penalties and Forfeits</b>		
Municipal Traffic Fines	117 772 670	112 832 375
Other fines	273 462	1 934 793
	<b>118 046 132</b>	<b>114 767 168</b>
<b>34. Employee related costs</b>		
Acting allowances	1 019 414	967 432
Bargaining council	(149 212)	232 347
Basic	301 079 036	291 071 777
Bonus	21 211 131	19 663 049
Car allowance	9 780 788	9 918 888
Cellphone allowance	1 341 747	943 753
Entertainment	4 933	4 390
Group insurance	3 116 552	2 932 195
Housing benefits and allowances	2 853 349	2 232 675
Medical aid - company contributions	21 652 139	20 026 902
Overtime payments	31 607 382	29 350 333
Pension fund contribution	45 558 717	42 330 716
Performance bonus	590 923	322 731
Standby allowance	12 480 849	11 362 213
Sundry allowance	4 607 808	3 657 882
Travel, motor car, accommodation, subsistence and other allowances	719 369	1 028 973
UIF	2 175 228	2 314 318
Workmen compensation	1 463 977	2 934 237
	<b>461 114 130</b>	<b>441 294 811</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>34. Employee related costs (continued)</b>		
<b>Remuneration of Municipal Manager</b>		
Annual Remuneration	1 393 726	1 367 733
Car Allowance	123 762	130 580
Performance Bonuses	244 629	90 750
Contributions to UIF, Medical and Pension Funds	334 363	330 713
	<b>2 119 280</b>	<b>1 942 576</b>
<b>Remuneration of Chief Financial Officer</b>		
Annual Remuneration	950 700	1 489 418
Car Allowance	117 860	128 479
Contributions to UIF, Medical and Pension Funds	50 948	28 317
Leave	136 205	-
Telephone allowance	7 600	22 800
Other	3 000	-
	<b>1 266 313</b>	<b>1 669 014</b>
Acting allowance paid to acting Chief Financial Officer	19 424	-
<b>Remuneration of the Director Planning and Development</b>		
Annual Remuneration	1 029 334	992 155
Car Allowance	128 974	125 884
Performance Bonuses	118 569	62 202
Contributions to UIF, Medical and Pension Funds	246 716	233 630
Telephone allowance	22 800	22 800
	<b>1 546 393</b>	<b>1 436 671</b>
<b>Remuneration of the Director Community &amp; Protection Services</b>		
Annual Remuneration	868 611	983 232
Car Allowance	65 000	135 224
Performance Bonuses	-	62 202
Contributions to UIF, Medical and Pension Funds	97 563	210 884
Telephone allowance	13 300	22 800
	<b>1 044 474</b>	<b>1 414 342</b>
Acting allowance paid to acting Director(s) Community and Protection Services	13 227	-
<b>Remuneration of the Director Infrastructure Services</b>		
Annual Remuneration	1 254 593	1 186 131
Car Allowance	265 652	120 000
Performance Bonuses	144 918	-
Contributions to UIF, Medical and Pension Funds	24 066	21 127
Telephone allowance	22 800	22 800
	<b>1 712 029</b>	<b>1 350 058</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>34. Employee related costs (continued)</b>		
<b>Remuneration of the Director Corporate Services</b>		
Annual Remuneration	1 235 507	1 163 279
Car Allowance	139 200	139 200
Performance Bonuses	65 872	-
Contributions to UIF, Medical and Pension Funds	24 653	24 733
Telephone allowance	22 800	22 800
	<b>1 488 032</b>	<b>1 350 012</b>
<b>Remuneration of the Director Planning &amp; Economic Development</b>		
Annual Remuneration	1 029 334	1 048 276
Car Allowance	128 974	127 112
Performance Bonuses	118 569	-
Contributions to UIF, Medical and Pension Funds	246 716	20 618
Telephone allowance	22 800	19 000
	<b>1 546 393</b>	<b>1 215 006</b>
Acting allowance paid to acting Director Planning and Economic Development	17 239	29 723

The comparative amounts were restated. Refer to note 63.16

### 35. Remuneration of Councillors

Councillors	18 272 420	17 307 558
Executive Mayor	903 871	860 542
Deputy Mayor	731 975	695 257
Speaker	725 826	695 257
Chief Whip	688 956	647 580
Executive Committee	5 066 820	5 180 632
All Other Councillors	10 305 045	9 373 168
	<b>18 422 493</b>	<b>17 452 436</b>

The skills development levy R150 775 (2018: R144 878) in respect of councillors are paid from general expenditure.

The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the council.

# Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

## Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>36. Councillors Remuneration per class of councillor</b>		
<b>Executive Mayor</b>		
<b>Allowances and service related benefits</b>		
Basic Salary	636 472	612 044
Travel Allowance	214 868	206 603
Cell Phone Allowance	40 800	30 528
Data Card Allowance	3 600	3 600
Skills Development Levy	8 131	7 767
	<b>903 871</b>	<b>860 542</b>
<b>Deputy Executive Mayor</b>		
<b>Allowances and service related benefits</b>		
Basic Salary	474 213	456 002
Travel Allowance	171 894	165 282
Cell Phone Allowance	40 800	30 528
Data Card Allowance	3 600	3 600
Pension Fund Contribution	35 631	34 278
Skills Development Levy	5 837	5 567
	<b>731 975</b>	<b>695 257</b>
<b>Speaker</b>		
<b>Allowances and service related benefits</b>		
Basic Salary	484 403	456 002
Travel Allowance	171 844	165 282
Cell Phone Allowance	40 626	30 528
Data Card Allowance	3 600	3 600
Pension Fund Contribution	2 850	34 278
Skills Development Levy	6 663	5 567
Medical Aid Benefits	15 840	-
	<b>725 826</b>	<b>695 257</b>
<b>Chief Whip</b>		
<b>Allowances and service related benefits</b>		
Basic Salary	430 856	441 743
Travel Allowance	161 182	154 953
Cell Phone Allowance	40 722	24 168
Data Card Allowance	3 600	3 600
Pension Fund Contribution	29 615	-
Skills Development Levy	5 701	5 836
Medical Aid Benefits	17 280	17 280
	<b>688 956</b>	<b>647 580</b>
<b>Executive Committee</b>		
<b>Allowances and service related benefits</b>		
Basic Salary	3 298 068	3 450 293
Travel Allowance	1 187 835	1 239 622
Cell Phone Allowance	301 281	193 344
Data Card Allowance	26 530	28 800
Pension Fund Contribution	146 067	155 855
Skills Development Levy	42 239	43 598

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
Medical Aid Benefits	64 800	69 120
	<b>5 066 820</b>	<b>5 180 632</b>
<b>All Other Councillors</b>		
<b>Allowances and service related benefits</b>		
Basic Salary	6 184 940	5 909 716
Travel Allowance	2 228 199	2 128 323
Cell Phone Allowance	1 276 246	748 441
Data Card Allowance	112 628	111 486
Pension Fund Contribution	297 689	280 680
Skills Development Levy	81 503	76 543
Medical Aid Benefits	123 840	117 979
	<b>10 305 045</b>	<b>9 373 168</b>
<b>37. Contribution to/from provision</b>		
Landfill site	6 025 885	996 043
<b>38. Contribution to employee benefit obligation</b>		
Post-retirement healthcare benefit liability	(3 009 593)	4 342 109
Long service award	(1 031 749)	3 145 556
Leave gratuity	5 314 981	4 240 000
	<b>1 273 639</b>	<b>11 727 665</b>
<b>39. Depreciation and amortisation</b>		
Property, plant and equipment	172 735 940	155 448 205
Investment property	370 529	370 533
Intangible assets	1 852 346	1 730 817
	<b>174 958 815</b>	<b>157 549 555</b>
<b>40. Finance costs</b>		
Current borrowings	17 033 200	18 775 322
Interest costs non-current provisions	6 174 066	-
	<b>23 207 266</b>	<b>18 775 322</b>
<b>41. Lease rentals on operating lease</b>		
<b>Operating leases</b>		
Contractual amounts	2 090 460	6 646 267
<b>Equipment</b>		
Contractual amounts	410 164	27 843
<b>Plant and equipment</b>		
Contractual amounts	432 438	1 411 023
	<b>2 933 062</b>	<b>8 085 133</b>

The comparative amounts were restated. Refer to note 63.21

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>42. Debt impairment</b>		
Electricity	173 753	422 539
Refuse	1 198 997	2 219 946
Sewerage	1 089 710	1 830 178
Water	11 219 869	8 854 722
Housing rental	2 092 463	3 281 552
Rates	894 282	1 746 333
Traffic fines	88 538 140	29 615 310
	<b>105 207 214</b>	<b>47 970 580</b>
<b>43. Contribution to allowance for doubtful debt</b>		
Receivable from exchange allowance contribution	20 820 635	18 838 907
Receivable from non-exchange allowance contribution	1 131 486	53 620 755
	<b>21 952 121</b>	<b>72 459 662</b>
The comparative amounts were restated. Refer to note 63.18		
<b>44. Bulk purchases</b>		
Electricity - Eskom	350 008 266	313 552 804
Water	30 662 364	16 126 688
	<b>380 670 630</b>	<b>329 679 492</b>
The comparative amounts were restated. Refer to note 63.19		
<b>45. Contracted services</b>		
<b>Outsourced Services</b>		
Animal Care	7 031	10 241
Catering Services	261 490	207 290
Cleaning Services	992 892	994 050
Clearing and Grass Cutting Services	3 110 929	1 093 684
Litter Picking and Street Cleaning	3 200 529	4 592 637
Medical Services [Medical Health Services & Support	110 889	1 361
Personnel and Labour	501 328	619 081
Professional Staff	391 419	340 342
Refuse Removal	18 087 629	12 021 096
Security Services	16 065 250	8 162 810
Translators, Scribes and Editors	26 067	4 260
Traffic Fines Management	9 836 651	7 845 250
Transport Services	748 163	1 554 693
Drivers Licence Cards	770 882	843 997
<b>Consultants and Professional Services</b>		
Business and Advisory	13 212 149	12 855 917
Infrastructure and Planning	7 358 943	10 300 330
Laboratory Services	1 177 925	1 092 003
Legal Cost	9 777 392	5 181 406



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>45. Contracted services (continued)</b>		
<b>Contractors</b>		
Artists and Performers	48 000	68 970
Bore Waterhole Drilling	61 641	60 132
Catering Services	1 221 984	1 374 927
Employee Wellness	219 645	102 383
First Aid	80	1 505
Gardening Services	896 046	1 395 806
Graphic Designers	28 781	73 905
Interior Decorator	95 666	-
Maintenance of Buildings and Facilities	15 561 852	11 883 038
Maintenance of Equipment	1 797 796	1 741 206
Maintenance of Unspecified Assets	29 535 189	28 423 390
Management of Informal Settlements	513 343	660 887
Medical Services	83 453	44 244
Pest Control and Fumigation	14 696	88 261
Photographer	-	11 435
Plants, Flowers and Other Decorations	292 560	69 146
Prepaid Electricity Vendors	8 229 782	7 074 286
Preservation/Restoration/Dismantling/Cleaning Serv	415 305	584 969
Tracing Agents and Debt Collectors	1 869 475	1 668 813
Transportation	4 524 212	855 284
Safeguard and Security	-	3 722
Sewerage Services	467 377	818 057
Stage and Sound Crew	303 139	358 643
	<b>151 817 580</b>	<b>125 083 457</b>

The comparative amounts were restated. Refer to note 63.20

#### 46. Transfers and subsidies paid

<b>Other subsidies</b>		
Grant-in-aid tourism	4 124 338	3 714 185
Grant-in-aid animal welfare	1 050 000	1 000 000
Grant-in-aid sundries	3 815 701	1 547 000
	<b>8 990 039</b>	<b>6 261 185</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>47. General expenses</b>		
Advertising, publicity and marketing	2 943 163	2 937 731
Assets less than capitalisation threshold	922 109	835 703
Auditors remuneration	6 295 797	5 084 040
Bank charges, facility and card fees	1 022 289	1 252 160
Bursaries (Employees)	407 918	-
Bursaries (Non-employee)	139 410	-
Communication	5 649 956	5 828 682
Commision paid	2 685 445	2 388 302
Domestic subsistence and travel	892 224	355 400
Entertainment	126 275	71 402
External computer services	13 512 829	8 131 593
Foreign subsistence and travel	53 094	16 871
Full time union representative	133 508	190 727
Hire charges	12 214 934	3 446 792
Honoraria (voluntary workers)	12 600	25 700
Indigent relief	4 317 298	13 591 526
Insurance	4 327 956	4 597 308
Inventory - materials and supplies	12 442 636	20 704 710
Inventory - standard rated	5 153 285	4 935 913
Inventory - zero rated	13 700 724	10 150 118
Inventory consumed water	296 630	255 470
Licences: motor vehicle licence and registrations	1 225 229	1 074 682
Management fees	8 129 979	7 389 957
Municipal services	8 000 613	7 833 636
Office decorations	53 165	29 075
Other expenses	200 173	145 337
Printing, publications and books	458 536	832 210
Professional bodies, membership and subscription	3 879 060	5 214 605
Samples and specimens	378 953	229 192
Seminars, conferences, workshops and events	2 968 702	2 584 201
Skills development levy	3 998 884	3 853 769
Supplier development programme	942 126	(1 540)
Drivers lisences and permits	20 924	30 828
Title deed search fees	7 860	505 463
Uniform and protective clothing	3 582 350	3 314 709
Vehicle tracking	732 365	1 100 702
	<b>121 828 999</b>	<b>118 936 974</b>

The comparative figures were restated. Refer to note 63.22

#### 48. Fair value adjustments

Gain arising from changes in fair value less costs to sell on biological assets	-	(2 169 114)
Other financial assets		
• Discounting of long term receivables	(350 833)	1 373 308
	<b>(350 833)</b>	<b>(795 806)</b>

#### Movement in discounting of long term receivables

Opening balance	(1 913 488)	(3 286 796)
Discounting	(350 833)	1 373 308
	<b>(2 264 321)</b>	<b>(1 913 488)</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 49. Cash generated from operations

Surplus	124 561 617	245 775 656
<b>Adjustments for:</b>		
Depreciation and amortisation	174 958 812	157 549 540
Gain (loss) on sale of assets and liabilities	5 060 315	(426 920)
Fair value adjustments	350 833	795 806
Impairment deficit	1 705 912	6 398 337
Debt impairment	105 207 214	47 970 580
Contribution to debt impairment	21 952 121	92 435 878
Operating lease liability	(108 080)	(360 110)
Movements in retirement benefit assets and liabilities	(9 644 159)	(163 554)
Movements in provisions	23 179 290	996 042
Fair value in biological assets	-	2 169 114
<b>Changes in working capital:</b>		
Inventories	(10 617 630)	(1 587 946)
Other receivables from exchange transactions	(5 195 055)	2 651 643
Receivables from exchange transactions	(27 498 488)	(55 966 900)
Receivables from non-exchange transactions	(98 593 082)	(112 603 596)
Payables from exchange transactions	25 705 147	(43 315 024)
VAT	6 851 859	(19 383 161)
Unspent conditional grants and receipts	47 909 876	25 885 496
Consumer deposits	1 403 987	1 096 900
	<b>387 190 489</b>	<b>349 917 781</b>

#### 50. Financial assets by category

The financial assets of the municipality are classified as follows:

##### 2019

	Amortised cost	Total
Cash and cash equivalents	169 490 533	169 490 533
Receivables from exchange transactions	161 402 873	161 402 873
Other receivables from exchange transactions	4 276 034	4 276 034
Receivables from non-exchange transactions	16 058 432	16 058 432
Investments	398 163 664	398 163 664
Long term receivables	4 655 958	4 655 958
	<b>754 047 494</b>	<b>754 047 494</b>

##### 2018

	Amortised Cost	Total
Cash and cash equivalents	20 683 383	20 683 383
Receivables from exchange transactions	170 499 812	170 499 812
Other receivables from exchange transactions	2 467 380	2 467 380
Receivables from non-exchange transactions	9 395 140	9 395 140
Investments	505 617 672	505 617 672
Long term receivable	3 758 665	3 758 665
	<b>712 422 052</b>	<b>712 422 052</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand 2019 2018

#### 51. Financial liabilities by category

The financial liabilities of the municipality are classified as follows:

##### 2019

	<b>Amortised cost</b>	<b>Total</b>
Consumer deposits	17 077 912	17 077 912
Other financial liabilities	318 800 147	318 800 147
Payables from exchange transactions	247 711 646	247 711 646
	<b>583 589 705</b>	<b>583 589 705</b>

##### 2018

	<b>Amortised cost</b>	<b>Total</b>
Consumer deposits	15 673 925	15 673 925
Other financial liabilities	173 302 138	173 302 138
Payables from exchange transactions	228 021 764	228 021 764
	<b>416 997 827</b>	<b>416 997 827</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 52. Risk management

##### Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Council, which has built an appropriate liquidity risk management framework for the management of the municipality's short, medium and long-term funding and liquidity management requirements. The municipality manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below analyses the municipality's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amount disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 30 June 2019	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Consumer deposits	17 160 138	-	-	-
Other financial liabilities	17 266 702	26 888 845	84 793 625	189 850 975
Payables from exchange transactions	247 711 646	-	-	-
At 30 June 2018	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Consumer deposits	15 673 925	-	-	-
Other financial liabilities	14 501 990	15 946 207	47 793 625	95 060 316
Payables from exchange transactions	228 021 764	-	-	-

##### Risk from biological assets

The municipality is exposed to financial risks arising from changes in wood prices. The municipality does not anticipate that wood prices will decline significantly in the foreseeable future. The municipality has not entered into derivative contracts to manage the risk of a decline in wood prices. The municipality reviews its outlook for wood prices regularly in considering the need for active financial risk management.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand

2019

2018

#### 52. Risk management (continued)

##### Interest rate risk management

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with well-established financial institutions of high credit standing. No investment with a tenure exceeding twelve months shall be made without consultation with the councillor responsible for financial matters.

In the case of receivables whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Long-term receivables and other debtors are individually evaluated annually at the reporting date for impairment or discounting. A report on the various categories of receivables are drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality is not exposed to interest rate risk as the municipality borrows funds at fixed interest rates.

The municipality's exposures to interest rates on Financial Assets and Financial Liabilities are detailed in the Credit Risk Management section of this note.

##### Interest Rate Sensitivity Analysis

The municipality had no variable rate long-term financial instruments at year-end requiring an Interest Rate Sensitivity Analysis.

##### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipality. The municipality has a sound credit control and debt collection policy and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The municipality uses other publicly available financial information and its own trading records to assess its major customers. The municipality's exposure of its counterparties are monitored regularly.

Potential concentrations of credit rate risk consist mainly of long-term receivables, consumer debtors, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its investment operations (financial assets that are neither past due nor impaired) by only dealing with well-established financial institutions of high credit standing. The credit exposure to any single counterparty is managed by setting transaction / exposure limits, which are included in the municipality's Investment Policy. These limits are reviewed annually by the Chief Financial Officer and authorised by the Council.

Receivables from exchange transactions comprise of a large number of ratepayers, dispersed across different industries and geographical areas within the jurisdiction of the municipality. Ongoing credit evaluations are performed on the financial condition of these receivables. Receivables from exchange transactions are presented net of the allowance for impairment.

Receivables from non-exchange transactions comprise of a large number of ratepayers, dispersed across different industries and geographical areas within the jurisdiction of the municipality. Ongoing credit evaluations are performed on the financial condition of these receivables. Receivables from exchange transactions are presented net of the allowance for impairment.

The municipality establishes an allowance for impairment that represents its estimate of anticipated losses in respect of receivables. Receivables are provided for based on estimated irrecoverable amounts, determined by reference to a non payment rate.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand 2019 2018

#### 52. Risk management (continued)

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Long-term Receivables and Other Debtors are individually evaluated annually at reporting date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

Payment to accounts of consumer debtors who are unable to pay, are renegotiated as an ongoing customer relationship in response to an adverse change in the circumstances of the customer.

The municipality does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The municipality defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings.

There is no collateral held for security in respect of consumer debtors.

#### The maximum credit and interest risk exposure in respect of the relevant financial instruments is as follows:

Cash and cash equivalents	169 257 757	20 683 383
Short term investments	398 163 664	505 617 672
Receivables from exchange transactions	161 402 873	170 499 812
Other receivables from exchange transactions	4 276 034	4 698 477
Receivables from non-exchange transactions	16 058 432	9 395 140
Long term receivable	4 655 958	3 758 665
	<b>753 814 718</b>	<b>714 653 149</b>

#### Foreign currency risk management

The municipality's activities do not expose it to the financial risks of foreign currency and therefore has no formal policy to hedge volatilities in the interest rate market.

#### Other price risks

The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.

#### 53. Commitments

##### Authorised capital expenditure

##### Already contracted for but not provided for

• Property, plant and equipment	229 338 793	248 084 443
• Intangible assets	71 146 289	37 648 610
	<b>300 485 082</b>	<b>285 733 053</b>

##### Total capital commitments

Already contracted for but not provided for	300 485 082	285 733 053
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##### Authorised operational expenditure

This committed expenditure relates to property and will be financed by available bank facilities, retained surpluses, existing cash resources and funds internally generated.

The amounts as disclosed are VAT inclusive.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 54. Contingencies

##### 2017/2018 Contingent liabilities

Stellenbosch Municipality / Silver Crest Trading 161 (Pty) Ltd and Stellenbosch Municipality / Vinyl Investments (Pty) Ltd Instruction to stop illegal building works and demolish the illegal building works. Court order was obtained to demolish the illegal building work, but when we proceeded to execute the court order, we established that the property was already transferred into the new owner's name, Vinyl Investments (Pty) Ltd. The attorneys had to give notice to the new property owner and drafted a founding affidavit to institute legal action against the new owner. Reference: Ggieter/ A Ras

Management's estimate of the financial exposure R50 000.

##### Stellenbosch Municipality / Francois Jansen

Application for eviction of unlawful occupants from municipal property.

Management's estimate of the financial exposure R 50 000.

##### Stellenbosch Municipality / Tania Wasmuth And Others

Application for eviction of unlawful occupants from municipal property.

Management's estimate of the financial exposure R50 000.

##### Stellenbosch Municipality / Cobus Visagie

Approximately R684 000.00 owed by Cobus Visagie for a tender to harvest wood.

Management's estimate of the financial exposure R50 000.

##### Stellenbosch Municipality / Klapmuts Mediation

Municipality under obligation to provide emergency housing to evictees of various eviction orders in Klappmuts. Klappmuts community has threatened violence against evictees and destruction of property should the municipality proceed to utilise Klappmuts housing facilities for evictees rather than for members of the Klappmuts community. Independent expert mediator appointed to facilitate mediation which is currently pending. Mediator had meetings with the community and a committee was elected to discuss the matter and proposals made. The chairperson of the Committee was not available for a period to attend meetings and new proposed dates were arranged by the mediator for such meetings. Reference: KVDBERG/S613

Management's estimate of the financial exposure R250 000.

##### Stellenbosch Municipality / T & N Thabo

Application to demolish two illegal nutec structures on the Property. A court order was obtained to demolish the illegal structures, but allows the respondents to demolish the structures themselves or to submit building plans for approval and should they fail to do so, the sheriff be instructed to demolish the illegal structures.

Management's estimate of the financial exposure R50 000.

##### Stellenbosch Municipality / Orey

Eviction application.

Management's estimate of the financial exposure R40 000.

##### Stellenbosch Municipality / Visagie & Tromp

Eviction of illegal occupiers on municipal land

Management's estimate of the financial exposure R55 000.

##### Stellenbosch Municipality / Dillon Carelse

Eviction application of illegal occupiers from municipal land

Management's estimate of the financial exposure R40 000.



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 54. Contingencies (continued)

##### **Stellenbosch Municipality / Surita Layman**

Application to set the sale of property aside

Management's estimate of the financial exposure R130 000.

##### **Fredericksburg Landgoed (Pty) Ltd & Others / Stellenbosch Municipality & Others**

This matter, an application in terms of the National Environmental Management Act 107 of 1998 to have a directive issued against the Municipality, has now been partly concluded and only legal costs and disbursements for which the Municipality may be liable for have to be taxed. This has not been done for the past 7 years.

This matter does not involve any amounts claimed. Reference: RB Africa / AE Esterhuizen / 1901064 / 1988215

Management's estimate of the financial exposure R200 000.

##### **Fusion properties 233 cc / The Municipality of Stellenbosch**

This matter involves a summons issued against the Municipality for alleged damages pursuant to the sale of certain immovable property belonging to the Municipality.

The amount claimed are R32 115 000.00 together with interest calculated at the rate of 9% per annum from 28 July 2015.

The Municipality is defending the action. Pleadings have now closed and the Plaintiff is in the process of applying for a court date Reference: RB Africa / S Kgomo / 3006430

Should the litigation against the Municipality be successful, the estimate of financial exposure will be the R32 115 000.00 together with interest calculated at the rate of 9% per annum from 28 July 2015 including legal costs and disbursements of approximately R500 000.00.

##### **Independent Schools Association of Southern Africa / eThekweni Municipality / Stellenbosch Municipality & Others**

This matter involves an application on behalf of the Municipality to be joined as co-applicant together with eThekweni Municipality in an application for the review and setting aside of the Amended Municipal Property Rates Regulations promulgated on 12 March 2010. The Municipality has been joined successfully as co-applicant and the parties are in the process of exchanging pleadings.

An interlocutory application brought by the National Minister of Finance and National Minister of Co-operative Governance and Traditional Affairs for the variation and/or rescission of a court order regarding the provision of the record and for certain documents to be excluded from the record was set down and heard on 4 August 2014. Judgment has been delivered and the parties are now in the process of preparing and exchanging supplementary papers.

The Minister for Co-operative Government and the Minister of Finance have filed their answering affidavit to the Municipality's Founding affidavit and supplementary affidavit in the counter application. ISASA has filed its answering affidavit to the Municipality's supplementary affidavit in the counter application. Our attorneys have submitted the Municipality's replying affidavit to both the Minister's and ISASA's answering affidavit. The matter is ready for enrolment.

This matter does not involve any amounts claimed. Reference: RB Africa / AE Esterhuizen / 2083835

Management's estimate of the financial exposure R250 000.

##### **GD Wallace No / Stellenbosch Municipality**

Filed notice of intention to defend and Notice of Bar to file their declaration. Haven't received anything from Plaintiff's attorneys so far. Not requesting that matter be placed on roll, as Stellenbosch Municipality is Defendant. Reference: STB1/0110

Management's estimate of the financial exposure R58 000.

##### **Stellenbosch Municipality / Mandisi Parscal Jejane**

Illegal structure was erected without approved building plan and the occupiers need to be evicted

Management's estimate of the financial exposure R50 000.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 54. Contingencies (continued)

##### **Stellenbosch Municipality / Siyazama Co Constructioun (Pty) Ltd**

Contractor illegally occupied the property leased to a crèche and need to be evicted.

Management's estimate of the financial exposure R50 000.

##### **Stellenbosch Municipality / E Ross & Others**

Stellenbosch Municipality have to institute eviction proceedings against the Respondents of the property at 609 Lavanda Flats, Jan Cillier Street, Stellenbosch, due to the Respondents actions. The eviction application is still pending

Management's estimate of the financial exposure R200 000.

##### **Stellenbosch Municipality / L Bailey & Another**

Stellenbosch Municipality have to institute eviction proceedings against the Respondents of the property at 108 Aurora Flats, Jan Cillier Street, Stellenbosch, due to the Respondents actions. The eviction application is still pending

Management's estimate of the financial exposure R200 000.

##### **Stellenbosch Municipality // A De Ruiter & Others**

An eviction application was instituted by Stellenbosch Municipality to have the Respondents, evicted from the property, Erf 5281 Idas Valley, due to the Respondents actions. The eviction application is still pending

Management's estimate of the financial exposure R350 000.

##### **Stellenbosch Municipality / J Morgan & Others**

Stellenbosch Municipality have to institute eviction proceedings against the Respondents of the property at 12 Weber Street, Idas Valley, Stellenbosch due to the respondents actions. The eviction application is pending.

Management's estimate of the financial exposure is R200 000.

##### **Stellenbosch Municipality / Phumlomo & Others**

Stellenbosch Municipality have to institute eviction proceedings against the Respondents of the property at 3 Mjandana Street, Kayamandi, Stellenbosch due to the Respondents actions. The eviction application is still pending.

Management's estimate of the financial exposure is R200 000.

##### **Zenobia Campbell / Stellenbosch Municipality**

Applicant for the position of Senior LED Officer: Rural Development instituted a monetary claim against the Municipality for the payment of damages as a result of the fact that she was not employed by the Municipality.

Should the litigation against the Municipality be successful, the estimate financial exposure will be between R8 812 713.16 and R4 614 781.34 together with interest including legal costs and disbursements of approximately R200 000.00.

##### **Stellenbosch Municipality / Stellenbosch Golfklub**

This matter relates to a contractual dispute regarding the payment of rates and taxes by the Stellenbosch Golfklub to the Municipality. In terms of the long term lease agreement any dispute must be referred to arbitration.

Management's estimate of the financial exposure R100 000.

##### **John Cloete T/A Jonty Engineering And Trading Sa Cc / Stellenbosch Municipality**

Claim for payment of an amount of R298 030.00 for goods and services rendered in terms of an approved tender.

Management's estimate of the financial exposure R350 000.

##### **S Jacobs / Stellenbosch Municipality**

Claim for damages for alleged sexual harassment verbal abuse and victimisation, intimidation, harassment and unfair discrimination

Claim for 24 months' salary and maximum compensation for unfair discrimination, harassment and victimisation including sexual harassment and damages for the action of the employer.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 54. Contingencies (continued)

##### **Lizelle Moses / Stellenbosch Municipality**

Claim of unfair labour practice relating to provisions of benefits in terms of section 186(2)(a) of the Labour Relations Act. Mrs Moses claimed that her benefit should have been upgraded by the implementation of TASK. The ruling needs to be rescinded and set aside.

Management's estimate of the financial exposure R100 000.

##### **Stellenbosch / Urian Groenewald & Jacques Francois Swart**

Motor vehicle collision in which the municipal traffic lights were damaged

Management's estimate of the financial exposure R50 000.

#### **2018/2019 Contingent liabilities**

##### **Anonymous/Stellenbosch Municipality**

A municipal employee instituted legal proceedings against Stellenbosch Municipality and a municipal employee for alleged sexual harassment and unfair discrimination in the Labour Court. The Municipality has filed its Statement of Response to the Plaintiff's Statement of Claim and awaits a court date to have the matter argued. At reporting date this matter is pending

Management estimates financial exposure to approximately R200 000 in respect of costs and disbursements. The amount of the claim has not been included as the plaintiff's prospects of success are unlikely.

##### **Stellenbosch Municipality / Herman Pheiffer**

Monetary claim by the former Speaker, Herman Pheiffer against the Municipality. The Municipality defended the case successfully against Mr Pheiffer and obtained a cost order. At reporting date the matter is pending.

Management estimates financial exposure to amount to approximately R50 000 in respect of costs and disbursements. The amount of the claim has not been included as the plaintiff's prospects of success are unlikely.

##### **Stellenbosch Municipality / Thato Rubusha**

Review application instituted by Stellenbosch Municipality setting aside the Arbitration Award made under WCP121702 under the South African Local Government Bargaining Council to pay Thato compensation for additional work. At reporting date this matter is pending

Management estimates financial exposure to amount to approximately R200 000 - this amount represents the legal costs and disbursements that the Municipality may be liable in order to finalize this matter.

##### **Stellenbosch Municipality / Siyazama CP Constructions (Pty) Ltd**

Stellenbosch Municipality is in the process of instituting eviction proceedings against illegal occupiers of the property, which the Municipality is leasing to Kindersorg to operate a creche in Kayamandi. The eviction application is pending. The founding affidavit of the Municipality needs to be finalised, where after the Municipality can proceed with the institution of the eviction application. The Municipality has received the founding affidavit and is in the process of proposing amendments thereto. At the reporting date the matter is pending,

Management estimates financial exposure to amount to be approximately R50 000 in respect of costs and disbursements.

##### **Stellenbosch Municipality / Klapmuts Mediation**

The Municipality has an obligation to provide emergency housing to evictees of various eviction orders in Klappmuts. The Klappmuts community has threatened violent action against evictees and destruction of property should the Municipality proceed to use Klappmuts housing facilities for evictees rather than for members of the Klappmuts community.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 54. Contingencies (continued)

An independent expert mediator has been appointed to facilitate mediation which is currently pending. The mediator had meetings with the community and a committee was elected to discuss the matter and proposals made. The chairperson of the committee was not available for a period to attend meetings and new proposed dates were arranged by the mediator for such meetings. At reporting date this matter is pending. Reference: KVDBERG/S613.

Mediation needs to be finalised to obtain buy-in of the community to Klapmuts. Management estimates financial exposure to amount to approximately R250 000 in respect of costs and disbursements.

#### **Franklin Adams/ The Speaker/ Stellenbosch Municipality**

Councillor Adams instituted legal proceedings against the Speaker of the Municipality in the Equality Court. The Municipality served and filed its opposing affidavit in the matter. The matter was subsequently postponed to 9 July 2019 for the inter alia Councillor Franklin Adams to apply for legal assistance from Stellenbosch Municipality. The matter was postponed until 5 September 2019 to allow councillor Adams' attorney to come on record to attend to the directive hearing. Thus, at reporting date this matter is pending.

Management estimates financial exposure to amount to approximately R50 000 in respect of costs and disbursements.

#### **Stellenbosch Municipality/ E Ross & Others**

Stellenbosch Municipality is in the process of instituting eviction proceedings against the Respondents of the property at 609 Lavanda Flats, Jan Cilliers Street, Stellenbosch, due to the Respondents actions. The respondents did not oppose the application within the required time, as a result the Municipality submitted a Chamberbook application to oblige the respondents to submit their opposing affidavit, which they neglected to do. The matter will be enrolled on the unopposed roll.

Management estimates financial exposure to amount to approximately R200 000 - this amount represents the legal costs and disbursements that the municipality may be liable to finalise this matter.

#### **Stellenbosch Municipality / L Baily & Another**

Stellenbosch Municipality is in the process instituting eviction proceedings against the Respondents of the property at 108 Aurora Flats, Jan Cilliers Street, Stellenbosch, due to the Respondents actions. The eviction application is still pending. Thus, at reporting date this matter is pending and the Municipality awaits for the Writ from the Registrar of the High Court.

Management estimates financial exposure to amount to approximately R200 000 - this amount represents the legal costs and disbursements that the Municipality may be liable to finalize this matter.

#### **Stellenbosch Municipality / J Morgan & Others**

Stellenbosch Municipality is in the process of instituting eviction proceeding against the Respondents of the property at 12 Weber Street, Idas Valley, Stellenbosch, due to the Respondents actions. The attorneys are currently in the process to finalise affidavit. At reporting date, the eviction application is still pending and the Municipality is in the process of finalising the affidavit.

Management estimates financial exposure to amount to approximately R200 000 - this amount represents the legal costs and disbursements that the Municipality may be liable to finalize this matter.

#### **Stellenbosch Municipality / A De Ruiter & Others**

An eviction application was instituted by Stellenbosch Municipality to have the Respondents evicted from the property, Erf 5281 Cloetesville, due to the Respondents actions. At reporting date, the eviction application is still pending, and the Affidavit still needs to be signed by the Municipal Manager.

Management estimates financial exposure to amount to approximately R200 000 - this amount represents the legal costs and disbursements that the Municipality may be liable to finalize this matter.

#### **Stellenbosch Municipality / Franscois Jansen**

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 54. Contingencies (continued)

An application has been instituted by the Stellenbosch Municipality for the eviction of unlawful occupants from municipal property. This matter is still pending at the reporting date.

Management estimates financial exposure to amount to approximately R50 000 - this amount represents the legal costs and disbursements that the Municipality may be liable to obtain for the Final Court Order.

##### **Stellenbosch Municipality / Tania Wasmuth & Others**

An application for eviction of unlawful occupants from municipal property has been instituted by Stellenbosch Municipality. This matter is still pending at the reporting date.

Management estimates financial exposure to amount to approximately R50 000 - this amount represents the legal costs and disbursements that the Municipality may be liable to obtain the Final Court Order.

##### **Stellenbosch Municipality / Cobus Visagie**

Approximately R684 000 was owed by Cobus Visagie for a tender to harvest wood. Summary judgement was obtained but the money still needs to be collected.

Management estimates financial exposure to amount to approximately R50 000 - this amount represents the legal costs and disbursements that the Municipality may be liable to obtain to Final Court Order.

##### **Metro City Protection Services / Stellenbosch Municipality**

Metro City Protection Services instituted legal proceedings against Stellenbosch Municipality, pursuant to them not being awarded the tender for the rendering of security services. They applied for the Municipality to be interdicted to implement the tender with Securitem (Pty) Ltd and applied to have the tender award reviewed and set aside.

The matter was argued and the interdict was denied. The Review application is currently pending and a timetable was agreed upon in terms of which the matter will be argued on 12 September 2019. The Municipality had to file its Rule 53 record on 27 May 2019. The Applicant must file its supplementary affidavit by 13 June 2019 and the Municipality must file its answering affidavit by 4 July 2019. The parties are in the process of settling the matter. At reporting date this matter is pending.

Management estimates financial exposure to amount to approximately R250 000 - this amount represents the legal costs and disbursements that the Municipality may be liable for to obtain the final court order.

##### **La Concorde South Africa (Pty) Ltd / The Stellenbosch Municipality & Others**

La Concorde raised an objection to the constitutional validity of Section 24(1)(e) of the Stellenbosch Municipal Planning By-law, 2015 read with Section 61(2)(c) of the Western Cape Land Use Planning Act, 3 of 2014. La Concorde alleged that the Section 24 exempts an owner from applying for a subdivision in the circumstances listed therein, any reference in both the By-law and LUPA to "application" or "approval" cannot apply to a request to a municipality to issue an exemption certificate and the issuing of the exemption certificate is not an "approval" or a "decision" for the purposes of the By-law and LUPA. Pursuant to providing the information/documents requested in terms of La Concorde's Rule 30(1)(A) notice, La Concorde served another Rule 30(1)(A) notice requesting further additional information/documents. The Municipality provided the information, (except for the Planning Department) requested to our attorneys of record who is attending compiling the additional Rule 53 record. At year end this matter was still pending.

Management estimates financial exposure to amount to approximately R250 000 - this amount represents the legal costs and disbursements that the Municipality may be liable for in order to obtain the final court order.

##### **Stellenbosch Municipality / Stellenbosch Golf Club**

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 54. Contingencies (continued)

Stellenbosch Municipality entered into a long term notarial lease agreement with Stellenbosch Golfklub ("the Golfklub") on or about 20 December 1994, which lease agreement was notarial registered under reference number K199/95L on 14 March 1995. In terms of clause 4.6 of the notarial lease agreement the Golfklub is responsible for payment of the rates and taxes levied by the Municipality. The Municipality is involved in a dispute with the Stellenbosch Golfklub regarding outstanding rates the municipality claims from the Golfklub. The Golfklub leases the property on which the golf course is situated from the Municipality and for that reason is alleging that they do not have to pay rates and taxes to the Municipality.

The Municipality has finalised amendments to the draft Arbitration agreement as well as its Heads of Arguments and have forwarded the same to Stellenbosch Golf Club's attorneys. Stellenbosch Golfklub indicated that they want to make amendments to the Arbitration Agreement and Statement of Case and as a result the scheduled arbitration could not proceed on 31 May 2019. We are still awaiting the proposed amendments from Stellenbosch Golfklub and new dates on which the arbitration can proceed. At year end this matter was still pending.

Management estimates financial exposure to amount to approximately R300 000 - this amount represents the legal costs and disbursements that the Municipality may be liable to finalize this matter.

#### **Gerhard Schalk van Niekerk N.O and Others / Stellenbosch Municipality**

Gerhard Schalk van Nieker N.O & Others ("the Applicants") instituted review proceedings against Stellenbosch Municipality's resolution of 31 October 2018, which resolved the owners to be instructed to demolish all structures/boundary fences impeding public access to the Millstream, and to move all boundary fencing to their own ERF boundaries, within a period of 3 (three) months of receipt of the notice ("the Council resolution"), be reviewed and set aside.

Furthermore, that the decision of the Municipality on or about 22 November 2018, alternatively on or about 14 May 2019, to issue notices pursuant to the Council's resolution to the First to Fourth Applicants and the Fifth to Seventh Applicants, respectively ("the decision to issue the notices"), be reviewed and set aside. One of the Applicants prayers is that the Municipality pay the Applicants costs of the application, including costs of two counsel.

The Applicants even, i.e. the Alabama Trust as registered owner of ERF 1629, Stellenbosch and the Gillomee Trust as registered owner of ERF 1726 Stellenbosch abut ERF 1771 Stellenbosch of which Stellenbosch Municipality is the owner. ERF 1771 Stellenbosch is zoned as Public Open Space. The Applicants erected structures, which structures encroached on ERF 1771 Stellenbosch, without any prior approval of Stellenbosch Municipality. The Stellenbosch Municipal Council inter alia resolved on 31 October 2018 that the owners be given notices that any and all agreements that may exist with them in writing, or allowances made over the years, in regard to the use of land across the Millstream, is cancelled/revoked and that the owners be informed to demolish all structures/boundary fences not allowing public access to the Millstream and move any and all boundary fencing to their own erf boundaries within a period of 3 months of receipt of the notice.

#### **Fusion Properties 233 CC / The Municipality Of Stellenbosch**

This matter involves a summons issued against the Municipality for alleged damages pursuant to the sale of certain immovable property belonging to the Municipality. The Municipality is defending the action. The application that the Plaintiff has to provide security for costs was granted and the interlocutory application to strike out certain allegations was also successful. The Plaintiff made application for leave to appeal against the judgment, for which the application was refused with costs. At reporting date this matter is pending. : Reference RB Africa / S Kgomo / 3006430.

Should the litigation against the Municipality be successful, management estimates financial exposure will be the R32 115 000 together with interest calculated at the rate of 9% per annum from 28 July 2015 including legal costs and disbursements of approximately R1 350 000.00.

#### **Independant Schools Association of Southern Africa / EThekweni Municipality / Stellenbosch Municipality & Others**



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 54. Contingencies (continued)

The matter was argued in June 2019 and judgment was subsequently granted against the Municipality with a costs order. The Municipality submitted its leave to appeal against the judgment on 24 July 2019. The appeal was subsequently argued and leave to appeal was granted. This matter does not involve any amounts claimed. Reference: RB Africa / AE Esterhuizen / 2083835.

Management estimates financial exposure to amount to approximately R250 000 - this amount represents the legal costs and disbursements that the Municipality may be liable for if the review application is unsuccessful.

#### **De Zalze Golf Club / Valuation Appeal Board Fof Stellenbosch Municipality**

Management estimates financial exposure to amount to approximately R500 000 - this amount represents the legal costs and disbursements that the Municipality may be liable for if the review application is unsuccessful.

#### **Stellenbosch Municipality/ Mandisi Parscal Jejane**

The matter concerns the removal of an illegal structure which was erected without building plans, for which the occupants need to be evicted.

Management estimates financial exposure to amount to approximately R50 000 - this amount represents the legal costs and disbursements that the Municipality may be liable for if the review application is unsuccessful.

#### **Stellenbosch/ Urian Groenewald & Jacques Francois Swart**

The matter concerns a claim regarding a motor vehicle collision where the municipal traffic lights were damaged.

Management estimates financial exposure to amount to approximately R50 000 - this amount represents the legal costs and disbursements that the Municipality may be liable for if the review application is unsuccessful.

#### **Stellenbosch Municipality/ The Municipal Manager/ Franklin Adams**

The matter concerns a claim by Councillor Adams against the Speaker and Municipal Manager in the Equality Court.

The matter was withdrawn by Franklin Adams on 15 October 2019. Court judgement stated that each party is responsible for their own costs. The municipality is currently deciding whether an appeal will be launched.

Management estimates financial exposure to amount to approximately R50 000 - this amount represents the legal costs and disbursements that the Municipality may be liable for if the review application is unsuccessful.

#### **Stellenbosch Municipality/ April & Another**

The matter concerns the institution of eviction proceedings by the municipality against the respondents of the property.

Management estimates financial exposure to amount to approximately R200 000 - this amount represents the legal costs and disbursements that the Municipality may be liable for if the review application is unsuccessful.

**Stellenbosch Municipality**

Annual Financial Statements for the year ended 30 June 2019

**Notes to the Annual Financial Statements**

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**55. Related parties****Loans granted to related parties**

In terms of the MFMA, the municipality may not grant loans to its councillors, management, staff and public with effect from 01 July 2004. Loans, together with conditions thereof granted prior to this date are disclosed in note 15 in the annual financial statements.

**Key management information****Remuneration of management**

Compensation of key management and personnel is set out in notes 34, 35 and 36 respectively in the annual financial statements.



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 56. Awards to close family members in the service of the state

The detail listed below is disclosed in terms of Regulation 45 of the Municipal Supply Chain Regulations 2005 that determines that the municipality must disclose particulars of any awards of more than R2 000 to a person who is a spouse, child or parent of a person in service of the state or has been in service of the state in the previous twelve months.

Supplier	Name	State Department	Spouse, Child or Parent	2019	2018
Aurecon South africa (Pty) Ltd	Refer to detail below	Refer to detail below	Spouse, Child and Parent	8 767 802	13 108 894
ARB Electrical Wholesalers (Pty) Ltd	J Modise	Eskom Holdings: Non Executive Director and Road Accident Fund (RAF) CEO	Spouse	1 388	40 276
Bergstan South Africa	C Beukes	Department of Social Development	Spouse	73 600	145 920
Kemanzi (Pty) Ltd	J N Du Toit	City of Cape Town	Spouse	115 438	529 330
CSM Consulting Services	A Vancoillie	Department of Environmental affairs and Development Planning	Child	27 600	334 099
Exeo Khokela Civil	T Meyer	Department of Education	Child	5 999 461	12 438 725
Red Hills Electronics	L Hartley	Department of Education	Spouse	3 793 770	4 992 149
Milhon HVAC	J Sampson	Stellenbosch Municipality	Spouse	-	196 735
NCC Environmental Servicess (Pty) Ltd	C Rhode	City of Cape Town	Spouse	9 775	33 429
Helderberg Business	N Hitchert	Department of Agriculture	Spouse	1 750	11 880
Rhode Bros Steel Pro	D Rhode	South African Police Service	Child	62 315	36 384
Flowers in the Foyer	E Gunter	Other Government department	Spouse	2 700	2 420
Silver Solutions 1765	D Simpson	Department of Education	Spouse	-	13 000
Element Consulting	S Pienaar	Department of Local Government	Spouse	275 476	595 298
Payless Fitment Centre	R Olivier	Department of Social Development	Spouse	-	7 767
Idas Valley Cleaning Solutions	G Jonkers	Stellenbosch Municipality	Child	-	53 230
	C Jonkers	Department of Local Government			
Idas Valley Service Centre	J Bergstedt	Stellenbosch Municipality	Spouse	-	105 621
IKapa Reticulation and flow	S Davids	Department of Education	Spouse	1 232 505	2 146 549
Isuzu Truck Centre (Pty) Ltd	E Jacobs	Department of Local Government	Spouse	1 603 199	-
Smec South Africa (Pty) Ltd	Y Phosa	Department of the Premier		234 255	81 420
AECOM SA (Pty) Ltd	Refer to detail below	Refer to detail below	Spouse, Child and Parent	2 549 515	5 299 688
Conlog (Pty) Ltd	N Moodley	Department of Health	Spouse	1 861 204	2 475 583
Rhotec	P Rhode	Department of Education	Spouse	44 789	162 657
Steven Happie	F Happie	City of Cape town		142 210	111 742
G and G Maintenance	GB Gabriels	Department of Local Government	Parent	103 987	87 017

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 56. Awards to close family members in the service of the state (continued)

Novus3 (Pty) Ltd	M De Vries	Department of Education		1 723 120	1 101 589
	J Scheepers	Council for Medical Services			
Landfill Consult (Pty) Ltd	MM Dube	DICRO		1 248 792	2 601 214
Man 4 Trading (Pty) Ltd	MS Samuels	Department of Education	Spouse	-	128 030
Blue Planet Trading	W De Kock	Stellenbosch Municipality	Parent	-	196 810
ARCUS GIBB	B September	City of Cape Town	Spouse	374 448	315 453
ME Grow Mega Construction	J Sampson	Stellenbosch Municipality	Aunt	-	16 400
Stellenbosch Hospice	L Esau	Department of Local Government	Spouse	40 000	40 000
Massamatic (Pty) Ltd	Mr Barnard	Department of Health	Brother in law	-	121 635
Mpumamanzi Group CC	E Bouwers	Department of Health	Parent	705 434	253 361
EAM 73 Enterprises	Ms Meyer	Department of Education	Spouse	30 910	26 550
MA Johnson T/A TC Events	L Johnson	Other Government Departments	Child	-	11 970
MZR Electrical and Building (Pty) Ltd	JD Rosenberg	Department of Local Government	Spouse	-	13 200
Sowerby Engineering	J Scheepers	Department of Education	Spouse	77 780	-
SMS ICT CHOCE (Pty) Ltd	Mrs Maqula	Department of Health	Spouse	352 674	318 351
Mindspring Computing	R Loghdey	Other Government Departments	Spouse	5 336	491 601
HJ Productions	Director	Department of Agriculture	Spouse	56 550	59 410
Mubesko Africa (Pty) Ltd	J Niehaus	Department of Health	Spouse	677 219	498 663
Vuyani Electrical Supplies	M Agulhas	City of Cape Town	Child	39 460	530 858
LM Supplies (Pty) Ltd	G Hanson	Department of Local Government	Spouse	-	22 398
Du Toit Environmental	F Shariff	Department of Local Government	Spouse	307 686	55 050
Helderberg Maintenance cc	L Laurens	Environment Education and Superintendent Nature Conservation	Spouse	61 325	-
				<b>32 603 473</b>	<b>49 812 356</b>

# Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

## Notes to the Annual Financial Statements

### 56. Awards to close family members in the service of the state (continued)

The following are the close family names of Aurecon South Africa (Pty) Ltd.

Name	State Department	Spouse, Child or Parent
HC Ahlschlager	Special investigation unit; Legal representative	Spouse
B Alheit CMM Barnard	Denel Dynamics; Executive Manager Gauteng Department of Education, Deputy Principle	Parent Spouse
CJ Barry Prof CJG Bender J Blackmore	City of Cape Town; Head Finance University of Johannesburg, Professor Department of Public Works; Project Manager	Spouse Spouse Parent
T Botha	Oudtshoorn Municipality; Technical Manager	Parent
Councillor JJJ Daniels	West Coast District Municipality; Deputy Mayor	Parent
MC Dunga WZ Erasmus HG Esterhuysen	South African Navy; Engineer in Training Cape Nature; Programme Manager West Coast District Municipality; Senior Manager Roads	Spouse Spouse Spouse
N Geldenhuys	Transnet Port Terminals; Mechatronic Engineer	Child
T Govender	Umgeni Water: Fleet Management Administrator - Asset Management	Child
N Grobbelaar	Central University of Technology; Programme Manager	Spouse
SM Grobbelaar	Northern Cape Education Department of Cooperative Governance: Human Settlements and Traditional Affairs; Town Regional Planner	Parent
Cr B Groenewald Cr CP Herbst	Twaing Municipality: Councillor Dr S Mompoti District Municipality; Councillor	Parent Parent
E Herlodi	Manager Investigation Services; Limpopo Department of Economic Development and Tourism	
A Heyns	Stellenbosch Municipality; Assistant Superintendent	Parent
JH Higgs A Hougaard	SARS; Regional Manager Department of Correctional Services; Principle Network Controller	Spouse Spouse
J Jacobs	Eastern Cape Department of Education; Personal assistant to Chief Director	Spouse
T Kholoanyane	Naledi Local Municipality; Tourism Manager	Spouse
B Kleynhans Cr BJ Kriegler	Hessequa Municipality; Accountant Cape Winelands District Municipality and Breede Valley Municipality; Councillor	Parent Parent
M Marques	Department of Home Affairs; Deputy Director	Spouse
RT Mehlala	Eastern Cape Arts and Culture Council; Chief Executive Officer	Parent
R Meyer AJ Moore	Telkom SA; Project Manager Department of Water affairs; Chief Engineer	Parent Spouse
K Nadasen	National Department of Public Works; Director Key Account Management	Spouse
R Nair D Ntsebeza NH Ntsebeza SM O'Connell	eThekweni Municipality; Building Inspector Buffalo City Metropolitan Municipality Eastern Cape Department of Health Sol Plaatjie Municipality; Librarian	Parent Spouse Parent Spouse

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 56. Awards to close family members in the service of the state (continued)

JF Phillips	Northern Cape Department of Economic Development and Tourism; Manager - Township Revitalisation	Spouse
PS Pretorius	Sol Plaitjie Municipality; Chief Officer	Parent
JH Riekert	SA Reserve Bank; Engineering	Spouse
JM Robertson	Ekurhuleni Metropolitan Municipality; Roads Engineer	Parent
G Saaiman	Auditor General Kimberley; Manager	Child
JJ Saaiman	Armcor; Quality Manager	Parent
J Scheepers	Council for Medical Schemes; Chief Financial Analysts	Spouse
EM Schon	Northern Cape Department of Co-operative Governance; Human Settlements and Traditional affairs; Assistant Manager	Spouse
Dr M Skead	Nelson Mandela Bay Metropolitan University; Senior Manager- Staff Development	Spouse
R Tebane	Ekurhuleni Metropolitan Municipality; Executive Manager	Parent
J Theron	Nelson Mandela Bay Metropolitan University; Head: Graduate School Relations	Spouse
GJ Tong	North West Department of Finance; Deputy Director	Parent
N Towers	Department of Mineral Resources; Inspectorate of Mines	Parent
J Tredoux	Department of Water Affairs; Deputy Director Accounts Payable	Spouse
A Treurnich	Umjindi Municipality; Community Services Assistant Director	Parent
AN van Taak	Stellenbosch Municipality; Director Water and Sewerage	Parent
ZC Venter	Eastern Cape Department of Health; Deputy Director Employment Relations	Spouse
PC Vermeulen	City of Cape Town; Superintendent - Building Maintenance	Parent
J Wilkins	Correctional Services; Vice Director- Provincial	Parent
NS Wolmarans	IDC; Senior Accounts Manager	Spouse
NS Wolmarans	University of Johannesburg; Professor	Spouse
SW Zulu	Kwazulu Natal Department of Health; Human Resources Manager	Parent

The following are the close family names of AECOM South Africa (Pty) Ltd.

Name	State Department	Spouse, Child or Parent
Sandra	Bloem water	Parent
A Powell	Department of Education	Spouse
L Wolff	Department of Education	Spouse
M Breytenmbach	Eendracht Primary School	Spouse
A Rossouw	Eskom	Child
A Mahomed	eThekweni Municipality	Spouse
R Meyer	Grey College	Parent
E Venter	Gauteng Education Department	Spouse
C van der Merwe	Protea Park Primary School	Spouse
JHS Viljoen	SA Air Force- Waterkloof	Spouse
JC van der Walt	SANRAL	Parent
T Liversage	Transnet	Spouse
P de Waal	University of Pertoria	Spouse
A De Wet	UNISA	Spouse

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand 2019 2018

#### 57. Events after the reporting date

##### Independent Schools Association of Southern Africa/ eThekweni/Stellensbosch Municipality and Others

During the year of assesment, the Municipality joined, a co-applicant together with eThekweni Municipality, in application for the review and setting aside of the Amended Municipal Property Rates regulation promulgated on 12 March 2010. Initial application was bought against the eThekweni Municipality (Defendant) from the Independent School Association of Southern Africa (Applicant) regarding property rates charged on property of public benefit organisations.

This matter was heard in Kwa-Zulu local Division: Durban High Court on 5 June 2019. Judgement was delivered on 3 July 2019 and was not in favour of the Applicant, the Independent Schools Association of Southern Africa. Due to the ruling made, the municipality considers this to be an event after reporting date. Based on the presidents set on the ruling in this case, the judgement may have a material impact on the measurement of revenue from property rates for the municipalities in subsequent accounting periods.

The municipalities were ordered to pay the legal costs of the applicant. This amount is approximated to be R250 000. The municipalities submitted its leave to appeal against the judgement on 24 July 2019, this was subsequently argued and leave to appeal was granted.

#### 58. Unauthorised expenditure

No unauthorised expenditure for the year under review.

#### 59. Fruitless and wasteful expenditure

No fruitless and wasteful expenditure for the year under review.

#### 60. Irregular expenditure

Opening balance	34 736 802	18 513 578
Add: Irregular Expenditure - current year	48 732 864	29 275 088
Add: Irregular Expenditure identified in respect of prior year	4 223 363	-
<b>Balance prior to write-offs</b>	<b>87 693 029</b>	<b>47 788 666</b>
Less: Amounts written off	(43 390 255)	(5 975 650)
Less: Amount written off - 2016/2017	-	(7 076 214)
<b>Closing balance</b>	<b>44 302 774</b>	<b>34 736 802</b>

#### 61. Additional disclosure in terms of Municipal Finance Management Act

##### Contributions to organised local government - SALGA

Opening balance	547 648	-
Council subscriptions	6 093 195	5 251 450
Amount paid - current year	(6 427 581)	(4 988 878)
Early settlement discount	(213 262)	(262 573)
Additional invoice	220 945	547 648
<b>Balance Unpaid (included in Creditors)</b>	<b>220 945</b>	<b>547 647</b>

##### Audit fees

Opening balance	6 755	116 174
Current year Audit Fee	6 405 103	5 300 563
Amount paid - current year	(6 380 491)	(5 409 490)
Amount paid - previous year	-	(492)
<b>Balance Unpaid (included in Creditors)</b>	<b>31 367</b>	<b>6 755</b>

##### VAT

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

Figures in Rand	2019	2018
<b>61. Additional disclosure in terms of Municipal Finance Management Act (continued)</b>		
VAT receivable	47 448 229	54 272 329
VAT payable	27 759	-
	<b>47 475 988</b>	<b>54 272 329</b>

All VAT returns have been submitted by the due date throughout the year.

#### PAYE and UIF

Current year Payroll Deductions	(72 034 057)	(67 416 720)
Amount paid - current year	72 034 057	67 416 720
<b>Balance Unpaid (included in Creditors)</b>	<b>-</b>	<b>-</b>

#### Pension and Medical Aid Deductions

Current year Payroll Deductions and Council Contributions	107 199 175	99 592 332
Amount paid - current year	(107 199 175)	(99 592 332)
<b>Balance Unpaid (included in Creditors)</b>	<b>-</b>	<b>-</b>

#### Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2019:

30 June 2019	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
KM Gugushe	-	25 404	25 404

#### Distribution Losses

In terms of section 125(2)(d)(i) of the Municipal Finance Management Act, the municipality experienced the following distribution losses for the year under review:

Distribution Losses	Electricity (KWH)	Water (KL)
System input	379 353 123	9 050 653
Sales	(350 725 915)	(6 515 365)
<b>Distribution loss</b>	<b>28 627 208</b>	<b>2 535 288</b>

Electricity losses are calculated as 7.55% . Electricity losses are within the industry norms.  
Water losses are calculated as 28%. Water losses are within the industry norm.

#### 62. Multi-employer retirement benefit information

All councillors belong to the Pension Fund for Municipal Councillors.

Employees belong to a variety of approved Pension and Provident Funds as described below.

These schemes are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below.

The Municipal Councillors Pension Fund and the South African Municipal Workers Union National Provident Fund are defined contribution plans, whereas the other funds are defined benefit plans. All of these afore-mentioned funds are multi-employer plans. Sufficient information is not available to use defined benefit accounting for the pension and retirement funds, due to the following reasons:-

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 62. Multi-employer retirement benefit information (continued)

(i) The assets of each fund are held in one portfolio and are not notionally allocated to each of the participating employers.

(ii) One set of financial statements are compiled for each fund and financial statements are not drafted for each participating employer.

(iii) The same rate of contribution applies to all participating employers and no regard is paid to differences in the membership distribution of the participating employers.

It is therefore seen that each fund operates as a single entity and is not divided into sub-funds for each participating employer.

The only obligation of the municipality with respect to the retirement benefit plans is to make the specified contributions. Where councillors / employees leave the plans prior to full vesting of the contributions, the contributions payable by the municipality are reduced by the amount of forfeited contributions.

The total expense recognised in the Statement of Financial Performance of **R45.5 million** (2018: **R42.3 million**) represents contributions payable to these plans by the municipality at rates specified in the rules of the plans. These contributions have been expensed.

The Retirement funds have been valued by making use of the discounted cash flow method of valuation.

#### DEFINED BENEFIT SCHEMES

##### SALA Pension Fund

The SALA Pension Fund operates both as a defined benefit and defined contribution scheme.

The statutory valuation performed as at 1 July 2016 revealed that the assets of the fund amounted to R13,700,300.00 (30 June 2015 : R13,231,200.00), with funding levels of 100% (30 June 2015: 100%). The highest contribution rate paid by the members was 7.92% and by Council 20.78%.

It is the actuary's opinion that:

- They are satisfied with the investment strategy of the Fund;
- the nature of the assets is, in their opinion, suitable for the nature of the liabilities of the Fund as defined in the rules of the Fund;
- the matching of assets with the liabilities of the Fund is adequate; and
- the insurance arrangements are appropriate compared to the cover provided can be regarded as financially sound at the valuation date.

##### LA retirement Fund (Previously Cape Joint Pension Fund)

The Cape Joint Pension Fund is a multi employer plan and the contribution rate payable is 27%, 9% by the members and 23.06% (period 1 February 2012 - 30 June 2014) and 26.77% ( period 1 July 2014 - 30 June 2015) by their Councils. The actuarial valuation report at 30 June 2017 disclosed and actuarial valuation amounting to R 1 859 077 000 (30 June 2016: R 2 037 843 000 ), with a nett accumulated surplus of R 46 989 000 (2016: R 67 791 000), with a funding level of 102.6% (30 June 2015: 103.5%)

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 62. Multi-employer retirement benefit information (continued)

##### DEFINED CONTRIBUTION SCHEMES

##### LA Retirement Fund (Previously Cape Joint Pension Fund)

##### Defined benefit scheme

The contribution rate payable is under the defined benefit section is 27%, 9% by the members and 18% by their councils. The actuarial valuation report at 30 June 2017 disclosed an actuarial valuation amounting to R1,859,077,000 (30 June 2016 : R2,037,843,000), with a nett accumulated surplus of R46,989,000 (2016 : R67,791,000 ), with a funding level of 102.6% (30 June 2016 : 103.5%).

##### Defined contribution scheme

The actuarial valuation report at 30 June 2017 indicated that the defined contribution scheme of the fund is in a sound financial position, with a assets amounting to R1,911,937,000.00 (30 June 2016 : R1,960,970,000.00), net investment reserve of R0 (30 June 2016 : R0) and with a funding level of 100% (2016 : 100%).

The actuary concluded that:

- The Pensioner account has a funding level of 102.6% with n surplus of R47.0 million and is in a sound financial condition as at the valuation date.
- There is a surplus of R47.0million in The Defined Benefit Section excluding The surplus in The Pensioner Account. The surplus has been allocated to The Pensioner Account.
- The overall funding level in respect of the Defined Benefit Section including the Pensioner Account is 101.3% with a surplus of R47.0 million.
- The Defined Contribution Section has a funding level of 100% and is in sound Financial condition.
- Overall the fund is in a sound financial condition with n surplus of R47.0 million and the overall funding level of 102.6%.
- The Trustees awarded a 3.3% pension increase effective 1 January 2018.

It is to be noted that:

- All the active members have now all been converted to the Defined Contribution Section.
- There is no longer any contribution rate shortfall as this only applied to 29 residual Defined Benefit Section active members, that have now also converted to the Defined Contribution Section and
- Both the Defined Contribution Section and the Defined Benefit Section were fully funded as at the valuation date.

The nature of the assets is suitable for the Fund, except that the proportion of direct property underlying the pensioner liabilities may represent an over-concentration of assets in this class. The assets are appropriately matched relative to the term and nature of the active member liabilities. The Fund's investment strategy is suitable. Finally the risk benefits are partially re-insured and this is appropriate for the size and nature of the Fund.

##### Cape Joint Retirement Fund

The last statutory valuation performed as at 30 June 2016 revealed that the assets of the fund amounted to R20,075,000,000 (30 June 2015: R18,322,177,000), with funding levels of 118.0% and 100% (30 June 2015 112.1% and 100%) for the Pensions Account and the Share Account respectively. The Presevation Pension Account showed a suplus of R0 and was 100% funded for both 2016 & 2015. The contribution rate paid by the members (7,50%/9%) and the municipalities (19,50%/18%) is sufficient to fund the benefits accruing from the fund in the future. The actuary certified that the structure of the assets is appropriate relative to the nature of the liabilities, given normal circumstances and that the Fund is in a sound financial condition as at the valuation date.

##### Municipal Councillors Pension Fund



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 62. Multi-employer retirement benefit information (continued)

The Municipal Councilors Pension Fund operates as a defined contribution scheme. The statutory valuation performed as at 30 June 2015 revealed that the assets of the fund amounted to R2,551,861,000 (30 June 2014 : R2,229,410,000), with funding levels of 101.08% (30 June 2014: 98.83%). The contribution rate paid by the members (13,75 %) and council (15 %) is sufficient to fund the benefits accruing from the fund in the future. The Actuary certified that the Fund was in a sound financial condition as at 30 June 2015, in that the assets of the fund were sufficient to cover the accrued service liabilities including the recommended contingency reserves in full.

The appointment of a Curator in terms of section 5(1) of the Financial Institutions (protection of funds) Act 2001 for the whole of the business of the Municipal Councilors Pension Fund was done in December 2017. Due to the provisional curatorship, a short moratorium has been placed on the payment of benefits to members/beneficiaries. In terms of the curatorship order, the Court ordered as follows: 1. The provisional Curatorship order of the 19th December 2017 is made a final; 2. The Curator shall furnish the Registrar of the Pension Fund with progress report; 3. The Curator must deliver a further progress report to the Court by no later than 31st October 2018 which report deals with the status of curatorship as at the 30th September 2018; on the curatorship once every two months

#### **The Municipal Workers Retirement Fund (Previously South African Municipal Workers Union National Provident Fund)**

The Municipal Workers Retirement Fund is a defined contribution scheme. Members contribute at a rate of not less than 7.5% of salaries, as required by the Rules. The employers contribute at a total rate of not less than 18%. From 1 July 2017, members and employers that fall under other bargaining councils or forums are not bound by the above minimum contribution rates. The statutory valuation performed as at 30 June 2017 revealed that the assets of the fund amounted to R7,720,948.000 (30 June 2014 : R6,574,775.00), with funding levels of 102.0% (30 June 2014: 111.7%). As a percentage of members' Fund Credits, the investment smoothing reserve has decreased from 5.6% to 4.9% over the valuation period. As a percentage of the market value of assets, it has decreased marginally from 4.6% to 4.4%. The Fund's assets are sufficient to cover the members' Fund Credits, the targeted levels of the risk benefits reserve and the data and processing error reserve, and an investment smoothing reserve of 4.9% of members' Fund Credits as at 30 June 2017. In addition, there is brought-forward surplus of some R152.8 million which has been allocated to former members and is awaiting payment. The Fund is therefore in a sound financial position.

#### **National Fund for Municipal Workers**

The fund operates as a defined contribution fund and in terms of the rules of the fund category A and category C members contribute at a rate as agreed upon by the Local Authority and the member, subject to an absolute minimum contribution of 2% and 5% of their remuneration respectively.

Category C-Members, appointed after 1 July 2012, who are not part of the Schedule shall make monthly contributions to the Fund equal to 7.5% of their Remuneration.

The Local Authority must contribute in respect of category A and category C members such an amount as agreed between the Local Authority and the fund, subject to a minimum contribution rate of 2% and 5% of their remuneration respectively. Category B members are members who belong to both category A and C and the Local Authority must, on behalf of such members, not contribute less than 7% of their remuneration. The contribution rates stipulated above include the amount payable towards the insured risk benefits policy.

The last statutory valuation performed as at 30 June 2015 revealed that the assets of the fund amounted to R10,050,029,000 (30 June 2014 : R10,050,029,000), with funding levels of 100.42% (30 June 2014: 100.10%). The actuary certified that the assets of the fund are sufficient to cover 100.42% of the members' liabilities, also that it can be expected that the funding level of a fund of this nature will fluctuate around 100%, for example due to timing differences in investment and receipt of monies, slight mismatching of assets and liabilities and processing errors.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 63. Prior period errors and Reclassifications

Below is a summary of the total effect that the prior period errors and reclassifications had on the amount previously disclosed in the annual financial statements, followed by a description of each individual prior period error with the amount involved.

#### Statement of Financial Position

	Audited	Prior year adjustments	Reclassifying adjustments	Restated
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	23 062 587	(2 379 204)	-	20 683 383
Short term investments	505 617 672	-	-	505 617 672
Receivables from exchange transactions	214 466 298	(43 966 486)	-	170 499 812
Receivables from non-exchange transactions	77 128 197	(19 190 712)	-	57 937 485
Other receivables from exchange transactions	6 209 038	-	-	6 209 038
Inventories	46 990 515	(5 300 203)	-	41 690 312
VAT receivable	45 660 337	8 611 992	-	54 272 329
Long term receivables	1 600 207	-	-	1 600 207
	<b>920 734 851</b>	<b>(62 224 613)</b>	<b>-</b>	<b>858 510 238</b>
<b>Non-Current Assets</b>				
Property, plant and equipment	4 710 275 480	40 330 366	-	4 750 605 846
Investment property	423 252 024	(2 104 322)	-	421 147 702
Intangible assets	8 368 154	(5 358 821)	-	3 009 333
Biological assets that form part of an agricultural activity	6 321 448	-	-	6 321 448
Heritage assets	774 002	-	-	774 002
Long term receivables	2 158 458	-	-	2 158 458
	<b>5 151 149 566</b>	<b>32 867 223</b>	<b>-</b>	<b>5 184 016 789</b>
<b>Total Assets</b>	<b>6 071 884 417</b>	<b>(29 357 390)</b>	<b>-</b>	<b>6 042 527 027</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Payables from exchange transactions	239 903 570	3 412 300	-	243 315 870
Unspent conditional grants and receipts	101 602 890	(1 278 810)	-	100 324 080
Employee benefit obligation	47 887 911	1 716 035	-	49 603 946
Other financial liabilities	14 501 990	-	-	14 501 990
Consumer deposits	15 673 925	-	-	15 673 925
Operating lease liability	1 079 160	-	-	1 079 160
	<b>420 649 446</b>	<b>3 849 525</b>	<b>-</b>	<b>424 498 971</b>
<b>Non-Current Liabilities</b>				
Employee benefit obligation	219 186 792	(1 716 035)	-	217 470 757
Other financial liabilities	158 800 148	-	-	158 800 148
Provisions	79 165 186	-	-	79 165 186
	<b>457 152 126</b>	<b>(1 716 035)</b>	<b>-</b>	<b>455 436 091</b>
<b>Total Liabilities</b>	<b>877 801 572</b>	<b>2 133 490</b>	<b>-</b>	<b>879 935 062</b>
<b>Net Assets</b>	<b>5 194 082 845</b>	<b>(31 490 880)</b>	<b>-</b>	<b>5 162 591 965</b>
<b>Net Assets</b>				
Accumulated surplus	5 194 082 845	(31 490 897)	-	5 162 591 948

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 63. Prior period errors and Reclassifications (continued)

##### 63.1. Cash and cash equivalents

Balance previously reported	23 062 587
Other income - building plan fees	(1 306 788)
Other income - clearance certificates	(1 072 416)
	<b>20 683 383</b>

The sweeping between the traffic- / debtors bank accounts to the primary bank account was erroneously received to other income building plan fees and clearance certificates.

##### 63.2 Receivables from exchange transactions

Balance previously reported	214 466 298
Accumulated surplus	(22 380 929)
Contribution to allowance for doubtful debt	(21 585 557)
	<b>170 499 812</b>

The municipality changed its methodology relating to the allowance for impairment calculation to adhere to the disclosure requirements of GRAP 104. This methodology change was applied retrospectively and substantially increased the allowance for doubtful debt.

##### 63.3 Receivables from non-exchange transactions

Balance previously reported	77 128 197
Payables from exchange transactions	(942 377)
Accumulated surplus	(17 739 971)
Contribution to allowance for doubtful debt	(508 363)
	<b>57 937 486</b>

The shared economic facility grant to the amount of R 1 521 357 was paid into the municipality's bank account during the previous financial year but it was not allocated correctly. A receivable to amount of R942 377 was created that must be reversed as the grant funding was received.

The municipality changed its methodology relating to the allowance for impairment calculation to adhere to the disclosure requirements of GRAP 104. This methodology change was applied retrospectively and substantially increased the allowance for doubtful debt for property rates.

##### 63.4 Inventories

Balance previously reported	46 990 515
Accumulated surplus	(466 478)
Property plant and equipment	(3 350 304)
VAT receivable	(1 037 564)
Inventory losses/ write downs	(445 857)
	<b>41 690 312</b>

The municipality incorrectly accounted for capital spares that must be classified as property plant and equipment.

The VAT relating to store purchases were not accounted for correctly.

**Stellenbosch Municipality**

Annual Financial Statements for the year ended 30 June 2019

**Notes to the Annual Financial Statements****63. Prior period errors and Reclassifications (continued)****63.5 VAT receivable**

Balance previously reported	45 660 337
Accumulated surplus	(5 250 411)
Cash and cash equivalents	300 363
Inventory	1 037 564
Receivables from exchange transactions	9 772 226
Expenditure various	2 752 250
	<b>54 272 329</b>

The VAT allowance contribution account was mistated due to the implementation of mSCOA.

The sweeping between the traffic- / debtors bank accounts to the primary bank account was erroneously receipted to other income building plan fees and clearance certificates and the VAT was also impacted.

The VAT relating to store purchases were not accounted for correctly.

The municipality changed its methodology relating to the allowance for impairment calculation to adhere to the disclosure requirements of GRAP 104. This methodology change was applied retrospectively and substantially increased the allowance for doubtful debt for all services.

The system parameters did not automatically detect the input VAT required adjustments when payment to suppliers of various expenditure line items were made.

**63.6 Property, plant and equipment**

Balance previously reported	4 710 275 480
Accumulated surplus	36 980 061
Inventory	3 350 305
	<b>4 750 605 846</b>

The asset classes as per the CDIMS classification was correctly implemented by the municipality. Accumulated depreciation was not correctly accounted for between the fixed asset register and the general ledger.

The municipality incorrectly accounted for capital spares that must be classified as property plant and equipment.

**63.7 Intangible assets**

Balance previously reported	8 368 154
Accumulated surplus	(5 358 821)
	<b>3 009 333</b>

The accumulated depreciation per asset class was not accounted for correctly.

**63.8 Investment property**

Balance previously reported	423 252 024
Accumulated surplus	(2 104 322)
	<b>421 147 702</b>

The accumulated depreciation per asset class was not accounted for correctly.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 63. Prior period errors and Reclassifications (continued)

##### 63.9 Payables from exchange transactions

Balance previously reported	239 903 566
Unspent conditional grants and receipts	(467 884)
Receivables from non exchange transactions	(942 377)
Government grant and subsidies	(111 096)
Accumulated surplus - Prescription act	4 319 327
Other income - Prescription act	810 222
Accumulated surplus - migration mSCOA	224 090
Unspent conditional grants - developers contribution	(66 629)
	(353 349)
	<b>243 315 870</b>

The shared economic facility grant to the amount of R 1 521 357 was paid into the municipality's bank account during the previous financial year but it was not allocated correctly. A receivable to amount of R942 377 was created that must be reversed as the grant funding was received. The VAT component relating to the actual expenditure incurred in relation to the grant was allocated to government grants and subsidies. The difference of R 467 884 was accounted for as unspent conditional grants.

The municipality did not follow an extensive documented process to account for the unclaimed monies after three years and reversed all the allocations made to revenue since inception to the amount of R 5 129 549. The R810 222 related to the comparative financial year.

It was identified that the accruals at year end was not correctly accounted for to the amount of R 224 090.

Developers contributions to the amount of R66 629 was incorrectly accounted for as an advance payment.

##### 63.10 Unspent conditional grants and receipts

Balance previously reported	101 602 890
Payables from exchange transactions	467 884
Government grants and subsidies - Human settlement development grant	(1 429 313)
Government grants and subsidies - Title deed restoration grant	(384 000)
Payables from exchange transactions - Advance payments	66 619
	<b>100 324 080</b>

The shared economic facility grant to the amount of R 1 521 357 was paid into the municipality's bank account during the previous financial year but it was not allocated correctly. A receivable to amount of R942 377 was created that must be reversed as the grant funding was received. The VAT component relating to the actual expenditure incurred in relation to the grant was allocated to government grants and subsidies. The difference of R 467 884 was accounted for as unspent conditional grants.

The Department of Human Settlements communicated to the municipality that the R 1 429 313 was a reimbursement for previous expenditure incurred.

The title deed restoration grant was utilised in the previous financial year but the related funding to the amount of R384 000 was not correctly allocated.

Developers contributions to the amount of R66 629 was incorrectly accounted for as Payables from exchange transactions, as an advance payment.

**Stellenbosch Municipality**

Annual Financial Statements for the year ended 30 June 2019

**Notes to the Annual Financial Statements****63. Prior period errors and Reclassifications (continued)****63.11 Employee benefit obligation**

Balance previously reported	47 887 911
Employee benefit obligation - non current liability	1 716 035
	<b><u>49 603 946</u></b>

The long service awards current portion was incorrectly mapped to Employee benefit non-current liabilities.

**63.12 Employee benefit obligation**

Balance previously reported	219 186 792
Employee benefit obligation - current liability	(1 716 035)
	<b><u>217 470 757</u></b>

The long service awards current portion was incorrectly mapped to Employee benefit non-current liabilities.

**63.13 Accumulated surplus**

Balance previously reported	5 194 082 849
Inventory	(466 477)
VAT receivable	(5 250 568)
Payables from exchange transactions - Prescription act	(4 319 327)
Payables from exchange transactions	(224 090)
Receivables from exchange transactions	(15 204 574)
Receivables from non exchange transactions	(17 739 971)
Property plant and equipment	36 980 061
Intangible assets	(5 358 820)
Investment property	(2 104 322)
Statement of Financial Performance - surplus for the year	(17 802 813)
	<b><u>5 162 591 948</u></b>

Refer to the nature of the adjustments in the financial statement line items as indicated above.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 63. Prior period errors and Reclassifications (continued)

#### Statement of Financial Performance

	Audited	Prior year adjustments	Reclassifying adjustments	Restated
<b>Revenue</b>				
<b>Revenue from exchange transactions</b>				
Service charges	862 001 445	-	-	862 001 445
Rental of facilities and equipment	14 992 251	-	-	14 992 251
Interest received (trading)	6 848 597	-	-	6 848 597
Agency services	2 364 609	156 407	-	2 521 016
Licences and permits	6 571 243	186 164	-	6 757 407
Other income	26 734 436	(1 609 092)	-	25 125 344
Investment revenue	55 109 631	-	-	55 109 631
<b>Total revenue from exchange transactions</b>	<b>974 622 212</b>	<b>(1 266 521)</b>	<b>-</b>	<b>973 355 691</b>
<b>Revenue from non-exchange transactions</b>				
<b>Taxation revenue</b>				
Property rates	309 988 786	-	-	309 988 786
<b>Transfer revenue</b>				
Government grants & subsidies	210 534 572	655 216	-	211 189 788
Fines, Penalties and Forfeits	114 767 168	-	-	114 767 168
<b>Total revenue from non-exchange transactions</b>	<b>635 290 526</b>	<b>655 216</b>	<b>-</b>	<b>635 945 742</b>
<b>Total revenue</b>	<b>1 609 912 738</b>	<b>(611 305)</b>	<b>-</b>	<b>1 609 301 433</b>
<b>Expenditure</b>				
Employee related costs	(444 578 881)	(3 284 070)	-	(441 294 811)
Remuneration of councillors	(17 307 558)	-	-	(17 307 558)
Contribution to/from provisions	(996 043)	-	-	(996 043)
Contribution to employee benefits	(11 727 667)	-	-	(11 727 667)
Depreciation and amortisation	(157 549 555)	-	-	(157 549 555)
Impairment of non cash generating assets	(6 398 337)	12 064	-	(6 386 273)
Finance costs	(18 775 322)	-	-	(18 775 322)
Lease rentals on operating lease	(8 312 432)	227 299	-	(8 085 133)
Debt impairment	(47 970 580)	-	-	(47 970 580)
Contribution to allowance for doubtful debt	(52 961 613)	19 498 049	-	(72 459 662)
Bulk purchases	(329 681 698)	2 206	-	(329 679 492)
Contracted services	(123 010 474)	(2 072 983)	-	(125 083 457)
Transfers and subsidies	(6 261 185)	-	-	(6 261 185)
Loss on disposal of assets	-	-	-	(5 951)
General Expenses	(120 236 563)	1 299 589	-	(118 936 974)
<b>Total expenditure</b>	<b>(1 345 767 908)</b>	<b>(16 745 804)</b>	<b>-</b>	<b>(1 362 519 663)</b>
<b>Operating surplus</b>	<b>264 144 830</b>	<b>(17 357 109)</b>	<b>-</b>	<b>246 781 770</b>
Gain on disposal of assets and liabilities	335 771	-	-	335 771
Fair value adjustments	(795 806)	-	-	(795 806)
Gain on biological assets and agricultural produce	91 149	-	-	91 149
Inventories (losses/write-downs)	(197 322)	(445 857)	-	(643 179)
	<b>(566 208)</b>	<b>(445 857)</b>	<b>-</b>	<b>(1 012 065)</b>
<b>Surplus for the year</b>	<b>263 578 622</b>	<b>(17 802 966)</b>	<b>-</b>	<b>245 769 705</b>

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 63. Prior period errors and Reclassifications (continued)

##### 63.14 Other Income

Balance previously reported	26 734 436
Government grants and subsidies	1 269 193
Cash and cash equivalents	(2 078 841)
Payables from exchange transactions	(810 222)
Licences and Permits	10 778
	<b>25 125 344</b>

The Local Government Seta mandatory allocation was reclassified from government grants and subsidies to other income.

The sweeping between the traffic- / debtors bank accounts to the primary bank account was erroneously receipted to other income building plan fees and clearance certificates.

The municipality did not follow an extensive documented process to account for the unclaimed monies after three years and reversed all the allocations made to revenue since inception to the amount of R 5 129 549. The R810 222 related to the comparative financial year.

##### 63.15 Government grants & subsidies

Balance previously reported	210 534 572
Other income	(1 269 193)
Unspent conditional grants and receipts - Human settlement development grant	1 429 313
Unspent conditional grants and receipts - Title deed restoration grant	384 000
Payables from exchange transactions	111 096
	<b>211 189 788</b>

The Local Government Seta mandatory grant was reclassified to Other income.

The Department of Human Settlements communicated to the municipality that the R 1 429 313 was a reimbursement for previous expenditure incurred.

The title deed restoration grant was utilised in the previous financial year but the related funding to the amount of R384 000 was not correctly allocated.

The shared economic facility grant to the amount of R 1 521 357 was paid into the municipality's bank account during the previous financial year but it was not allocated correctly. A receivable to amount of R942 377 was created that must be reversed as the grant funding was received. The VAT component relating to the actual expenditure incurred in relation to the grant to the amount of R 111 096 was allocated to government grants and subsidies. The difference of R 467 884 was accounted for as unspent conditional grants.

##### 63.16 Employee related costs

Balance previously reported	(444 578 881)
Contracted services	3 284 070
	<b>(441 294 811)</b>

Contracted services was incorrectly accounted for as employee related costs.



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 63. Prior period errors and Reclassifications (continued)

##### 63.17 Impairment of non cash generating assets

Balance previously reported	(6 398 337)
VAT receivable	12 064
	<u>(6 386 273)</u>

The system parameters did not automatically detect the input VAT required adjustments when payment to suppliers of various expenditure line items were made.

##### 63.18 Contribution to allowance for doubtful debt

Balance previously reported	(52 961 613)
Receivables from exchange transactions	(18 989 685)
Receivables from non-exchange transactions	(508 364)
	<u>(72 459 662)</u>

The municipality changed its methodology relating to the allowance for impairment calculation to adhere to the disclosure requirements of GRAP 104. This methodology change was applied retrospectively and substantially increased the allowance for doubtful debt for all services.

##### 63.19 Bulk purchases

Balance previously reported	(329 681 698)
VAT receivable	2 206
	<u>(329 679 492)</u>

The system parameters did not automatically detect the input VAT required adjustments when payment to suppliers of various expenditure line items were made.

##### 63.20 Contracted services

Balance previously reported	(123 010 472)
Employee related costs	(3 284 070)
VAT receivable	1 211 085
	-
	<u>(125 083 457)</u>

Contracted services was incorrectly accounted for as employee related costs.

The system parameters did not automatically detect the input VAT required adjustments when payment to suppliers of various expenditure line items were made.

##### 63.21 Lease rentals on operating lease

Balance previously reported	(8 312 432)
VAT receivable	227 299
	<u>(8 085 133)</u>

The system parameters did not automatically detect the input VAT required adjustments when payment to suppliers of various expenditure line items were made.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 63. Prior period errors and Reclassifications (continued)

##### 63.22 General Expenses

Balance previously reported	(120 236 562)
VAT receivable	1 299 588
	-
	<u>(118 936 974)</u>

The system parameters did not automatically detect the input VAT required adjustments when payment to suppliers of various expenditure line items were made.

##### 63.23 Irregular expenditure

Balance previously reported	41 813 016
Prior period error: Write down in 2016/2017	(7 076 214)
	<u>34 736 802</u>

Irregular expenditure to the amount of R7 076 214 was written off by council.

##### 63.24 Inventory: (Write-down)

Balance previously reported	(197 322)
Inventory adjustment	(445 857)
	<u>(643 179)</u>

Additional losses were identified in the 2017/2018 financial year on inventory.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 64. Budget differences

##### Material differences between budget and actual amounts

All variances greater than 10% as depicted in the Statement of Comparison of Budget and Actual Amounts are explained below.

##### Statement of Financial Performance

##### Revenue

##### Service charges (BD1)

The projection was based on the prior period's collection.

##### Rental of facilities and equipment (BD2)

The revenue for rental of facilities and equipment declined due to the factors of social change, which is cultural and economic change.

##### Interest earned - outstanding receivables (BD3)

The budget projection increase was based on the prior period's position of debtors.

The projected collection was based on historic performance.

##### Licences and permits (BD4)

The projection was based on the prior period's collection.

##### Other income (BD5)

The decrease is mainly due to the implementation of mSCOA and the specific categories in the chart

##### Government grants & subsidies (BD6)

Some conditional grants have not yet met conditions and not yet recorded as revenue, hence the significant

##### Fines, Penalties and Forfeits (BD7)

The budget projection for Fines was based on previous performance.

##### Expenditure

##### Employee cost (BD35)

Council approved a new organisational structure for the municipality. A decision was made to phase in the appointments for new positions over a period of three years.

##### Contribution to / from provisions (BD8)

The difference emanates from the post-retirement benefits and long service awards which is calculated based on information as at year end and subject to certain unpredictable assumptions i.e. Discount rate, expected rate of return, retirement age, etc. This information is not available when the budget is drafted.

##### Contribution to employee benefits (BD9)

The difference emanates from the post-retirement benefits and long service awards which is calculated based on information as at year end and subject to certain unpredictable assumptions i.e. discount rate, expected rate of return, retirement age, etc. This information is not available when the budget is drafted.

##### Finance costs (BD11)

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 64. Budget differences (continued)

This pertains to the unwinding of the interest of the provision for landfill sites.

##### **Impairment loss/ Reversal of impairments (BD10)**

No assets were impaired/ reversed for impairment during the year.

##### **Debt Impairment (BD12)**

The projection was based on historical data

##### **Contribution to allowance for doubtful debt (BD13)**

The projection was based on historic performance of debtors' accounts

##### **Contracted Services (BD14)**

Re-classification of other general expenses resulted in the actual amount increasing

##### **General Expenses (BD15)**

Implementation of cost-cutting measures and re-classifying some general expenses as contracted services and external loan not being taken

##### **Loss on disposal of assets and liabilities (BD16)**

The municipality cannot estimate what value it will receive for items disposed during the auction.

##### **Fair value adjustments (BD17)**

These adjustments are based on estimates that cannot be budgeted for.

Gain on biological assets and agricultural assets

The gain is based on the growth of the biological assets and cannot be calculated before hand for budget purposes.

##### **Inventories (losses/write downs) (BD18)**

The write downs are based on the occurrence of specific activities during the period, for example stock take, and can thus not be budgeted for.

#### **Statement of Financial Position**

##### **Assets**

##### **Cash and cash equivalents (BD19)**

Due to unspent conditional grants, there was more cash to invest on a short-term basis.

##### **Receivables from exchange transactions (BD20)**

The municipality implemented higher water tariffs during the drought which lead to an increase in outstanding debtor balances

##### **Other receivables from exchange transactions (BD21)**

During the financial year the municipality implemented higher water tariffs resulting in an increase in the estimate for water

##### **Inventories (BD22)**

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

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#### 64. Budget differences (continued)

Significant bulk inventory items were procured during the year which were still unused at year end, hence also the decrease in repairs and maintenance spending

##### VAT receivable (BD23)

Management did not anticipate a VAT receivable at year end.

##### Long term receivable (BD24)

This includes arrangement debtors. Debtors Normally default on their arrangement with the municipality, which lead to a under budget of Long term receivables.

##### Intangible Assets (BD25)

The municipality had planned to procure more software systems.

##### Biological assets that form part of an agricultural activity (BD26)

The budgeted amount is based on the previous fair value model which has since been changed to cost model

##### Heritage assets (BD27)

The budgeted amount is based on the previous fair value model which has since been changed to cost model.

#### Liabilities

##### Consumer deposits (BD28)

Growth in our community/ client base resulting in increase deposits.

##### Employee benefit obligation (BD29)

The difference emanates from the post-retirement benefits and long service awards which is calculated based on information as at year end and subject to certain unpredictable assumptions ie. discount rate, expected rate of return, retirement age, etc. This information is not available when the budget is drafted.

##### Operating lease liability (BD30)

Operating lease liability is included in other financial liabilities

##### Other financial liabilities (BD31)

The external loan was taken up towards the end of the financial year.

##### Provisions (BD32)

Provisions are based on experts' work as at the end of the financial year using information that is not available during the budget. The budget is based on historic amounts.

##### Payables from exchange transactions (BD33)

This was mainly due to late contractor appointments, delays in projects which led to more invoices not being paid at year end.

##### Unspent conditional grants and receipts (BD34)

Due to unforeseen circumstances, late contractor appointments, delays in projects, etc, conditions of some grants could not be met at year end.

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

---

#### 64. Budget differences (continued)

##### Cash Flow Statement

##### Grants (CF 11)

The equitable share allocated per the Division of Revenue Act (DoRA) increased to accommodate the increase in active housing projects.

##### Interest income (CF 12)

Capital projects were funded from Capital Replacements Reserves (CRR) instead loans. The loans were only taken up towards the end of the end of the financial year.

##### Payments

##### Suppliers and employee costs (CF1)

Bulk purchases which are bought by the municipality are based on the consumption of the community have decreased compared to the prior year. The decrease in the consumption is due to the water restrictions that have been implemented by the municipality.

Employee related cost decrease due to vacancies not filled and posts becoming vacant during the financial year.

##### Transfers and grants (CF2)

Management anticipated to spend the allocated funds, but due to unforeseen circumstances it did not materialise as planned.

##### Cash flow from investing activities

##### Purchase of PPE (CF3)

The variance relates to the underspending on the capital budget.

##### Proceeds from sale PPE (CF4)

The proceeds from sale of property, plant and equipment were better than expected, which is beneficial to the municipality.

##### Purchase of intangible assets (CF5)

The municipality had undertaken a feasibility into new software for cemeteries.

##### Proceeds from non current receivables (CF7)

Arrangement debtors classified as long term receivables

##### Proceeds from biological assets (CF8)

Management did not anticipate to sell biological assets during the financial year.

##### Movement in investments (CF9)

The municipality invested excess funds for periods more than 3 months but up to 12 months, these investments are classified as short term investments in the statement of financial position.

##### Cash flow from financing activities

##### Prior Period Errors (CF10)

Management did not anticipate to identify a prior period error

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

---

#### 65. Going concern

We draw attention to the fact that at 30 June 2019, the municipality had an accumulated surplus of R 5 287 153 581 and that the municipality's total assets exceed its liabilities by R 5 287 153 581.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer continue to procure funding for the ongoing operations for the municipality.



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30 November 2019

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 66. Deviations from, and ratification of minor breaches of procurement process

In accordance with paragraph 4.36 (a) of the Supply Chain Management Policy the deviations from, and ratifications of minor breaches of procurement per directive are listed below:

The D/SM acronym refers to the deviation number as approved by the Accounting Officer.

Deviation no:	Date of adjudication	Supplier	Reason	Rate of recurrence	Contract/ Order Amount
D/SM 1/18	11/07/2017	Total SA	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	3 000 000
D/SM 2/18	11/05/2017	Landfill Consult (Pty) Ltd	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	2 282 280
D/SM 3/18	30/06/2017	The Sustainability Institute Innovations Lab	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	110
D/SM 4/18	18/08/2017	CBI Electric African Cables	Emergency	Total D/SM amount	1 481 821
D/SM 5/18	05/09/2017	Smith Tabata Buchanan Boyes (STBB)	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM: 6/18	05/09/2017	The Geoss Pty (Ltd)	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Rates	500 000
D/SM 7/18	05/09/2017	HATCH GOBA (PTY) LTD	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Rates	15 000 000
D/SM 8/18	05/09/2017	RPM Drilling, EDRS, JM Drilling, GDSA and SA Rock Drill	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 9/18	26/09/2017	Apptronics	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	634 684
D/SM 10/18	02/10/2017	Wendy Cape CC Trendy Wendy's JR Wendy'sPHK Trading and Maintenance CC Asemna Logistics CC Iquebela Cleaning Services and Projects Amabamba Fencing (Pty) Ltd Betafence	Emergency	Total D/SM amount	839 894
D/SM 11/18	02/10/2017	Interwaste (Pty) Ltd	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	1 774 584
D/SM 12/18	02/10/2017	ABSA	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	120 000
D/SM 14/18	09/10/2017	JR Wendy's	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	795 800



## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 66. Deviations from, and ratification of minor breaches of procurement process (continued)

D/SM 15/18	19/10/2017	Master Drilling	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 16/18	20/10/2017	Veolia Water Solutions & Technologies SA (Pty) Ltd / Carecure (Pty) Ltd Aquamat S.A. (Pty) Ltd Sustainable Engineering Consultants (Pty) Ltd (Alveo) WSSA (PTY) LTD (Proxa Water)	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 17/18	20/10/2017	CBI Cables	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	480 922
D/SM 18/18	27/10/2017	EXEO Khokela Civil Engineering	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 19/18	17/11/2017	Liquid Telecom	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 20/18	08/12/2017	BW Management Waste Carriers	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	900 000
D/SM 21/18	28/11/2018	STBB	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates (p/h)	1 400
D/SM 22/18	08/11/2017	Rainbow Lighting	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	336 933
D/SM 23/18	22/11/2017	Various Artists	Acquisition of special works of art or historical objects where specifications are difficult to compile and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	184 500
D/SM 24/18	08/12/2017	Tuffy Manufacturing	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates (per 1000 bags)	917
D/SM 27/18	19/01/2018	Mindspring	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	491 601
D/SM 28/18	20/12/2017	Broadway Hardware	Impractical	Total D/SM amount	255 000
D/SM 29/18	15/01/2018	WREV Construction	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	12 000
D/SM 32/18	08/02/2018	Nokhala Cleaning Services	Emergency	Total D/SM amount	36 000
D/SM 33/18	19/03/2018	IntastorWF Constructions WEC Consult	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	16 035 573
D/SM 34/18	20/03/2018	Bergzicht Boland Promotions Polorama	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	435 661

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 66. Deviations from, and ratification of minor breaches of procurement process (continued)

D/SM 35/18	12/03/20218	BVI Consulting Engineers	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	81 184
D/SM 36/18	10/04/2018	Panel	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 37/18	11/04/2018	Panel	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 38/18	13/04/2018	Flotron	Emergency		7 849
D/SM 40/18	25/04/2018	WEC Projects	Emergency	Total D/SM amount	21 563
D/SM 41/18	13/04/2018	Bytes System Intergration (Pty) Ltd	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	924 588
D/SM 42/18	09/05/2018	JR Wendys CC JoJo Vertical Water Tanks	Emergency	Total D/SM amount	314 200
D/SM 43/18	15/05/2018	Cornerstone Environmental Consultants	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	63 511
D/SM 44/18	15/05/2018	Siyakhatala Safety	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	81 656
D/SM 44/18	15/05/2018	Deloitte Consulting	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	10 000
D/SM 49/18	05/06/2018	Lupat General Trading (Pty) Ltd	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	9 000
D/SM 50/18	06/06/2018	Split Second Science The Amazing Magic of Regardt Laubscher	Impractical	Total D/SM amount	41 465
D/SM 51/18	11/06/2018	Ontec Systems	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 52/18	11/06/2018	Livewire Engineering and Consulting (Pty) Ltd	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 53/18	18/05/2018	Basson Blackburn Attorneys	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	49 500
D/SM 54/18	01/06/2018	AT Planing Town and Regional Planning Service	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 55/18	29/06/2018	Franschoek Farmgaurd Cumax Security Service Sondella Security Tyte Security	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 56/18	29/06/2018	Maqeba Security Leelyn Management	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 66. Deviations from, and ratification of minor breaches of procurement process (continued)

In accordance with paragraph 4.36(a) of the Supply Chain Management Policy the deviations from, and ratifications of minor breaches of procurement per directive are listed below for the comparative year:

Deviation no:	Date of adjudication	Supplier	Reason	Rate of recurrence	Contract/ Order amount
D/SM 1/19	11/07/2018	Abedare Cables	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	228 073
D/SM 2/19	13/07/2018	Xaba Engineering & Consulting	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	138 745
D/SM 3/19	25/07/2018	Avalon Tchnology Group	Emergency	Total D/SM amount	70 822
D/SM 4/19	03/08/2018	JVZ Construction	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	3 445 713
D/SM 5/19	09/08/2018	Liquid Telecom	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	515 960
D/SM 6/19	07/08/2018	Interwaste Environmental Solutions	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	7 838 976
D/SM 7/19	03/08/2018	Resource Innovations	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	1 780 669
D/SM 8/19	21/08/2018	Aurecon Consulting Engineers	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	526 082
D/SM 9/19	07/08/2018	Naele's Hydraulics	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	29 321
D/SM 10/19	09/10/2018	Telkom SA SOC	Goods or services are produced or available from a single provider	Total D/SM amount	2 061 220
D/SM 11/19	01/08/2018	Sowerby Engineering WEC Projects	Goods or services are produced/available from a single provider and an exceptional case which made it impossible to follow the standard procurement process	Total D/SM amount	96 907
D/SM 15/19	22/08/2018	TSU Protection Services	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	1 701 828
D/SM 17/19	09/10/2018	Livewire Engineering and Consulting (Pty) Ltd	Emergency	Rates	-
D/SM 19/19	21/09/2018	Advocate Vermaak	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	76 500
D/SM 20/19	21/09/2018	GLS Consulting	Goods or services are produced or available from a single provider	Rates	

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 66. Deviations from, and ratification of minor breaches of procurement process (continued)

D/SM 21/19	28/09/2018	Metro City Protection Services	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 23/19	15/10/2018	Transmission Gear Services MAN Engineering Services Gorman Rupp	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	198 055
D/SM 26/19	16/10/2018	Kings Catering	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	97 300
D/SM 27/19	19/10/2018	I Bester Staal	Emergency and goods or services are produced or available from single provider	Total D/SM amount	11 696
D/SM 28/19	03/12/2018	Weber Wentzel	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	363 200
D/SM 29/19	26/11/2018	Microsoft Corporation	Goods or services are produced or available from a single provider	Rates	-
D/SM 30/19	14/12/2018	Hydro-Tech System (Pty) Ltd	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM Amount	1 520 028
D/SM 31/19	21/12/2018	I Bester Staal	Emergency and goods or services are produced or available from single provider	Total D/SM amount	4 025
D/SM 32/19	21/12/2018	Leelyn Management	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 33/19	27/12/2018	Liquid Telecom	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	515 960
D/SM 34/19	27/12/2018	Farm Gaurd	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	197 373
D/SM 35/19	25/01/2019	Farm Gaurd Security	Emergency and exceptional case and it is impractical or impossible to follow the official procurement process	Rates	-
D/SM 36/19	18/02/2019	Gateway Metal Works (Pty)(Ltd)	Emergency	Total D/SM amount	2 068 395
D/SM 38/19	28/02/2019	Genadendal Jackies Bazaar Wate Mart (Pty) Ltd	Exceptional case and it is impractical or impossible to follow the official procurement process	Rates	2 463 300
D/SM 39/19	07/03/2019	Plan Associates Town and Regional Planners	Exceptional case and it is impractical or impossible to follow the official procurement process.	Total D/SM amount	553 500
D/SM 41/19	19/03/2019	Smith Tabata Buchanan Boys Attorneys	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	287 500
D/SM 42/19	19/03/2019	Rufus Dercksen Inc	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	179 837
D/SM 43/19	29/03/2019	Total Cooling Solutions Pty Ltd	Emergency	Total D/SM amount	77 121
D/SM 44/19	29/03/2019	John Macrobert Attorneys	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	22 078

## Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2019

### Notes to the Annual Financial Statements

#### 66. Deviations from, and ratification of minor breaches of procurement process (continued)

D/SM 45/19	29/03/2019	APEX	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	114 770
D/SM 46/19	06/05/2019	Smith Tabata Muchanan Boyes (STBB)	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	25 872
D/SM 47/19	28/06/2019	Liquid Telecom	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	310 500
D/SM 48/19	28/06/2019	Avalon Technology Group	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	91 500
D/SM 49/19	19/06/2019	Interwaste	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	2 920 746
D/SM 50/19	07/06/2019	Van der Spuy	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	490 000
D/SM 51/19	24/12/2018	Andre Swart of Smit of tabata Buchanan Boyes Attorneys	Exceptional case and it is impractical or impossible to follow the official procurement process	Total D/SM amount	200 000



## **ANNEXURE B: ANNUAL PERFORMANCE REPORT 2018/19**



**STELLENBOSCH**

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

# **Annual Performance Report**

## **2018/19**

**(01 July 2018 – 30 June 2019)**

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## 1. Purpose

The Annual Performance Report 2018/19 is hereby submitted to the Stellenbosch Municipal Council in terms of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA), Section 46(1) and (2). The report covers the performance information from 01 July 2018 to 30 June 2019 and focuses on the implementation of the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP) for the year under review.

The format of the report will reflect the Stellenbosch Municipality's Key Performance Indicators (KPIs) per Strategic Focus Area (SFA).

This report will also endeavour to report to Council on the Municipality's performance in terms of the five (5) National Government's Key Performance Areas for local government, which are (1) Basic Service Delivery; (2) Local Economic Development; (3) Municipal Institutional Transformation and Development; (4) Municipal Financial Viability and Management and (5) Good Governance and Public Participation.

## 2. Legislative requirements

This Annual Performance Report has been compiled in compliance with the requirements of Section 46(1) of the MSA, which stipulates as follows:

- (1) A municipality must prepare for each financial year a performance report reflecting—
  - (a) the performance of the municipality and each external service provider during that financial year;
  - (b) a comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year; and
  - (c) measures taken to improve performance.

In addition, regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players." Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organisation as well as the external service providers.

## 3. Municipal Overview

Stellenbosch town is the second oldest town in South Africa, dating back to 1679 when an island in the Eerste River was named Stellenbosch by the then Governor of the Cape, Simon van der Stel. The first farming activities in the area were started in that year. Today, the area has become primarily known for its extraordinary wines, fruit, world renowned cultural landscapes and exceptional scenic quality. The towns of Stellenbosch and Franschhoek are renowned for various architectural styles such as Dutch, Georgian and Victorian, which reflect their rich heritage and traditions, but also the divisions of the past.

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

A variety of sport facilities are available. Coetzenburg, with its athletics and rugby stadiums, has hosted star performances over many generations while the Danie Craven Stadium is the home of Maties rugby, the largest rugby club in the world. The municipal area has a number of theatres, which include the University's HB Thom Theatre, Spier Amphitheatre, Dorpstraat Theatre, Aan de Braak Theatre, and Oude Libertas Amphitheatre – well-known for its summer season of music, theatre and dance.

Limited municipal resources require an increase in multi-sectoral partnerships to address the broad spectrum of needs in the community. The Municipality cannot address the challenges of Stellenbosch on its own, not only because of limited resources, but also because it does not control all the variables impacting on development and management in the town. Welfare and community organisations play a leading role in assisting to meet the needs of previously neglected communities. The business sector also plays a key role in shaping the economic development of the Municipal area.



**Figure 1: Location of the Stellenbosch Municipality**

### 3.1 Vision

“Valley of Opportunity and Innovation”

### 3.2 Socio-economic status

**Table 1: Total population**

Total population		
2016/17	2017/18	2018/19
155,733*	176 523**	176 523**

\* Statistics South Africa, Census 2011

\*\*Western Cape Government, 2017 Socio-economic Profile, Stellenbosch Municipality

**Table 2: Total number of households**

Households	2016/17	2017/18	2018/19
Number of households in municipal area	43 420*	52 374**	52 374**
Number of registered indigent households in municipal area	5 686	6 453	6 817

\* Statistics South Africa, Census 2011

\*\*Western Cape Government, 2017 Socio-economic Profile, Stellenbosch Municipality

**Table 3: Access to Services**

Community Survey 2016	Stellenbosch	Cape Winelands District
<b>Formal main dwelling</b>	34 071	191 077
	65,1%	81,0%
<b>Water (piped inside dwelling/ within 200m)</b>	51 581	232 605
	98,5%	98,6%
<b>Electricity (primary source of lighting)</b>	51 386	228 650
	98,1%	96,9%
<b>Sanitation (flush/chemical toilet)</b>	47 594	218 483
	90,9%	92,6%
<b>Refuse removal (at least weekly)</b>	37 207	192 974
	71,0%	81,8%

Source: Western Cape, Socio-Economic Profile 2018

#### 4. Performance Management Overview

In order to improve on performance planning, implementation, measurement and reporting, the Municipality implemented the following actions;

- Departmental operational plans were developed for monitoring and reporting operational programmes;
- An electronic performance management system is operational within the Municipality. The same system forms the basis of performance evaluations of the Directors and the Municipal Manager; and
- The Municipality endeavoured during the development of the TL SDBIP as well as with the development of the Departmental SDBIP that the "SMART" principle be adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were specific and time bound, thus making it measurable.

**Table 4: Performance Management System Checklist**

	Performance Management Policy	All MSA s57/56 Performance contracts signed	Audit Committee	Municipal Public Accounts Committee (MPAC)	Quarterly Performance Reporting to Council	Annual Performance Reporting to Council
In place?	√	√	√	√	√	√

#### 4.1 Top Layer Service Delivery and Budget Implementation Plan

The organisational performance is evaluated by means of a Municipal Scorecard (TL SDBIP) at organisational level and through the Service Delivery and Budget Implementation Plan (SDBIP) at departmental levels.

The SDBIP is a plan that converts the IDP and Budget into measurable indicators on how, where and when the strategies, objectives and normal business processes of the Municipality are implemented. It also allocates responsibilities to directorates to deliver the services in terms of the IDP and Budget.

The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned;
- The budget must address the strategic priorities;
- The SDBIP should indicate what the municipality is going to do during next the 12 months; and
- The SDBIP should form the basis for measuring the performance against goals set during the budget / IDP processes.

The TL SDBIP was prepared as described in the paragraphs below and approved by the Executive Mayor on 21 June 2018. However, the TL SDBIP 2018/19 was revised in January, April and June 2019. These revisions were made in line with the adjustment budget, internal audit findings and recommendations made by the Auditor General of South Africa (AGSA).

The overall assessment of actual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

**Table 5: Performance Assessment Criteria**

Color	Category	Explanation
	KPI Not Yet Measured	KPIs with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target more than 150% achieved

The TL SDBIP (the Municipal Scorecard) consolidate service delivery targets set by Council / Senior Management and provide an overall picture of performance for the Municipality as a whole, reflecting performance on its strategic priorities. The TL SDBIP is a detailed one-year plan and the necessary components should include:

- Monthly projections of revenue to be collected for each source;
- Expected revenue to be collected not billed;
- Monthly projections of expenditure (operating and capital) and revenue for each vote;
- Quarterly projections of service delivery targets and performance indicators for each vote;
- Non-financial measurable performance objectives in the form of targets and indicators; and
- Detailed capital project plan broken down by ward over three years.

#### **4.2 Departmental Service Delivery and Budget Implementation Plan**

The Departmental Service Delivery and Budget Implementation Plan (the detailed SDBIP) capture the performance of each Directorate. Unlike the TL SDBIP, which reflects on the strategic performance of the Municipality, the Departmental SDBIP 2018/19 provides a comprehensive picture of the performance per Directorate, Department and Section. It was compiled by the Directors and Senior Managers for their respective Departments and Sections and consists of objectives, indicators and targets derived from the approved TL SDBIP 2018/19.

## 5. Planned targets vs actual results for the 2018/19 financial year

This section of the Annual Performance Report 2018/19 will report on the Municipality's actual performance against the planned targets as derived from the Municipality's IDP. Due to the fact that the Municipality has developed five (5) Strategic Focus Areas (SFAs) the performance reporting will follow these themes.

### 5.1 Municipal performance per National Key Performance Indicator

#### 5.1.1 Municipal Transformation and Institutional Development

**Table 6: NKPA- Municipal Transformation and Institutional Development**

INDICATOR	MUNICIPAL ACHIEVEMENT 2017/18	MUNICIPAL ACHIEVEMENT 2018/19
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	3**	2*
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	$\frac{R1\ 696\ 253}{R1\ 575\ 255\ 472} \times 100 = 0.11\%^{***}$	$\frac{R2\ 374\ 502}{R1\ 719\ 104\ 450} \times 100 = 0.14\%$

\*EE appointments made within the 2018/19 financial year.

\*\*EE appointments made within the 2017/18 financial year.

\*\*\*The prior year actual was changed to 0.11% to measure actual expenditure of the approved training budget in relation to the Municipal budget.

#### 5.1.2 Basic Service Delivery

**Table 7: NKPA- Basic Service Delivery**

INDICATOR	MUNICIPAL ACHIEVEMENT 2017/18*	MUNICIPAL ACHIEVEMENT 2018/19*
The percentage of households earning less than R6,000 per month with access to free basic services (In the case of Stellenbosch Municipality- percentage of registered indigent households are being reported)	100%	100%
The percentage of households with access to basic level of water	100%	100%
The percentage of households with access to basic level of sanitation	100%	100%
The percentage of households with access to basic level of electricity	76%	71%
The percentage of households with access to basic level of solid waste removal	100%	100%

\* The percentage of households with access to basic level of water, sanitation, electricity and solid waste services is based on formal households only. The information on informal households and backyard dwellings were not taken into account.

#### 5.1.3 Local Economic Development

**Table 8: NKPA- Local Economic Development**

INDICATOR	MUNICIPAL ACHIEVEMENT 2017/18	MUNICIPAL ACHIEVEMENT 2018/19
The number of jobs created through municipality's local economic development initiatives including capital projects	695	153.10

### 5.1.4 Municipal Financial Viability and Management

**Table 9: NKPA- Municipal Financial Viability and Management**

INDICATOR	MUNICIPAL ACHIEVEMENT 2017/18	MUNICIPAL ACHIEVEMENT 2018/19
Debt coverage ((Total operating revenue - operating grants received) / Debt service payments due within the year)	40.87%	43.3%
Service debtors to revenue (Total outstanding service debtors / Annual revenue received for services)	20.7%	20.0%
Cost coverage ((Available cash + investments) / Monthly fixed operating expenditure)	5.75	4.7

### 5.1.5 Good Governance and Public Participation

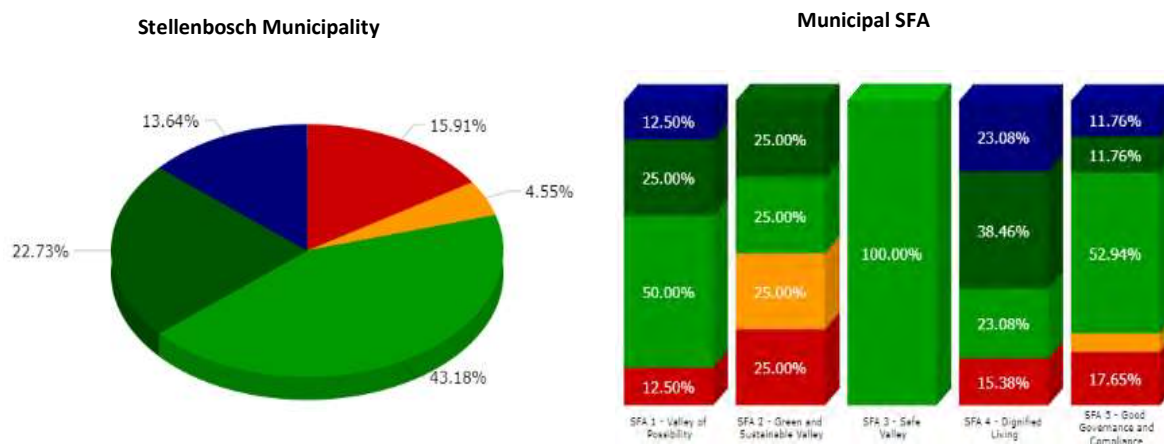
**Table 10: NKPA- Good Governance and Public Participation**

INDICATOR	MUNICIPAL ACHIEVEMENT 2017/18	MUNICIPAL ACHIEVEMENT 2018/19
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	86.5%	87.82%



### 5.3 Overall performance per Municipal Strategic Focus Area

The following graph and table illustrates the Municipality's overall performance per Municipal Strategic Focus Area (SFA).



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	-	-	-	-	-	-
KPI Not Met	7 (15.91%)	1 (12.50%)	1 (25.00%)	-	2 (15.38%)	3 (17.65%)
KPI Almost Met	2 (4.55%)	-	1 (25.00%)	-	-	1 (5.88%)
KPI Met	19 (43.18%)	4 (50.00%)	1 (25.00%)	2 (100.00%)	3 (23.08%)	9 (52.94%)
KPI Well Met	10 (22.73%)	2 (25.00%)	1 (25.00%)	-	5 (38.46%)	2 (11.76%)
KPI Extremely Well Met	6 (13.64%)	1 (12.50%)	-	-	3 (23.08%)	2 (11.76%)
<b>Total:</b>	<b>44 (100%)</b>	<b>8 (18.18%)</b>	<b>4 (9.09%)</b>	<b>2 (4.55%)</b>	<b>13 (29.55%)</b>	<b>17 (38.64%)</b>

Table and Graph 11: Overall performance per SFA- 01 July 2018 – 30 June 2019

## 5.3.1 SFA 1 - Valley of Possibility

SFA 1 - VALLEY OF POSSIBILITY										
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)
						Target	Actual	R		
TL1	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 by 30 June	695	106	106	106	153.10	B	The planned target was exceeded due an increase in the number of employment opportunities approved in the EWPW programme.	
TL2	Land-use applications submitted to the Municipal Planning Tribunal within 120 days	Percentage of land-use application submitted to the Municipal Planning Tribunal within 120 days after receipt of application	4 reports	4	80%	80%	40%	R	20 / 50 x 100 = 40%	The appointment of new staff before 31 December 2019 will assist with the processing of the land-use application backlogs. The additional resources will assist to meet the target by 30 June 2020.
TL3	Training opportunities provided for entrepreneurs and Small, Medium and Micro Enterprises (SMMEs)	Number of training opportunities provided quarterly for entrepreneurs and SMMEs	4	4	4	4	5	G2		
TL4	Revised Spatial Development Framework (SDF) submitted to Council	Number of revised SDFs submitted to Council by 31 May	1	1	1	1	1	G		
TL5	Expenditure of the Kayamandi Town Centre capital project in terms of the approved Capital Budget spent	Percentage of the Kayamandi Town Centre Capital Budget actually spent by 30 June	New KPI	1	90%	90%	99.99%	G2	R95 847 / R95 848 x 100 = 99,99%	

SFA 1 - VALLEY OF POSSIBILITY										
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)
						Target	Actual	R		
TL6	Revised Housing Pipeline (document) submitted to MayCo	Number of revised Housing Pipelines (documents) submitted to MayCo by 31 March	1	1	1	1	1	G		
TL7	Human Settlements Plan (HSP) submitted to Council	Number of Human Settlements Plans submitted to Council by 30 June	New KPI	1	1	1	1	G		
TL45	Urban Development Strategy (UDS) submitted to Council	Number of Urban Development Strategies submitted to Council by 30 June	1	1	1	1	1	G		

### Summary of Results: SFA 1 - Valley of Possibility

	KPI Not Yet Measured	0
	KPI Not Met	1
	KPI Almost Met	0
	KPI Met	4
	KPI Well Met	2
	KPI Extremely Well Met	1
	<b>Total KPIs</b>	<b>8</b>

## 5.3.2 SFA 2 - Green and Sustainable Valley

SFA 2 - GREEN AND SUSTAINABLE VALLEY										
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)
						Target	Actual	R		
TL8	External Audit of the Stellenbosch Municipality Waste Disposal Facilities conducted	Number of external audits of the Stellenbosch Municipality Waste Disposal Facilities conducted by 30 June	2	5	1	1	1	G		
TL9	Submission of the Waste Management By-Law to Council	Number of Waste Management By-Laws submitted to Council by 30 June	0	1	1	1	0	R	The Waste Management By-Law tender specifications were approved by the Bid Specifications Committee (BSC) on 15 July 2019.	The Municipality anticipates that the Waste Management By-Law tender will be awarded by the Bid Adjudication Committee by 31 December 2019.
TL10	Building applications processed within the prescribed / legislated period	Percentage of building plans processed within the prescribed / legislated period	4 reports	90%	90%	90%	76.29%	O	861 / 1 128 x 100 = 76.29%	Council is in the process to implement an electronic building plan submission system. It is anticipated that the system will be functional by 31 March 2020. The system will significantly address the process flow of building plans submitted in order to achieve the legislative timeframes for building plans submitted to the Municipality.
TL11	Waste water quality managed and measured annually into the SANS Accreditation physical and micro parameters	Percentage waste water quality compliance as per analysis certificate measured quarterly	73%	70%	70%	70%	72.72%	G2		

KPI Not Yet Measured	0
KPI Not Met	1
KPI Almost Met	1
KPI Met	1
KPI Well Met	1
KPI Extremely Well Met	0
<b>Total KPIs</b>	<b>4</b>

**Summary of Results: SFA 2 - Green and Sustainable Valley**

## 5.3.3 SFA 3 - Safe Valley

SFA 3 - SAFE VALLEY										
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)
						Target	Actual	R		
TL12	Revised Disaster Management Plan (DMP) submitted to MayCo	Number of revised Disaster Management Plans submitted to MayCo by 31 May	1	1	1	1	1	G		
TL13	Revised Safety and Security Strategy (SSS) submitted to MayCo	Number of revised Safety and Security Strategies submitted to MayCo by 30 June	New KPI	1	1	1	1	G		

## Summary of Results: SFA 3 - Safe Valley

	KPI Not Yet Measured	0
	KPI Not Met	0
	KPI Almost Met	0
	KPI Met	2
	KPI Well Met	0
	KPI Extremely Well Met	0
	<b>Total KPIs</b>	<b>2</b>

## 5.3.4 SFA 4 - Dignified Living

SFA 4 - DIGNIFIED LIVING										
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)
						Target	Actual	R		
TL14	Provision of waterborne toilet facilities	Number of waterborne toilet facilities provided by 30 June	50	20	20	20	69	B	A number of projects that commenced in Jamestown could not be completed in the 2017/18 FY. As a result 40 toilet facilities of this project rolled over to the 2018/19 FY and was accounted for as part of the achievements.	Better in-year planning and target adjustment will be necessary. Quarterly interrogation of targets and achievement will contribute to improve planning and accuracy in reporting.
TL15	Report to MayCo on the identification of land for emergency housing (EH)	Number of reports on the identification of land for emergency housing submitted to MayCo by 30 June	1	1	1	1	0	R	After carefully considering the Housing Plan and available land for emergency housing, it became apparent the information as supplied during 2017/18 remains relevant and no new land pockets for emergency housing was recognised. Hence the 2017/18 report remains relevant and valid for 2018/19.	This indicator has been removed from the TL SDBIP for 2019/20.
TL17	Provision of free basic water to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic water, measured quarterly	10kl	100%	100%	100%	100%	G	6 813 / 6 813 x 100 = 100%	
TL20	Limit unaccounted electricity to less than 9% annually {(Number of Electricity Units Purchased and/or Generated - Number	Percentage average electricity losses by 30 June	5.70%	<9%	<9%	<9%	7.55%	B	Percentage Energy Losses = $((379\ 353\ 123\text{kWh} - 350\ 725\ 915\text{kWh}) / 379\ 353\ 123\text{kWh}) \times 100 = 7.55\%$	

SFA 4 - DIGNIFIED LIVING										
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)
						Target	Actual	R		
	of Electricity Units Sold (incl. Free basic electricity) / Number of Electricity Units Purchased and/or Generated) x 100}									
TL21	Water quality managed and measured quarterly into the SANS 241 physical and micro parameters	Percentage water quality level as per analysis certificate measured quarterly	95.80%	90%	90%	90%	99.90%	G2		
TL22	Limit unaccounted water to less than 25%	Average percentage water losses measured as at by 30 June	21.60%	<20%	<25%	<25%	28%	B	$2\,535\,288\text{kl} / 9\,050\,653\text{kl} \times 100 = 28\%$	
TL46	Provision of free basic electricity to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic electricity, measured quarterly	76%* 71%	100%	100%	100%	71%	R	$4\,833 / 6\,813 \times 100 =$	The Municipality will on a bi-annual basis create awareness through the Indigent Drives to residents on accessing free basic services offered by the Municipality.
TL47	Provision of free basic refuse removal to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic refuse removal, measured quarterly	100%	100%	100%	100%	100%	G	$6\,813 / 6\,813 \times 100 = 100\%$	
TL48	Provision of free basic sanitation to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic sanitation, measured quarterly	100%	100%	100%	100%	100%	G	$6\,813 / 6\,813 \times 100 = 100\%$	



SFA 4 - DIGNIFIED LIVING										
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)
						Target	Actual	R		
TL50	Formal households provided with access to water	Number of formal households provided with access to water, measured quarterly	26 506	26 000	26 000	26 000	26 088	G2		
TL51	Formal households provided with access to electricity	Number of formal households provided with access to electricity, measured quarterly	26 506	24 000	24 000	24 000	26 088	G2		
TL52	Formal households provided with access to refuse removal	Number of formal households provided with access to refuse removal, measured quarterly	26 506	26 000	26 000	26 000	26 088	G2		
TL53	Formal households provided with access to sanitation	Number of formal households provided with access to sanitation, measured quarterly	26 506	26 000	26 000	26 000	26 088	G2		

\*TL46- The prior year actual was changed to 76%. The prior year unit of measurement was calculated as a number and not percentage.

### 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	5
KPI Extremely Well Met	3
<b>Total KPIs</b>	<b>13</b>

## 5.3.5 SFA 5 - Good Governance and Compliance

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE										
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)
						Target	Actual	R		
TL24	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)	5.75	4	4	4	4.7	G2	$R567\,700\,648 / R121\,997\,170 = 4.7$	
TL25	Achieve an average payment percentage of 96% by 30 June annually (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	98.08%	96%	96%	96%	100.24%	G2	$R248\,905\,522 + R78\,166\,797 - R248\,717\,255 - 0 / R78\,166\,797 \times 100 = 100.24\%$	
TL26	Actual expenditure on the approved Capital Budget for the Municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of approved Capital Budget for the Municipality actually spent by 30 June	86.5%	90%	90%	90%	87.82%	O	$(R494\,882\,283 / 563\,550\,230) \times 100 = 87.82\%$	Tender specifications indicators were developed in the Departmental SDBIP 2019/20 for each Director which are aligned to the Demand Management Plan.
TL27	Employment equity appointments made within the three highest levels of management	Percentage of employment equity appointments made within the financial year in the three highest levels of	3	75%	75%	75%	33%	R	$2 / 6 \times 100 = 33\%$ . Deviations clearly motivated. One of the positions advertised 4 times.	The Municipality will review the Recruitment and Selection Policy and measures by 31 March 2020 to ensure better implementation of the planned EE targets.

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE										
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)
						Target	Actual	R		
		management, measured by 30 June								
TL28	The percentage of 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) x 100, measured by 30 June	0.72%	0.95%	0.85%	0.85%	0.43%	R	R2 374 502 / R548 996 595 x 100 = 0.43%	This is a statistical indicator. The annual target for the 2019/20 will be adjusted with the revised Top Layer Service Delivery and Budget Implementation Plan (during January 2020) to bring the target in line with the approved Payroll Budget of the 2019/20 financial year.
TL31	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 annually	40.87%	15%	15%	15%	43.3%	B	R1 366 314 378 / R31 535 191 x 100 = 43.3%	
TL32	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 annually	20.7%	27%	27%	27%	20%	B	R233 604 392 / R1 167 795 370 x 100 = 20%	
TL33	Revised Risk-Based Audit Plan (RBAP) submitted to the Audit Committee	Number of revised RBAPs submitted to the Audit Committee by 30 June	1	1	1	1	1	G		
TL34	Audit Action Plan (AAP) submitted to the Audit Committee	Number of Audit Action Plans submitted to the Audit Committee by 28 February	1	1	1	1	1	G		

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE										
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)
						Target	Actual	R		
TL35	Revised Risk Register (RR) submitted to the Risk Management Committee	Number of revised Risk Registers submitted to the Risk Management Committee by 30 June	1	1	1	1	1	G		
TL36	Revised Information and Communication Technology (ICT) Backup Disaster Recovery Plan submitted to the ICT Steering Committee	Number of revised ICT Backup Disaster Recovery Plans submitted to the ICT Steering Committee by 31 March	1	1	1	1	1	G		
TL37	Revised Strategic ICT Plan submitted to the ICT Steering Committee	Number of revised Strategic ICT Plans submitted to the ICT Steering Committee by 31 May	1	1	1	1	1	G		
TL38	Draft Integrated Development Plan (IDP) submitted to Council	Number of Draft IDPs submitted to Council by 31 March	1	1	1	1	1	G		
TL39	Revised Asset Management Policy (AMP) submitted to Council	Number of revised Asset Management Policies submitted to Council by 30 June	1	1	1	1	1	G		
TL41	Draft Centralised Customer Care Strategy (CCCS) submitted to MayCo	Number of Draft Centralised Customer Care Strategies submitted to MayCo by 28 February	New KPI	1	1	1	0	R	A Draft CCCS was submitted to Management for consideration. Further revisions were required before submission to MayCo.	Further reviews and consultation will be undertaken in the 2019/20 financial year before submission to MayCo by 31 March 2020.
TL42	IDP / Budget / SDF time schedule (process plan) submitted to Council	Number of IDP / Budget / SDF time schedules (process plan) submitted to Council by 31 August	1	1	1	1	1	G		

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE										
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)
						Target	Actual	R		
TL43	Revised Electrical Master Plan (EMP) submitted to Council	Number of revised Electrical Master Plans submitted to Council by 30 June	New KPI	1	1	1	1	G		

**Summary of Results: SFA 5 - Good Governance and Compliance**

KPI Not Yet Measured	0
KPI Not Met	3
KPI Almost Met	1
KPI Met	9
KPI Well Met	2
KPI Extremely Well Met	2
<b>Total KPIs</b>	<b>17</b>

GERALDINE METTLER  
MUNICIPAL MANAGER

DATE: .....



## **ANNEXURE C: REPORT OF THE AUDITOR GENERAL 2018/19**

## Report of the auditor-general to the Western Cape Provincial Parliament and the council on the Stellenbosch Municipality

### Report on the audit of the financial statements

#### Opinion

1. I have audited the financial statements of the Stellenbosch Municipality set out on pages 5 to 122, which comprise the statement of financial position as at 30 June 2019, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Stellenbosch Municipality as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2018 (Act No. 1 of 2018) (Dora).

#### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the municipality in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* and parts 1 and 3 of the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA codes), as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

#### Restatement of corresponding figures

7. As disclosed in note 63 to the financial statements, the corresponding figures for 30 June 2018 were restated as a result of errors detected during the 2018-19 financial year in the financial statements of the municipality at, and for the year ended, 30 June 2019.

#### Material impairments

8. As disclosed in note 5 to the financial statements, the municipality provided for the impairment of trade and other receivables from exchange transactions amounting to R125,5 million (2017-18: R104,7 million).
9. As disclosed in note 6 to the financial statements, the municipality provided for the impairment of trade and other receivables from non-exchange transactions amounting to R167,5 million (2017-17: R164,2 million).

**Material losses**

10. As disclosed in note 61 to the financial statements, material water losses of 28% (2017-18: 21,6%) were incurred.

**Other matter**

11. I draw attention to the matters below. My opinion is not modified in respect of this matter.

**Unaudited disclosure notes**

12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.

**Responsibilities of the accounting officer for the financial statements**

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
14. In preparing the financial statements, the accounting officer is responsible for assessing the Stellenbosch Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

**Auditor-general's responsibilities for the audit of the financial statements**

15. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

**Report on the audit of the annual performance report****Introduction and scope**

17. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for the selected objective presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
18. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the



completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

19. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objective presented in the annual performance report of the municipality for the year ended 30 June 2019:

Strategic objective	Pages in the annual performance report
SFA 4: dignified living	16 to 18

20. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
21. I did not raise any material findings on the usefulness and reliability of the reported performance information for this objective.

### Other matters

22. I draw attention to the matters below.

#### Achievement of planned targets

23. Refer to the annual performance report on pages 11 to 22 for information on the achievement of planned targets for the year.

#### Adjustment of material misstatements

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of SFA 4: dignified living. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

## Report on the audit of compliance with legislation

### Introduction and scope

25. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
26. The material findings on compliance with specific matters in key legislations are as follows:

### Annual financial statements

27. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets, liabilities, revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

## Other information

28. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported on in this auditor's report.
29. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
31. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and reissue an amended report as appropriate. However, if it is corrected this will not be necessary.

## Internal control deficiencies

32. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report:
33. Management did not perform adequate reviews in order to detect material misstatements prior to the submission of the financial statements for auditing.

**Other reports**

34. I draw attention to the following engagement conducted by various parties that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. This report did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
35. Investigations are currently being undertaken by the municipality to established whether allegations of theft and fraud in its inventory store could be confirmed and whether any officials must be held liable for such theft and fraud. At the date of this report, the outcome of these investigations was not yet known.

*Auditor-General*

Cape Town

30 November 2019



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## **Annexure – Auditor-general’s responsibility for the audit**

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected objectives and on the municipality’s compliance with respect to the selected subject matters.

### **Financial statements**

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
  - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
  - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Stellenbosch Municipality’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a municipality to cease continuing as a going concern
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

### **Communication with those charged with governance**

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.



**ANNEXURE D: AUDIT AND PERFORMANCE AUDIT COMMITTEE  
REPORT 2018/19**



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

## Report of the Audit and Performance Audit Committee

This report of the Audit and Performance Audit Committee of Stellenbosch Municipality is in respect of the 2018/2019 financial year. The Audit and Performance Audit Committee has complied with its responsibilities in terms of Section 166 of the MFMA and applicable Treasury Regulations. The Committee has also regulated its affairs and discharged its responsibilities consonant with the approved Audit Committee Charter. The Committee's operation is guided by the International Institute of Internal Auditor's Standards and the King III report on Corporate Governance.

The Committee consists of five independent members, elected by the Council: Len Mortimer (Chairperson), Jeremy Fairbairn, Tsepo Maqheka, Vincent Botto and June Williams. The Council appointed the Chairperson of the Committee, an independent member. The Municipal Manager, Chief Financial Officer, Directors, Chief Audit Executive, Chief Risk Officer, MPAC Chairperson and External Auditors are permanent invitees to the Committee meetings.

### Execution of Functions

The Audit and Performance Audit Committee has executed its duties and responsibilities during the financial year in accordance with its terms of reference as they relate to Council's accounting, internal auditing, internal control, governance, risk management and financial reporting practices.

During the year under review the Committee, amongst other matters, considered the following:

#### 1.1 In respect of the External Auditors and the External Audit

- i. Approved the External Auditors' (Auditor-General of RSA) terms of engagement, the audit plan and budgeted audit fees payable;
- ii. Engaged and interrogated extensively the External Auditors' report and management report of the Auditor General at the Audit and Performance Audit Committee meeting dated 27<sup>th</sup> November 2019;
- iii. Considered the audit outcome of the Municipality extensively and communicated the Audit and Performance Audit Committee's concern and caution on the outcome of the audit;
- iv. Based on the audit outcome recommendations were made by the Audit and Performance Committee on high risk areas as well as control deficiencies identified in the Auditor Generals' report;
- v. Management have been requested by the Audit and Performance Committee to implement processes and reconciliations of transactions;

- vi. Management are urged to strengthen controls to adequately monitor non-compliance with laws and regulations on a timely basis;
- vii. Management need to concentrate on accurate presentation and review of Performance Information submitted to the Auditor General for audit;
- viii. The supervision and review process need to be addressed to prevent, detect and correct misstatements on a timely basis and the controls designed to monitor compliance with regulations that are not always able to prevent or report the instances of non-compliance on a timely manner to allow for corrective action;
- ix. Consequently, the quality of submitted financial statements, quality of submitted performance information and the compliance with the requirements of the supply chain management have not achieved the desired results, thus management is encouraged to develop action plans early to allow for the improvement in the next reporting cycle;
- x. The Audit and Performance Committee, despite the above recognised the fact that the finance unit did, on the recommendation of the Audit and Performance Committee, prepare interim Annual Financial Statements

### 1.2 In respect of the Annual Financial Statements (AFS)

- i. Confirmed the going concern principle as the basis of preparation of the Interim and Annual Financial Statements;
- ii. Examined, reviewed and interrogated the Annual Financial Statements, performance report as well as financial information disclosed to the public prior to submission and approval by Council;
- iii. Reviewed reports on the adequacy of the portfolio and specific impairments and impairment of other assets;
- iv. Ensured that the Annual Financial Statements fairly represented the financial position of the Stellenbosch Municipality as at the end of the financial year in accordance with SA Standards of GRAP and in the manner required by the MFMA and DORA;
- v. Considered the appropriateness of accounting treatments, significant unusual transactions and management accounting judgements;
- vi. Considered the appropriateness of the accounting policies adopted by Management and changes thereto;
- vii. Through the Chairperson, met separately over the course of the year with the Chief Audit Executive, CFO, Chief Risk Officer, Management and the External Auditors (Auditor-General of RSA);
- viii. Reviewed any significant legal and tax matters that could have a material impact on the financial statements; and
- ix. Noted that there were some material reports or complaints received concerning accounting practices, internal financial controls, content of Annual Financial Statements, internal controls and related matters.

### 1.3 In respect of Internal Control and Internal Audit

- i. Reviewed and approved the Internal Audit mandate, annual and three year rolling audit plans and evaluated the independence, effectiveness and performance of the Internal Audit Department and compliance with its mandate;
- ii. Considered reports of the Internal and External Auditors on Council's system of internal control, including internal financial controls and maintenance of effective internal control systems;
- iii. Reviewed significant issues raised by the internal audit process and the adequacy of corrective action in response to such findings;
- iv. Reviewed significant differences of opinion between the Internal Audit function and Management and noted that all material issues of difference raised were addressed and resolved;
- v. Assessed the adequacy of the performance of the Internal Audit function and found it to be satisfactory;

- vi. Assessed the adequacy and sufficiency of available Internal Audit resources and found them to be very limited as more resources are required to evaluate the control weaknesses and high risk areas identified in both the corporate strategic risk, external audit and the audit universe;
- vii. Received assurance that proper and adequate accounting records were maintained and that systems safeguarded the assets against unauthorised use or disposal thereof; and
- viii. Based on the above, the Committee were of the opinion that at the date of this report there were breakdowns in internal control, including internal financial controls, for the year under review in the following areas:
  - Supply Chain Management. The Audit and Performance Audit Committee felt strongly that controls in this area require urgent strengthening. Training interventions are required and monitoring by the CFO and MM in these areas as well as in:
    - Contract Management;
    - Inventory at stores;
    - Pre-determined objectives;
    - Monthly or regular reconciliations of assets, debtors, and creditors;
    - Compilation of mid-year or interim AFS;
  - In addition, the Committee noted Management's improved responses to conclude on internal and external audit findings from prior and current year as reported in the internal audit follow up reports and the SORR done by the Internal Audit Department.

#### **1.4 In respect of Legal and Compliance with Laws and Regulations**

- i. Reviewed with management matters that could have a material impact on Council;
- ii. Monitored compliance with the MFMA and other key legislation applicable to the Municipality, requirements of National and Provincial Treasury, Council's policies, and all other applicable legislation and codes of good governance;
- iii. Reviewed reports from the Internal and External Auditors detailing the extent of compliance.

#### **1.5 In respect of Risk Management, Combined Assurance and Information Technology**

During the period under review Management presented Strategic and Operational Risk profiles for the Municipality to the Audit and Performance Audit Committee who :

- i. Considered and reviewed reports from Management on risk management, including fraud risks and information technology risks as they pertain to financial reporting and the going concern assessment;
- ii. In respect of the coordination of assurance activities, the Committee reviewed the plans and work outcomes of the external and internal auditors and concluded that these were adequate to address all significant financial, operational and compliance risks facing the Municipality;
- iii. Noted the progress made in terms of Combined Assurance and the co-ordination between assurance providers to mitigate the top 10 strategic risks facing the Municipality as well as the emerging risks;
- iv. The Audit and Performance Audit Committee in respect of compliance notes an emerging risk and expresses concern with non-compliance with the SCM regulation and policies in relation to deviations and consequence management; and
- v. The Audit and Performance Audit Committee took cognisance that Information Technology and IT systems controls are flagged as concerning in the Auditor General's Management report.



### 1.6 In respect of Pre-Determined Objectives (PDO's)

The Audit and Performance Audit Committee:

- i. Noted the need that management should ensure the accurate and reliable reporting of PDO's and the reporting on the top-layer SDBIP; and
- ii. The quality of submitted performance information in the Management report is indicated as "intervention required". This was due to an error that was corrected in the submitted performance information.

### 1.7 In respect of the Finance Function

The Audit and Performance Audit Committee:

- i. Considered the expertise, resources and experience of finance function and concluded that these are not adequate due the non-adherence to interim AFS preparation as well as irregular reconciliations. Very few people within finance are involved in the AFS preparation resulting in errors in the AFS submitted to the Auditor General as noted in the Management Report.
- ii. The Chief Financial Officer should ensure appropriate measures are in place for the accurate and timeous submission of information to the office of the Auditor General.

### 1.8 Independence of the External Auditors

The Audit and Performance Audit Committee is satisfied that the Auditor General of RSA (AGSA) were independent of the Council. This conclusion was arrived at, inter alia, after taking into account the following factors:

- i. The presentations made by the Auditor General to the Audit and Performance Audit Committee;
- ii. The Auditors' independence was not impaired by any consultancy, advisory or other work undertaken by the auditors; and
- iii. The Audit and Performance Committee met with the External Auditors independently of management.

### 1.9 General

- i. The Audit and Performance Audit Committee has monitored quarterly the Municipality's implementation plan for audit issues raised in the prior year and are satisfied that the matters have been adequately resolved. Of all the matters raised in the 2018/2019 audit outcome no repeat findings occurred from prior year. The Audit and Performance Committee has raised its concern around the matters raised in the Auditor General's Management Report. The Municipal Manager, has given assurance that all of these will be addressed as urgent and tracked for the 2019/2020 financial year. The Municipal Manager took cognisance of all the concerns raised in 1.1 above.
- ii. The Audit and Performance Audit Committee concurs and accepts the conclusions of the External Auditor on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the Auditor General.

Stellenbosch Municipality has progressively been stable in the areas of second and third level of assurance and governance over a three year period. There has also been stability in the leadership over the past two financial years. The only area for concern, and where urgent attention is required, is financial and performance management over processing and

reconciliation controls. The Audit and Performance Committee has made recommendations in this area which management have committed to.

### 1.10 Conclusion

I am extremely grateful to the members for their professionalism and diligence in their duties as well their flexibility in accommodating last minute calls to duty. We are fortunate to have the diversity of skills and expertise available to the Municipality. It would be amiss not to convey on behalf of the Committee our appreciation to the Mayor, the entire Council and its Committees for the leadership, support and oversight they have provided during the year.

Finally, the Audit and Performance Audit Committee would like to express its appreciation to Management, Internal Audit, Risk Management and the Auditor General for the support and co-operation extended during the financial year and for providing the relevant information to enable the Audit and Performance Audit Committee to compile this report.

On behalf of the Audit and Performance Audit Committee.

A handwritten signature in black ink, appearing to be 'L. Mortimer', written over a large, faint oval watermark.

**Dr Llewellyn Nimrod Mortimer**  
**Chairperson Audit and Performance Audit Committee**  
**17 December 2019**

8.2	<b>MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT FOR 2019/2020</b>
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Collaborator No: 675036  
 IDP KPA Ref No: Good Governance and Compliance  
 Meeting Date: 22 January 2020

**1. SUBJECT: MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT FOR 2019/2020**

**2. PURPOSE**

To submit the Section 72 Report (Mid-year Budget and Performance Assessment) to Council.

**3. DELEGATED AUTHORITY**

**FOR NOTICE BY MUNICIPAL COUNCIL**

In terms of Section 54 of the Municipal Finance Management Act (MFMA), 56 of 2003.

**4. EXECUTIVE SUMMARY**

This report provides the progress made by the Municipality in terms of the Service Delivery Budget and Implementation Plan (SDBIP) for the period 1 July 2019 to 31 December 2019.

**5. RECOMMENDATIONS**

- (a) that Council takes note of the report and more specifically the assessment and forecasts contained in the report;
- (b) that Council takes note that an Adjustments Budget will be tabled to Council as a result of the following:
  - the appropriation of additional allocations received and increased realistically anticipated revenue during the financial year;
  - the reprioritization of projects in line with being completed by the communicated cut-off dates to facilitate year- end preparation;
- (c) that Council notes the performance of the Municipality against the set objectives contained in Section 2; and
- (d) that the Accounting Officer attends to ensuring that Directors put the necessary corrective measures in place to ensure that projects are managed proactively in a bid to ensure that Council meets its strategic objectives contained in the Service Delivery and Budget Implementation Plan and to report on same at the end of quarter.

**6. DISCUSSION / CONTENTS**

**6.1 Background**

In terms of the Municipal Finance Management Act (MFMA) Section 72(1) the Accounting Officer of the municipality must by 25 January each year assess:

- (a) the performance of the municipality during the first half of the financial year; taking into account the following:

- 
- (i) the monthly statements referred to in Section 71 for the first half of the financial year;
  - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
  - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
- (b) submit a report on such assessment to-
- (i) the mayor of the municipality;
  - (ii) the National Treasury; and
  - (iii) the relevant Provincial Treasury

Once the Mayor has considered the section 72 report, it must be submitted to Council by the 31st of January of each year in terms of section 54 (1) (f) of the MFMA.

The statements as referred to in section 71 (1) of the MFMA for the first half of the financial year, specifically the sixth month, is incorporated into the mid-year budget and performance assessment in accordance with section 72 (2) of the MFMA.

As part of the review in terms of Section 72 (3) the Accounting Officer must:

- (a) make recommendations on whether an adjustments budget is necessary; and
- (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

## 6.2 Discussion

The Financial Mid-year Performance is reported on in **APPENDIX 1** (Section 1). This report encapsulates the performance of the first six months of the financial year and places emphasis on the positive as well as the areas of concern.

The condensed comparative statement report for operating revenue and operating expenditure for the period ending 31 December 2019 can be found in the budget performance analysis of the attached report. It should however be noted that the following services included in the Operating Revenue relate to actual levied amounts against consumer accounts and not actual cash received:

- Property Rates
- Property Rates-Penalties imposed and collection charges
- Service Charges
  - Electricity
  - Refuse Removal
  - Sewerage
  - Water
- Interest earned - Outstanding Debtors

It is important to note that in the past the following services were levied for the full year and minimal movement were seen for the rest of the financial year:

- Property Rates
- Refuse Removal
- Sewerage

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Due to the implementation of mSCOA all services are levied on a monthly basis and consumers must apply if they want annual levies for above services.

An over performance is noted for electricity revenue due to the increase in billed revenue. The revenue budget for this line item will have to be adjusted upwards with R49 million.

An under performance is noted for water revenue due to the noticeable decline in billed revenue. The decline is as a result of the utilization of alternative water sources such as water tanks and boreholes. The revenue budget for this line item will have to be adjusted downwards with R40 million.

An under performance is noted for sanitation revenue due to the noticeable decline in billed revenue. The municipality has re-assessed the sanitation revenue budget as the decline in the industrial affluent charges has negatively affected the revenue stream. The revenue budget for this line item will have to be adjusted downwards with R10 million.

An over performance is noted for bulk purchases due to the increase in demand largely due to the Pniel area which now sources its electricity supply from Stellenbosch municipality as well as the NERSA tariff increases. The expenditure budget for this line item will have to be adjusted upwards with R49 million.

### **Mid-year Non-Financial Performance Assessment**

Non-Financial Mid-year Performance is reported on in **APPENDIX 2** Section 2). It covers the overall performance of the Municipality on the Key Performance Indicators (KPI's) that are assessed in the period from 1 July 2019 to December 2019. The performance of the first six months of the financial year should be assessed and reported on in terms of Section 72 of the MFMA. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustments of KPI's, if necessary.

#### **6.3 Financial Implications**

The financial implications of this report will be dealt with in the adjustments budget.

#### **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:**

The previous resolution relevant to this item was made on:

- 23<sup>rd</sup> Council meeting, 30<sup>th</sup> January 2019, item 8.2.1.

#### **6.7 Risk Implications**

None.

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.3.6**

- (a) that Council takes note of the report and more specifically the assessment and forecasts contained in the report;
- (b) that Council takes note that an Adjustments Budget will be tabled to Council as a result of the following:
- the appropriation of additional allocations received and increased realistically anticipated revenue during the financial year;
  - the reprioritization of projects in line with being completed by the communicated cut-off dates to facilitate year- end preparation;
- (c) that Council notes the performance of the Municipality against the set objectives contained in Section 2; and
- (d) that the Accounting Officer attends to ensuring that Directors put the necessary corrective measures in place to ensure that projects are managed proactively in a bid to ensure that Council meets its strategic objectives contained in the Service Delivery and Budget Implementation Plan and to report on same at the end of quarter.

**ANNEXURES**

Appendix 1: Financial Mid-year Performance

Appendix 2: Mid-year Non-Financial Performance Assessment

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Kevin Carolus
<b>POSITION</b>	Chief Financial Officer
<b>DIRECTORATE</b>	Financial Services
<b>CONTACT NUMBERS</b>	021 – 808 8528
<b>E-MAIL ADDRESS</b>	Kevin.Carolus@stellenbosch.gov.za
<b>REPORT DATE</b>	17 January 2020

# APPENDIX 1

# **APPENDIX A**

## **MID YEAR BUDGET AND PERFORMANCE ASSESSMENT**

**DECEMBER 2019**





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## BUDGET & FINANCIAL PERFORMANCE OF STELLENBOSCH MUNICIPALITY AS AT 31 DECEMBER 2019

### 1. PURPOSE

The mid-year report is used as a management tool to assess the Municipality's performance and financial position against the approved budget by analyzing trends and patterns for the first six months of the 2019/2020 financial year, with a view of giving effect to the Mayor and Council's oversight role and to recommend the need for an adjustment budget as envisaged by the Municipal Finance Management Act.

### 2. LEGISLATIVE BACKGROUND

In terms of Section 72 (1) (a) of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) the Accounting Officer must by the 25<sup>th</sup> of January of each year assess the performance of the Municipality during the first half of the financial year. A report on such assessment must then be submitted to the Mayor, Provincial Treasury and National Treasury in terms of Section 72 (1) (b) of the Act. Once the Mayor has considered the report in terms of Section 54 (1) (f) of the MFMA, she must table the report with recommendations to Council by 31 January of each year.

### 3. BUDGET PERFORMANCE ANALYSIS

#### 3.1 Overview of Operating Revenue and Expenditure performance for the period July to December 2019.

Description	Adjusted Budget	Year-to-date Budget	Year-to-date Actual	Year-to-date Variance
<b>Revenue By Source</b>				
Property rates	356 121 877	217 444 732	217 666 476	0.10%
Service charges - electricity revenue	639 886 270	271 690 523	316 970 973	16.67%
Service charges - water revenue	201 974 611	102 695 069	72 413 858	-29.49%
Service charges - sanitation revenue	113 503 000	62 635 943	44 502 610	-28.95%
Service charges - refuse revenue	69 224 664	35 304 579	35 735 456	1.22%
Rental of facilities and equipment	18 831 474	5 271 591	4 167 746	-20.94%
Interest earned - external investments	44 171 310	20 126 076	16 310 020	-18.96%
Interest earned - outstanding debtors	11 270 156	5 500 137	6 299 841	14.54%
Fines, penalties and forfeits	108 260 389	9 946 884	8 989 573	-9.62%
Licences and permits	5 398 023	1 192 398	2 272 176	90.56%
Agency services	2 851 504	913 526	1 354 636	48.29%
Transfers and subsidies	174 292 503	110 934 158	108 069 278	-2.58%
Other revenue	34 814 509	10 030 597	10 044 972	0.14%
Gains on disposal of PPE	-		-	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 780 600 290</b>	<b>853 686 211</b>	<b>844 797 616</b>	<b>-1.04%</b>

<u>Expenditure</u>	Adjusted Budget	Year-to-date Budget	Year-to-date Actual	Year-to-date Variance
Employee costs	603 267 891	288 936 040	259 624 513	-10.14%
Remuneration of Councillors	19 936 393	9 355 391	8 853 455	-5.37%
Depreciation & asset impairment	206 956 224	103 916 219	4 413	-100.00%
Finance charges	39 877 000	20 216 617	15 972 764	-20.99%
Materials and bulk purchases	441 448 194	181 716 944	220 527 428	21.36%
Transfers and subsidies	10 048 600	10 014 458	8 711 326	-13.01%
Other expenditure	488 665 953	182 129 582	112 104 620	-38.45%
<b>Total Expenditure</b>	<b>1 810 200 255</b>	<b>796 285 251</b>	<b>625 798 519</b>	<b>-21.41%</b>

**Below follows a synopsis of significant revenue and expenditure variances:**

### **Property Rates and Service Charges**

Property rates, service charges refuse and sanitation are billed monthly. However some consumers applied to have their property rates and service charges billed annually.

#### **Service charges - electricity revenue**

The municipality has billed R45 280 451 more electricity than initially anticipated. The over performance is due to the increase in demand largely attributable to the Pniel area which now sources its electricity supply from Stellenbosch municipality as well as the NERSA tariff increases. The revenue budget for this line item will have to be adjusted upwards with R55 000 000.

#### **Service charges - water revenue**

The municipality has billed R30 281 211 less water than initially anticipated. The average billing for the year amounted to R12 068 976 per month which indicates that the decline in consumption equates to more than two month's billings. The largest variances billed relates to the agricultural and rural water services (R24 888 or 8% of the R298 801 adjusted budget) as well as the low billings for the connection and disconnection of water (R39 753 or 14% of the R274 212 adjusted budget). The water usage fluctuates according to seasonal trends and an increase is anticipated over the summer months. The municipality has re-assessed the water revenue budget and anticipates that a downward adjustment of R40 000 000 will be necessitated during the Mid-year adjustment budget process.

#### **Service charges - sanitation revenue**

An under performance is noted for sanitation revenue due to the noticeable decline in billed revenue. The municipality has re-assessed the sanitation revenue budget as the decline in the industrial effluent charges has negatively affected the revenue stream. However, it is projected that the industrial effluent charges will increase towards the end of the financial year, therefor the sanitation revenue will not be adjusted.

**Rental of facilities and equipment**

An under performance was noted for the rental of facilities and equipment to the amount of R980 738. The largest variances relates to the market related rental for housing units which amounts to R4 140 143 of the R18 357 804 adjusted budget amount. The annual levies will be processed during March 2020.

**Interest Earned- External Investments**

An under performance was noted for the interest earned – external investments to the amount of R3 816 056. The journal to account for the monthly interest of R2 992 925 has not been processed and will be captured on the financial system during January 2020. An improvement will therefore be reflected during January 2020.

**Transfers and subsidies**

The transfers and subsidies will be decreased by R4 657 570 during the Mid-year Adjustment budget process due to the following;

- To account additional funding allocations as a result of roll overs and an increase in gazetted allocations to the amount of R3 663 926
- The repayment of grants to the amount of R1 706 024
- The correction of errors resulting from grants being moved from the operating budget to the capital budget to the amount of R11 688 472.

**Other revenue**

The performance other own revenue is on par as R10 044 972 of the R10 030 597 year to date budget has been realised to date.

- The sales of goods and rendering of services: Encroachments

An underperformance is noted as only R1 365 522 has been receipted against an adjusted budget of R6 839 069. An adjustment will be done in terms of S28 (2) (a) of the MFMA during the Mid-year Adjustment budget process. The budget will be reduced by R4 000 000.

## Operating Expenditure

The expenditure to date reflects an under spending of R170 486 732 when comparing the financial performance of the first six months to the pro-rata budget.

It should be noted that three budget items reflected an under spending when compared to the year-to-date budget and is as follows:

- **Employee costs:** An under performance of R29 311 527 is noted against the year to date budget projections. The underspending is due to vacancies which have not yet been filled. Various advertisements for vacancies have been issued during the last quarter. The expenditure budget for this line item will have to be adjusted downwards with R46 000 000.
- **Materials and Bulk purchases:** An over performance of R38 810 484 is noted for materials and bulk purchases. This is due to the increase in demand largely attributable to the Pniel area which now sources its electricity supply from Stellenbosch municipality as well as the NERSA tariff increases. The expenditure budget for this line item will have to be adjusted upwards with R49 000 000.
- **Other expenditure:** An underspending of R70 024 961 against a year to date budget of R182 129 582 has been noted. The underspending is largely due to the following;
  - **Outsourced Services: Clearing and Grass Cutting Services**  
The user department planned to spend R2 602 537 of the adjusted budget. The year to date actual expenditure incurred amounted R583 855. The user department indicated that the funds will be used in conjunction with the funds allocated for forestry earmarked for the rehabilitation of the rivers. It should be noted that the current costs incurred are lower than expected due to the low tender price awarded.
  - **Contractors: Preservation/Restoration/Dismantling**  
The user department planned to spend R14 331 348 of the adjusted budget. The year to date actual expenditure incurred amounted R6 834. The user department indicated that slow spending was experienced due to the Techno park dam being closed. Some of the funds will be utilised for the procurement of trees in the Techno park areas.

Various other line items were also identified where additional funds are requested due to operational pressure. This will be addressed in the Mid-Year Adjustments Budget. The largest components relating to the above is as follows;

- **Outsourced Services: Security Services:** A budget increase of R11 565 000 has been requested due to additional funds needed for the security services relating to land invasions and demolishing of illegal structures.

- Outsourced Services: Refuse Removal: A budget increase of R3 500 000 has been requested to continue service delivery for tenders Franschhoek refuse collection, recycling collection in Stellenbosch as well as the landfill operation and management until 30 June 2020. Funds is also required for crushing of builder's rubble to minimize waste at the landfill.
- Transfer Station Klapmuts: Outsourced Services: Refuse Removal: A budget increase of R11 600 000 has been requested for the transport and disposal of waste generated in Stellenbosch at Vissershok landfill site until 30 June 2020.

### 3.2 Overview of Capital Budget performance for the period July to December 2019

	Approved Adjustment Budget	Planned	Actuals	Variance (Planned vs Actuals)	Variance (Planned vs Actuals)%
Municipal Manager	35 000	7 500	8 549	1 049	13.98%
Planning & Development	13 222 038	7 749 026	4 744 130	-3 004 896	-38.78%
Community and Protection Services	70 642 597	42 081 926	14 144 103	-27 937 823	-66.39%
Infrastructure Services	421 133 115	194 493 300	110 322 876	-84 170 424	-43.28%
Strategic & Corporate Services	108 092 208	57 104 445	73 757 414	16 652 969	29.16%
Financial Services	150 000	15 000	1 536	-13 464	-89.76%
<b>Grand Total</b>	<b>613 274 958</b>	<b>301 451 197</b>	<b>202 978 608</b>	<b>-98 472 589</b>	<b>-32.67%</b>

Expenditure on the Capital Budget for the six months ended 31 December 2019 is R202 978 608 representing 33% capital spending performance measured against the total capital budget of R613 274 958 which is higher than the spending performance of 25% for the same period in December 2018.

Period	Dec-16	Dec-17	Dec-18	Dec-19
Total Capital Budget	543 200 043	535 057 640	587 748 280	613 274 958
Actual Spending	97 913 219	84 806 586	147 499 939	202 978 608
<b>Spending Performance</b>	<b>18.03%</b>	<b>15.85%</b>	<b>25.10%</b>	<b>33.10%</b>

This spending only represents actual payments, whilst orders for work still in progress amount to R159 347 068. Of concern is the fact that R61 896 490 worth of capital projects have not yet been committed. The capital budget will have to be adjusted to make the necessary amendments to various projects in order to accelerate progress on the priorities identified.

### **3.3 Financial performance analysis**

#### **3.3.1 Liquidity Analysis- Acid Test Ratio**

The liquidity position of the municipality was 3.61:1 at 31 December 2018 and has improved to 4.37:1 at 31 December 2019. This indicates that funding could be made available immediately to cover short-term commitments. The municipality is operating above the norm of 2:1.

#### **3.3.2 Financial Performance – Net Operating Surplus Margin**

The municipality's net operating surplus margin has improved from 17.39% at 31 December 2018 to 25.92% at 31 December 2019. The positive ratio indicates that the municipality is able to generate a surplus which will assist to contribute towards its capital funding requirements and ensure sustainable service delivery.

#### **3.3.3 Cost Coverage Ratio**

The municipality's cost coverage ratio has decreased from 22 months at 31 December 2018 to 19 months at 31 December 2019. The ratio is above the norm of 1 to 3 months. This ratio indicates the municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.

#### **3.3.4 Debtors collection rate**

The debtors collection rate has increased from 119% at 31 December 2018 to 165% at 31 December 2019. Cognisance should be taken that the percentages includes the collection of arrear debt. The municipality will continue to enforce strict credit control procedures to ensure an improvement is evident during the next 6 months of the current financial year.

#### **3.3.5 Liability Management**

##### **3.3.5.1 Cost required to service borrowings**

The municipality's cost required to service borrowings has increased marginally from 2.60% at 31 December 2018 to 4.55% at 31 December 2019. The ratio depicts the borrowing or payment obligation expressed as a percentage of total operating expenditure. The municipality is well below the norm of 6% to 8%.

##### **3.3.5.2 Affordability of total borrowings**

The municipality's affordability of borrowings has increased from 11.67% at 31 December 2018 to 19.85% year to date. The municipality is well below the norm of 45% and has the capacity to increase funding from borrowings.



### 3.4 Outstanding Debtors

Below is an analysis of the outstanding consumer debtors as at 31 December 2019 compared to the position as at 31 December 2018:

#### Debtors' Age Analysis as at 31 December 2019:

WC024 Stellenbosch - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

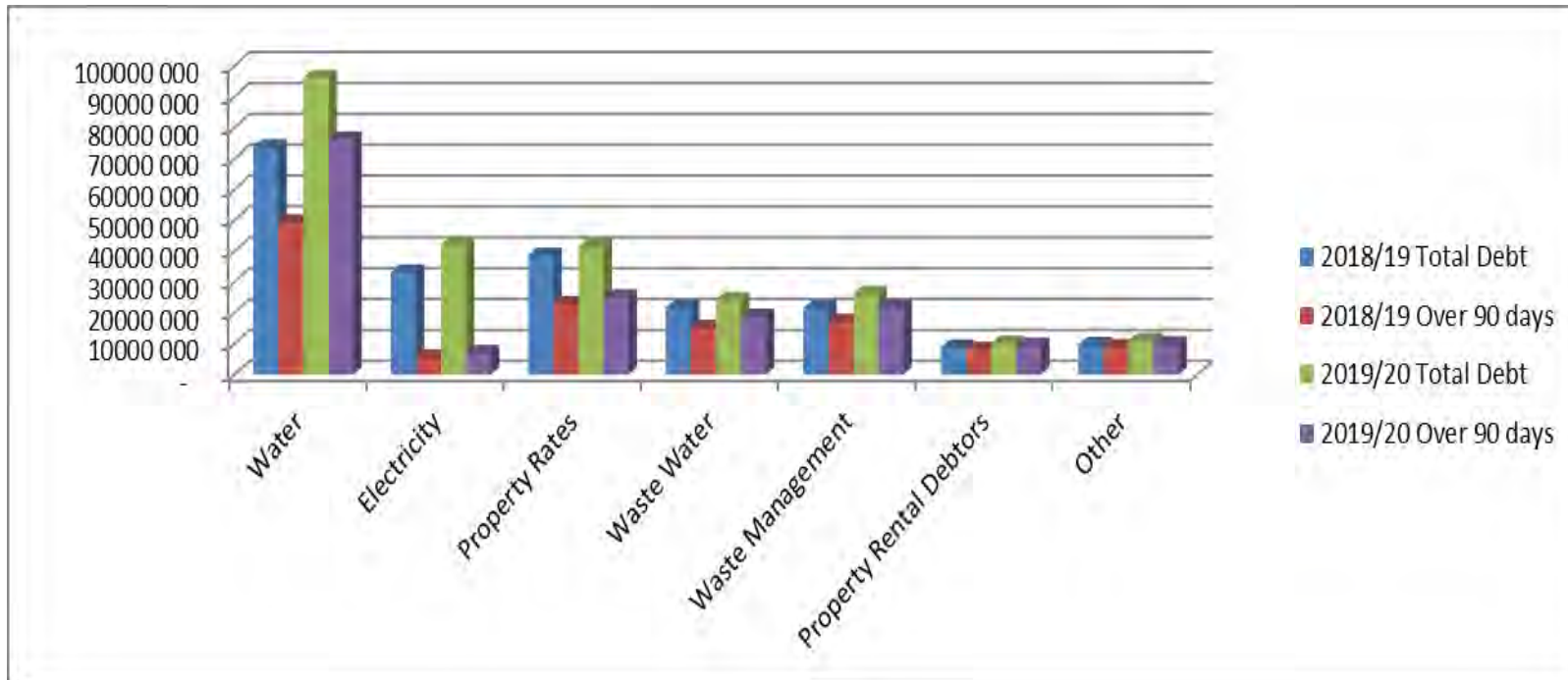
Description	NT Code	Budget Year 2019/20									Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr					
<b>R thousands</b>														
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	1200	15 537	2 276	2 147	1 534	74 730	-	-	-	96 225	76 265	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	33 171	876	1 022	526	6 590	-	-	-	42 186	7 116	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	14 840	859	658	574	24 483	-	-	-	41 414	25 057	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	4 571	427	366	353	18 485	-	-	-	24 203	18 838	-	-	
Receivables from Exchange Transactions - Waste Management	1600	3 406	498	453	425	21 342	-	-	-	26 124	21 767	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	383	151	119	120	9 332	-	-	-	10 105	9 451	-	-	
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	692	196	163	274	9 654	-	-	-	10 979	9 927	-	-	
<b>Total By Income Source</b>	<b>2000</b>	<b>72 601</b>	<b>5 284</b>	<b>4 930</b>	<b>3 806</b>	<b>164 615</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>251 236</b>	<b>168 421</b>	<b>-</b>	<b>-</b>	
<b>2018/19 - totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	2 002	79	42	23	786	-	-	-	2 932	809	-	-	
Commercial	2300	13 211	146	92	163	13 389	-	-	-	27 000	13 552	-	-	
Households	2400	39 181	4 192	3 781	2 980	130 620	-	-	-	180 754	133 600	-	-	
Other	2500	18 207	867	1 015	640	19 821	-	-	-	40 550	20 461	-	-	
<b>Total By Customer Group</b>	<b>2600</b>	<b>72 601</b>	<b>5 284</b>	<b>4 930</b>	<b>3 806</b>	<b>164 615</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>251 236</b>	<b>168 421</b>	<b>-</b>	<b>-</b>	

**Debtors' Age Analysis as at 31 December 2018:**

WC024 Stellenbosch - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2018/19										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o 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	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	15 854	4 613	3 936	2 041	47 295				73 739	49 336		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	26 309	818	378	277	5 368				33 150	5 645		
Receivables from Non-exchange Transactions - Property Rates	1400	14 068	1 029	645	512	22 369				38 623	22 881		
Receivables from Exchange Transactions - Waste Water Management	1500	5 530	545	442	384	14 823				21 724	15 207		
Receivables from Exchange Transactions - Waste Management	1600	3 229	653	422	388	16 831				21 524	17 220		
Receivables from Exchange Transactions - Property Rental Debtors	1700	384	190	145	126	7 983				8 828	8 109		
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-				-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-				-	-		
Other	1900	276	197	200	142	8 862				9 677	9 004		
<b>Total By Income Source</b>	<b>2000</b>	<b>65 649</b>	<b>8 046</b>	<b>6 167</b>	<b>3 870</b>	<b>123 532</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>207 265</b>	<b>127 402</b>	<b>-</b>	<b>-</b>
<b>2017/18 - totals only</b>										<b>-</b>	<b>-</b>		
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	2 362	345	147	155	1 879				4 889	2 034		
Commercial	2300	14 824	339	182	121	11 709				27 176	11 831		
Households	2400	34 649	6 368	5 270	3 011	92 944				142 242	95 955		
Other	2500	13 814	994	569	583	16 999				32 958	17 582		
<b>Total By Customer Group</b>	<b>2600</b>	<b>65 649</b>	<b>8 046</b>	<b>6 167</b>	<b>3 870</b>	<b>123 532</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>207 265</b>	<b>127 402</b>	<b>-</b>	<b>-</b>

The abovementioned data set indicates that consumer debt increased by R43 91 562 from December 2018 to December 2019. The increase is mainly due to the water debt increase of R22 485 798. Debtors over 90 days have increased with R41 019 016 over same period. The largest part of the increase in overdue debt relates to water (R26 928 027 or 66%)



Subsidies and Rebates:

**Number of registered indigent families 31 December 2018: 17 623**

Formal Households: 6 642

Informal Households: 10 981

**Number of registered indigent families 31 December 2019: 17 988**

Formal Households: 6 941

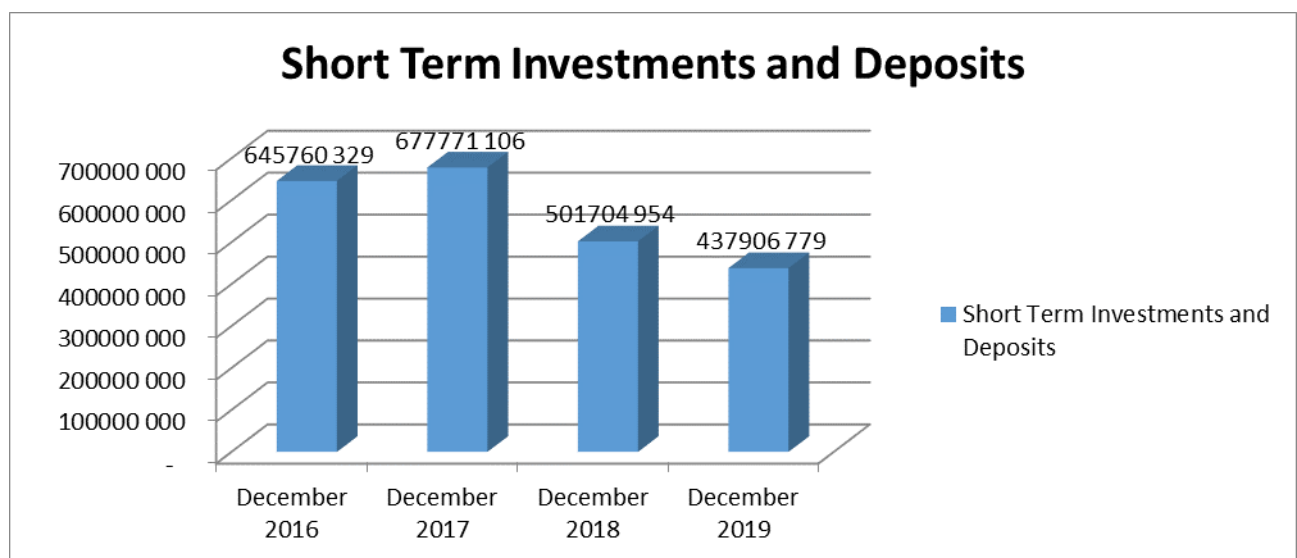
Informal Households: 11 047

The formal indigent households have increased by 299 households due to an increase in applications received. The municipality continuously ensures that there is increased community awareness regarding indigent applications and rebates available. An overall increase of 365 indigent households has been noted from December 2018 to December 2019.

### 3.5 Investments

The investment portfolio decreased from R501 704 954 as at 31 December 2018 to R437 906 779 million at 31 December 2019.

Description	Dec-16	Dec-17	Dec-18	Dec-19	%Increase
Short Term Investments and Deposits	645 760 329	677 771 106	501 704 954	437 906 779	-12.72%



The decline in the investments portfolio is due to the fact that the capital expenditure for the first six months of the 2019/2020 financial year increased with R55 478 669 when compared against the capital expenditure of 2018/2019 for the same period.

#### **4. PAST YEAR'S ANNUAL REPORT AND PROGRESS ON RESOLVING PROBLEMS IDENTIFIED IN THE ANNUAL REPORT**

Areas for improvement as identified during previous year's audit were encapsulated in an Audit Finding Action Plan which addresses the areas of concern. This plan and the implementation thereof will be monitored by senior management as well as the Audit Committee.

The GRAP disclosure checklist in addition to the findings raised in the previous audit will be used to mitigate the risk of recurring audit findings.

#### **5. RECOMMENDATIONS FROM THE ACCOUNTING OFFICER**

After having assessed the performance of the municipality for the first half of the year (ended 31 December 2019), the following is recommended:

- a) That the Executive Mayor tables this report to Council as the contents indicate the need to approve an adjustment budget.
- b) That the revised projections as contained in this report inform the adjustment budget.

#### **6. RECOMMENDATIONS FROM THE EXECUTIVE MAYOR**

- a) Council take note of the report and more specifically the assessment and forecasts contained in the report,
- b) Council take note that an Adjustments Budget will be compiled and tabled to Council as a result of the following:
  - Operational Budget detail to be adjusted to reflect realistically anticipated revenue and expenditure as envisaged by the detail contained in the report to accompany the adjustment budget.
  - Appropriate additional revenue that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for.
  - Authorize the utilization of projected savings in one vote towards spending in another vote due to the reprioritization of projects in line with revised completion dates; and
  - To correct any errors in the annual budget.

**QUALITY CERTIFICATE**

I, Geraldine Mettler, the Municipal Manager of Stellenbosch Municipality, hereby **certify** that the mid-year budget and performance assessment for the period 1 July 2019 to December 2019 has been prepared in accordance with Section 72 of the Municipal Finance Management Act and Regulations made under the Act and accordingly submit the required report on the state of Stellenbosch Municipality's performance.

Name: Geraldine Mettler

Municipal Manager of Stellenbosch Municipality - WC024

Signature \_\_\_\_\_



Date \_\_\_\_\_

17/1/2020

**MID YEAR BUDGET AND  
PERFORMANCE  
ASSESSMENT  
PART A**





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

WC024 Stellenbosch - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>440 981</b>	<b>454 808</b>	<b>454 808</b>	<b>41 488</b>	<b>272 284</b>	<b>409 160</b>	(136 876)	-33%	<b>454 808</b>
Executive and council		639	3 566	3 566	50	338	918	(580)	-63%	3 566
Finance and administration		440 342	451 242	451 242	41 437	271 946	408 242	(136 296)	-33%	451 242
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		<b>72 223</b>	<b>132 219</b>	<b>132 219</b>	<b>6 541</b>	<b>69 185</b>	<b>48 874</b>	20 310	42%	<b>132 219</b>
Community and social services		19 239	20 917	20 917	102	3 982	12 719	(8 737)	-69%	20 917
Sport and recreation		352	1 986	1 986	158	293	572	(279)	-49%	1 986
Public safety		353	3 830	3 830	3 687	13 826	1 104	12 722	1153%	3 830
Housing		52 279	105 485	105 485	2 594	51 084	34 480	16 605	48%	105 485
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>146 244</b>	<b>130 189</b>	<b>132 142</b>	<b>427</b>	<b>4 951</b>	<b>38 894</b>	(33 943)	-87%	<b>132 142</b>
Planning and development		12 050	8 028	8 028	417	4 425	3 381	1 045	31%	8 028
Road transport		133 707	122 133	122 133	6	221	35 505	(35 284)	-99%	122 133
Environmental protection		486	28	1 981	4	304	8	296	3624%	1 981
<i><b>Trading services</b></i>		<b>952 624</b>	<b>1 202 446</b>	<b>1 202 446</b>	<b>96 235</b>	<b>566 000</b>	<b>430 222</b>	135 779	32%	<b>1 202 446</b>
Energy sources		561 723	711 349	711 349	47 714	338 069	225 375	112 694	50%	711 349
Water management		164 175	222 248	222 248	20 460	87 447	93 516	(6 069)	-6%	222 248
Waste water management		147 926	177 357	177 357	14 570	85 045	75 637	9 408	12%	177 357
Waste management		78 801	91 493	91 493	13 491	55 439	35 694	19 745	55%	91 493
<i><b>Other</b></i>	4	<b>68</b>	<b>74</b>	<b>74</b>	<b>8</b>	<b>50</b>	<b>21</b>	<b>29</b>	<b>137%</b>	<b>74</b>
<b>Total Revenue - Functional</b>	2	<b>1 612 139</b>	<b>1 919 735</b>	<b>1 921 688</b>	<b>144 700</b>	<b>912 470</b>	<b>927 171</b>	<b>(14 701)</b>	<b>-2%</b>	<b>1 921 688</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>242 254</b>	<b>377 706</b>	<b>369 437</b>	<b>19 705</b>	<b>120 215</b>	<b>169 745</b>	(49 530)	-29%	<b>369 437</b>
Executive and council		59 846	68 658	75 155	4 973	25 575	34 809	(9 234)	-27%	75 155
Finance and administration		172 181	290 203	280 760	12 575	86 487	128 869	(42 382)	-33%	280 760
Internal audit		10 227	18 845	13 522	2 157	8 152	6 067	2 085	34%	13 522
<i><b>Community and public safety</b></i>		<b>197 337</b>	<b>395 031</b>	<b>245 839</b>	<b>17 718</b>	<b>105 147</b>	<b>108 926</b>	(3 779)	-3%	<b>245 839</b>
Community and social services		29 242	52 793	49 583	2 331	15 743	22 506	(6 763)	-30%	49 583
Sport and recreation		46 041	49 716	48 508	3 920	17 200	20 474	(3 274)	-16%	48 508
Public safety		91 508	257 239	107 603	9 655	61 410	48 966	12 444	25%	107 603
Housing		30 546	35 283	40 144	1 812	10 794	16 980	(6 186)	-36%	40 144
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>291 812</b>	<b>199 541</b>	<b>366 571</b>	<b>8 558</b>	<b>55 672</b>	<b>160 928</b>	(105 256)	-65%	<b>366 571</b>
Planning and development		61 016	72 499	69 190	4 020	32 218	36 702	(4 484)	-12%	69 190
Road transport		214 299	100 339	268 707	3 456	16 371	112 444	(96 073)	-85%	268 707
Environmental protection		16 498	26 703	28 674	1 082	7 082	11 782	(4 700)	-40%	28 674
<i><b>Trading services</b></i>		<b>756 174</b>	<b>835 832</b>	<b>828 354</b>	<b>69 875</b>	<b>344 765</b>	<b>356 686</b>	(11 921)	-3%	<b>828 354</b>
Energy sources		440 699	454 852	450 275	35 806	228 268	192 941	35 328	18%	450 275
Water management		126 735	165 258	161 896	21 828	44 748	73 454	(28 705)	-39%	161 896
Waste water management		109 181	133 677	127 649	7 001	39 583	55 117	(15 534)	-28%	127 649
Waste management		79 559	82 044	88 534	5 240	32 165	35 174	(3 010)	-9%	88 534
<i><b>Other</b></i>		<b>-</b>	<b>137</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditure - Functional</b>	3	<b>1 487 578</b>	<b>1 808 247</b>	<b>1 810 200</b>	<b>115 856</b>	<b>625 799</b>	<b>796 285</b>	<b>(170 487)</b>	<b>-21%</b>	<b>1 810 200</b>
<b>Surplus/ (Deficit) for the year</b>		<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>	<b>155 786</b>	<b>119%</b>	<b>111 488</b>

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.

**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) - Mid-Year**

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	1	4 061	387	387	-	-	0	(0)	-100.0%	387
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		67 415	96 045	96 045	3 077	56 032	282 926	(226 894)	-80.2%	96 045
Vote 3 - INFRASTRUCTURE SERVICES		153 113	1 196 525	1 196 525	96 269	566 114	452 169	113 945	25.2%	1 196 525
Vote 4 - COMMUNITY AND PROTECTION SERVICES		953 834	147 702	149 655	3 951	18 603	13 721	4 881	35.6%	149 655
Vote 5 - CORPORATE SERVICES		4 728	10 396	10 396	305	1 915	39 828	(37 913)	-95.2%	10 396
Vote 6 - FINANCIAL SERVICES		428 989	468 680	468 680	41 097	269 807	138 527	131 279	94.8%	468 680
<b>Total Revenue by Vote</b>	<b>2</b>	<b>1 612 139</b>	<b>1 919 735</b>	<b>1 921 688</b>	<b>144 700</b>	<b>912 470</b>	<b>927 171</b>	<b>(14 701)</b>	<b>-1.6%</b>	<b>1 921 688</b>
<b>Expenditure by Vote</b>										
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	1	26 726	52 258	52 258	3 412	16 576	24 129	(7 553)	-31.3%	52 258
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		74 263	109 279	109 279	4 555	32 340	53 663	(21 323)	-39.7%	109 279
Vote 3 - INFRASTRUCTURE SERVICES		844 635	972 006	972 006	73 644	363 046	424 049	(61 003)	-14.4%	972 006
Vote 4 - COMMUNITY AND PROTECTION SERVICES		336 045	357 526	359 479	18 208	111 676	148 828	(37 152)	-25.0%	359 479
Vote 5 - CORPORATE SERVICES		150 522	184 055	184 055	12 746	60 055	84 589	(24 534)	-29.0%	184 055
Vote 6 - FINANCIAL SERVICES		55 386	133 124	133 124	3 291	42 105	61 027	(18 922)	-31.0%	133 124
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>1 487 578</b>	<b>1 808 247</b>	<b>1 810 200</b>	<b>115 856</b>	<b>625 799</b>	<b>796 285</b>	<b>(170 487)</b>	<b>-21.4%</b>	<b>1 810 200</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>	<b>155 786</b>	<b>119.0%</b>	<b>111 488</b>

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; Human Settlements; Engineering Services; Community and Protection Services; Corporate Services; and Financial Services. The operating expenditure budget is approved by Council on the municipal vote level.

**Table C4: Monthly Budget Statement – Financial Performance (revenue & expenditure)****WC024 Stellenbosch - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment**

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		332 958	356 122	356 122	24 659	217 666	217 445	222	0%	356 122
Service charges - electricity revenue		531 494	639 886	639 886	38 978	316 971	271 691	45 280	17%	639 886
Service charges - water revenue		147 276	201 975	201 975	15 162	72 414	102 695	(30 281)	-29%	201 975
Service charges - sanitation revenue		83 862	113 503	113 503	6 531	44 503	62 636	(18 133)	-29%	113 503
Service charges - refuse revenue		55 128	69 225	69 225	4 693	35 735	35 305	431	1%	69 225
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		14 524	18 831	18 831	683	4 168	5 272	(1 104)	-21%	18 831
Interest earned - external investments		44 272	44 171	44 171	614	16 310	20 126	(3 816)	-19%	44 171
Interest earned - outstanding debtors		8 025	11 270	11 270	1 047	6 300	5 500	800	15%	11 270
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		118 046	108 260	108 260	2 047	8 990	9 947	(957)	-10%	108 260
Licences and permits		6 611	5 398	5 398	162	2 272	1 192	1 080	91%	5 398
Agency services		2 833	2 852	2 852	97	1 355	914	441	48%	2 852
Transfers and subsidies		145 981	172 339	174 293	45 698	108 069	110 934	(2 865)	-3%	174 293
Other revenue		32 924	34 815	34 815	2 298	10 045	10 031	14	0%	34 815
Gains on disposal of PPE		52	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 523 986</b>	<b>1 778 647</b>	<b>1 780 600</b>	<b>142 670</b>	<b>844 798</b>	<b>853 686</b>	<b>(8 889)</b>	<b>-1%</b>	<b>1 780 600</b>
<b>Expenditure By Type</b>										
Employee related costs		461 114	603 268	603 268	39 066	259 625	288 936	(29 312)	-10%	603 268
Remuneration of councillors		18 272	19 936	19 936	1 494	8 853	9 355	(502)	-5%	19 936
Debt impairment		105 207	72 067	72 067	89	102	17 297	(17 195)	-99%	72 067
Depreciation & asset impairment		176 665	206 956	206 956	-	4	103 916	(103 912)	-100%	206 956
Finance charges		23 207	39 877	39 877	15 973	15 973	20 217	(4 244)	-21%	39 877
Bulk purchases		380 671	406 458	406 458	33 154	213 853	173 580	40 273	23%	406 458
Other materials		31 593	34 990	34 990	1 405	6 675	8 137	(1 462)	-18%	34 990
Contracted services		151 818	237 957	237 957	13 498	61 228	83 555	(22 327)	-27%	237 957
Transfers and subsidies		8 990	10 049	10 049	74	8 711	10 014	(1 303)	-13%	10 049
Other expenditure		124 929	176 689	178 642	11 103	50 774	81 277	(30 503)	-38%	178 642
Loss on disposal of PPE		5 112	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 487 578</b>	<b>1 808 247</b>	<b>1 810 200</b>	<b>115 856</b>	<b>625 799</b>	<b>796 285</b>	<b>(170 487)</b>	<b>-21%</b>	<b>1 810 200</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		36 409	(29 600)	(29 600)	26 814	218 999	57 401	161 598	0	(29 600)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educational Institutions)		88 153	141 088	141 088	2 030	67 672	73 485	(5 812)	(0)	141 088
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>			<b>111 488</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>			<b>111 488</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>			<b>111 488</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>			<b>111 488</b>

## 1. Operating Revenue

The following table shows the actual billed operating revenue per source as per the accrual basis as well as actual direct revenue per source against that planned in the SDBIP at 31 December 2019. It should be noted that the figures relate to billed revenue and not cash collected.

### Operating Revenue by Source:

Description	Original Budget	Adjustment Budget	YTD budget	YTD actual	YTD variance	YTD variance %	Monthly budget	Monthly actual	MTD variance	MTD variance %
<b>Revenue by Source</b>										
Property rates	356 121 877	356 121 877	217 444 732	217 666 476	221 744	0%	23 062 888	24 659 451	1 596 563	7%
Service charges - electricity revenue	639 886 270	639 886 270	271 690 523	316 970 973	45 280 450	17%	41 124 777	38 977 713	(2 147 064)	-5%
Service charges - water revenue	201 974 611	201 974 611	102 695 069	72 413 858	(30 281 211)	-29%	20 121 399	15 161 820	(4 959 579)	-25%
Service charges - sanitation revenue	113 503 000	113 503 000	62 635 943	44 502 610	(18 133 332)	-29%	9 080 240	6 530 863	(2 549 377)	-28%
Service charges - refuse revenue	69 224 664	69 224 664	35 304 579	35 735 456	430 878	1%	5 537 973	4 693 262	(844 711)	-15%
Rental of facilities and equipment	18 831 474	18 831 474	5 271 591	4 167 746	(1 103 844)	-21%	806 101	682 994	(123 107)	-15%
Interest earned - external investments	44 171 310	44 171 310	20 126 076	16 310 020	(3 816 056)	-19%	4 027 167	613 760	(3 413 407)	-85%
Interest earned - outstanding debtors	11 270 156	11 270 156	5 500 137	6 299 841	799 704	15%	842 036	1 047 276	205 240	24%
Fines, penalties and forfeits	108 260 389	108 260 389	9 946 884	8 989 573	(957 310)	-10%	844 176	2 046 768	1 202 592	142%
Licences and permits	5 398 023	5 398 023	1 192 398	2 272 176	1 079 778	91%	498 319	162 484	(335 835)	-67%
Agency services	2 851 504	2 851 504	913 526	1 354 636	441 110	48%	199 605	97 183	-	-
Transfers and subsidies	172 339 472	174 292 503	110 934 158	108 069 278	(2 864 880)	-3%	45 392 333	45 697 892	305 559	1%
Other revenue	34 814 509	34 814 509	10 030 597	10 044 972	14 376	0%	2 918 487	2 298 298	(620 189)	-21%
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 778 647 259</b>	<b>1 780 600 290</b>	<b>853 686 211</b>	<b>844 797 616</b>	<b>(8 888 595)</b>	<b>-1%</b>	<b>154 455 502</b>	<b>142 669 764</b>	<b>-11 683 316</b>	<b>-8%</b>

## **Operating Revenue Variance Report**

The variances between actual operating revenue and the planned operating revenue contained in the SDBIP are explained per revenue source and are as follows:

### **Revenue by Source**

#### **Property Rates and Service Charges**

Property rates and service charges refuse are billed monthly. However some consumers applied to have their property rates and service charges billed annually.

#### **Service charges - water revenue**

The municipality has billed R30 281 211 less water than initially anticipated. The average billing for the year amounted to R12 068 976 per month which indicates that the decline in consumption equates to more than two month's billings. The largest variances billed relates to the agricultural and rural water services (R24 888 or 8% of the R298 801 adjusted budget) as well as the low billings for the connection and disconnection of water (R39 753 or 14% of the R274 212 adjusted budget). The water usage fluctuates according to seasonal trends and an increase is anticipated over the summer months. The municipality has re-assessed the water revenue budget and anticipates that a downward adjustment of R40 000 000 will be necessitated during the Mid-year adjustment budget process.

#### **Service charges - sanitation revenue**

An under performance is noted for sanitation revenue due to the noticeable decline in billed revenue. The municipality has re-assessed the sanitation revenue budget as the decline in the industrial effluent charges has negatively affected the revenue stream. However, it is projected that the industrial effluent charges will increase towards the end of the financial year, therefor the sanitation revenue will not be adjusted.

#### **Rental of facilities and equipment**

An under performance was noted for the rental of facilities and equipment to the amount of R980 738. The largest variances relates to the market related rental for housing units which amounts to R4 140 143 of the R18 357 804 adjusted budget amount. The annual levies will be processed during March 2020.

#### **Interest earned – external investments**

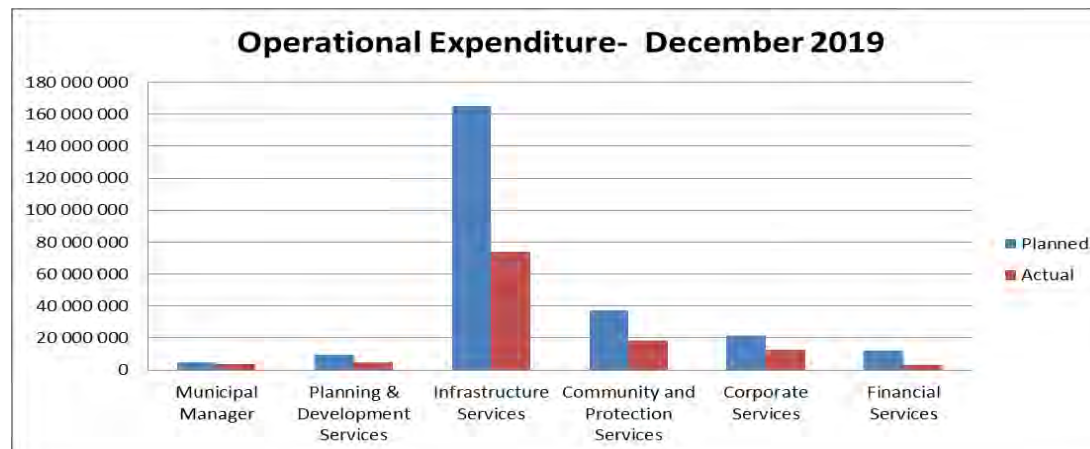
An under performance was noted for the interest earned – external investments to the amount of R3 816 056. The journal to account for the monthly interest of R2 992 925 has not been processed and will be captured on the financial system during January 2020. An improvement will therefore be reflected during the next reporting period.

## 2. Operating Expenditure

The following table shows the actual operating expenditure for each Directorate against the planned in the SDBIP as at 31 December 2019.

### Operating Expenditure (Per Directorate):

Directorate	Original Budget	Adjusted Budget	Year To Date		December 2019		December Variance (Actual - Plan)	Variance %
			Planned	Actuals	Planned	Actuals		
Municipal Manager	52 257 775	52 257 775	24 128 879	16 575 809	4 892 349	3 412 027	(1 480 322)	-30%
Planning & Development Services	109 278 726	109 278 726	53 662 736	32 339 746	9 570 058	4 555 351	(5 014 707)	-52%
Infrastructure Services	972 005 815	972 005 815	424 049 219	363 046 203	164 954 769	73 644 028	(91 310 742)	-55%
Community and Protection Services	357 525 777	359 478 808	148 828 087	111 676 177	37 126 292	18 207 603	(18 918 689)	-51%
Corporate Services	184 054 859	184 054 859	84 589 421	60 055 339	21 685 187	12 746 414	(8 938 773)	-41%
Financial Services	133 124 272	133 124 272	61 026 906	42 105 246	11 812 277	3 290 631	(8 521 647)	-72%
<b>TOTALS</b>	<b>1 808 247 224</b>	<b>1 810 200 255</b>	<b>796 285 249</b>	<b>625 798 519</b>	<b>250 040 932</b>	<b>115 856 053</b>	<b>(134 184 879)</b>	<b>-54%</b>



## **Operating Expenditure Variance Report**

The variances between actual operating expenditure and planned operating expenditure contained in the SDBIP are explained per item and are as follows:

### **2.1 Planning and Development Services**

The Planning and Development Services directorate planned to spend R53 662 736 of the adjusted budget. The year to date actual expenditure incurred amounted to R32 339 746 which resulted in an underspending of R21 322 990. The items that attributed to the underspending are as follows:

#### **2.1.1 Operational Cost: Supplier Development Programme**

The user department planned to spend R750 000. The year to date actual expenditure incurred amounted R165 526. The department indicated that the following projects will be funded from this item:

- Tourism Strategy of approximately R240 000;
- Job Seekers Database of approximately R450 000 for the next 3 years;
- Klapmuts Feasibility Study of approximately R200 000;
- LED Hubs of approximately R100 000; and
- Idas Valley (ideas how to improve structure) of approximately R200 000

The user department indicated that there are several formal quotations for the above mentioned projects. All funds will be utilised.

#### **2.1.2 Contractors: Management of Informal Settlements**

The user department planned to spend R702 272. The year to date actual expenditure incurred amounted R122 871. Invoices to the amount of R319 486 have been submitted for payment.

#### **2.1.3 Business and Advisory: Project Management**

The user department planned to spend R351 136. No spending has been incurred to date. The user department indicated that the budget will be decreased during the Mid-year adjustment budget process.

#### **2.1.4 Operating leases: Furniture and Office Equipment**

The user department planned to spend R951 504. The year to date actual expenditure incurred amounted R12 520. The user department indicated that the budget will be reduced by R800 000 during the Mid-year adjustment budget process.

#### **2.1.5 Contractors: Catering Services**

The user department planned to spend R357 522. The year to date actual expenditure incurred amounted R21 750. The user department indicated that a saving of R500 000 will be transferred to the Cleaning Services: Informal Trading Sites ukey. This saving was due to the implementation of the cost containment policy.

### **2.2 Community and Protection Services**

The Community and Protection Services directorate planned to spend R148 828 087 of the adjusted budget. The year to date actual expenditure incurred amounted to R111 676 177 which resulted in an underspending of R37 151 910. The items that attributed to the under spending are as follows:

#### **2.2.1 Contractors: Maintenance of buildings and facilities**

The user department planned to spend R3 505 094 of the adjusted budget. The year to date actual expenditure incurred amounted R1 719 327. The user department indicated that a saving is envisaged.

#### **2.2.2 Outsourced Services: Clearing and Grass Cutting Services**

The user department planned to spend R2 602 537 of the adjusted budget. The year to date actual expenditure incurred amounted R583 855. The user department indicated that the funds will be used in conjunction with the funds allocated for forestry earmarked for the rehabilitation of the rivers. The user department further indicated that the current costs incurred are lower than expected due to the low tender price awarded.

#### **2.2.3 Contractors: Preservation/Restoration/Dismantling**

The user department planned to spend R14 331 348 of the adjusted budget. The year to date actual expenditure incurred amounted R6 834. The user department indicated that slow spending was experienced due to the Techno



park dam being closed. Some of the funds will be utilised for the procurement of trees in the Techno park areas.

## **2.3 Corporate Services**

The Corporate Services directorate planned to spend R84 589 421 of the adjusted budget. The year to date actual expenditure incurred amounted to R60 055 339 which resulted in an underspending of R24 534 083. The items that attributed to the under spending are as follows:

### **2.3.1 Contractors: Maintenance of Buildings and Facilities**

The user department planned to spend R3 706 986 of the adjusted budget. The year to date actual expenditure incurred amounted to R1 865 560. Orders to the amount of R3 188 305 have been loaded on the financial system.

### **2.3.2 Training**

The user department planned to spend R1 496 204 of the adjusted budget. The year to date actual expenditure incurred amounted R836 083. The user department indicated that a service provider has been appointed and that the funds will be spent during the remainder of the financial year.

### **2.3.3 Operational Cost: Bargaining Council**

The user department planned to spend R1 932 000 of the adjusted budget. No spending has been incurred to date. The payment will be made during the last quarter of the financial year.

## **2.4 Infrastructure Services**

The Infrastructure Services directorate planned to spend R424 049 219 of the adjusted budget. The year to date actual expenditure incurred amounted to R363 046 203 which resulted in an under spending of R61 003 017. The items that attributed to the over spending are as follows:

### **2.4.1 Bulk Purchases: Water**

The user department planned to spend R14 378 778 of the adjusted budget. The year to date actual expenditure incurred amounted to R9 198 415. The usage is demand driven and originates from the low water consumption which is depicted on page 10 (service charges – water revenue). The budget will be decreased during the Mid-year adjustment budget process.

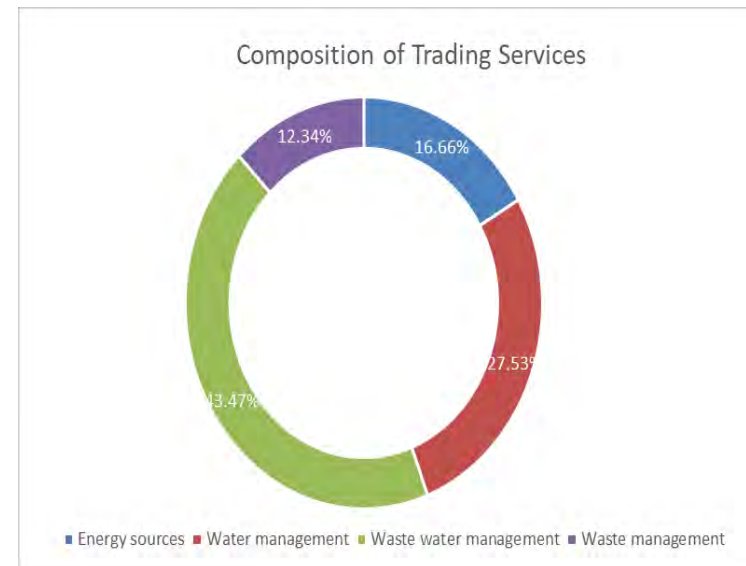
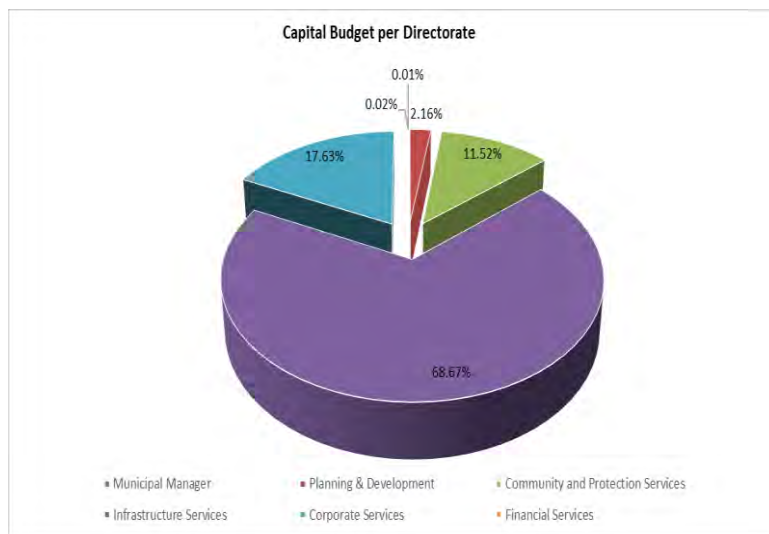
#### **2.4.2 Contractors: Maintenance of unspecified assets**

The user department planned to spend R11 957 950 of the adjusted budget. The year to date actual expenditure incurred amounted to R1 802 245. The budget will be decreased by R1 500 000 during the Mid-year adjustment budget process.

### 3 Capital Expenditure

Stellenbosch municipality vested the majority of the 2019/20 capital budget in the Infrastructure Services Directorate (R 421 133 115 or 68 per cent of the R613 274 958 capital budget) which is needed to ensure effective service delivery.

The capital budgets for trading services are largely allocated to the investments in waste water management infrastructure (R129 727 931 or 43 per cent of the R 298 399 182 trading services capital budget).



The following table shows the actual capital expenditure for each Directorate against that planned in the SDBIP as at 31 December 2019.

Directorate	Budget	Capital Expenditure					Year To Date Actual Spent
		Year To Date Budget	Actual Expenditure	Commitments	Provisional Cost	Actuals + Commitments & Provisional	
<b>Municipal Manager</b>	35 000	7 500	8 549	-	8 779	17 328	24.43%
<b>Planning &amp; Development</b>	13 222 038	7 749 026	4 744 130	5 388 054	150 442	10 282 625	35.88%
<b>Community and Protection Services</b>	70 642 597	42 081 926	14 144 103	11 902 641	6 085 481	32 132 225	20.02%
<b>Infrastructure Services</b>	421 133 115	194 493 300	110 322 876	138 339 048	12 118 223	260 780 146	26.20%
<b>Corporate Services</b>	108 092 208	57 104 445	73 757 414	3 604 816	171 050	77 533 281	68.24%
<b>Financial Services</b>	150 000	15 000	1 536	112 508	14 634	128 678	1.02%
<b>TOTALS</b>	<b>613 274 958</b>	<b>301 451 197</b>	<b>202 978 608</b>	<b>159 347 068</b>	<b>18 548 608</b>	<b>380 874 283</b>	<b>33.10%</b>

**Table C5: Monthly Budget Statement – Capital Expenditure**

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

**WC024 Stellenbosch - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment**

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	48 183	105 155	108 277	2 942	73 767	57 127	16 641	29%	108 277
Executive and council	87	35	35	3	9	8	1	14%	35
Finance and administration	48 096	105 120	108 242	2 939	73 759	57 119	16 640	29%	108 242
Internal audit	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	91 870	61 445	70 330	848	14 152	40 540	(26 387)	-65%	70 330
Community and social services	1 422	2 845	4 873	25	136	3 273	(3 137)	-96%	4 873
Sport and recreation	14 006	29 000	32 086	823	3 087	16 400	(13 314)	-81%	32 086
Public safety	8 685	29 550	30 621	-	10 919	20 846	(9 927)	-48%	30 621
Housing	67 757	50	2 750	-	10	20	(10)	-48%	2 750
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	87 048	130 452	136 268	17 898	37 494	60 014	(22 519)	-38%	136 268
Planning and development	7 608	50 332	53 604	2 950	13 439	30 599	(17 160)	-56%	53 604
Road transport	79 441	80 120	82 665	14 948	24 055	29 415	(5 359)	-18%	82 665
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	260 825	261 225	298 399	22 513	77 564	143 771	(66 206)	-46%	298 399
Energy sources	66 094	35 090	49 717	1 761	19 255	24 029	(4 774)	-20%	49 717
Water management	67 730	80 000	82 142	3 639	8 318	16 084	(7 766)	-48%	82 142
Waste water management	119 852	114 400	129 728	14 848	37 151	78 890	(41 739)	-53%	129 728
Waste management	7 148	31 735	36 812	2 265	12 840	24 768	(11 928)	-48%	36 812
<b>Other</b>	5 378	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	<b>493 304</b>	<b>558 277</b>	<b>613 275</b>	<b>44 201</b>	<b>202 979</b>	<b>301 451</b>	<b>(98 473)</b>	<b>-33%</b>	<b>613 275</b>
<b>Funded by:</b>									
National Government	41 486	62 526	62 526	6 877	32 343	49 779	(17 436)	-35%	62 526
Provincial Government	52 363	78 562	78 562	3 224	50 275	12 100	38 175	315%	78 562
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>93 849</b>	<b>141 088</b>	<b>141 088</b>	<b>10 101</b>	<b>82 618</b>	<b>61 879</b>	<b>20 738</b>	<b>34%</b>	<b>141 088</b>
<b>Public contributions &amp; donations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Borrowing</b>	<b>120 561</b>	<b>160 000</b>	<b>178 611</b>	<b>14 415</b>	<b>22 028</b>	<b>62 995</b>	<b>(40 967)</b>	<b>-65%</b>	<b>178 611</b>
<b>Internally generated funds</b>	<b>278 894</b>	<b>257 189</b>	<b>293 577</b>	<b>19 686</b>	<b>98 333</b>	<b>176 577</b>	<b>(78 244)</b>	<b>-44%</b>	<b>293 577</b>
<b>Total Capital Funding</b>	<b>493 304</b>	<b>558 277</b>	<b>613 275</b>	<b>44 201</b>	<b>202 979</b>	<b>301 451</b>	<b>(98 473)</b>	<b>-33%</b>	<b>613 275</b>

## Capital Expenditure Variance Report

The variances between actual capital expenditure and the planned capital expenditure contained in the SDBIP are explained per directorate and are as follows:

### 3.1 Planning and Development

The Directorate planned to spend R7 749 026 of the adjusted budget. The year to date actual expenditure incurred amounted to R4 744 130. This resulted in an under spending of R3 004 896. The projects that attributed to the under spending are as follows:

#### 3.1.1 Establishment of Informal Trading Sites: Groendal

The user department planned to spend R2 360 140 of the adjusted budget. The year to date actual expenditure incurred amounted to R1 527 729. The user department has transferred R1 650 632 from the Establishment of Informal Trading Sites: Klapmuts.

#### 3.1.2 Establishment of Informal Trading Sites: Kayamandi

The user department planned to spend R1 800 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R942 183. There has been challenges with this project resulting in the dismissal of the architect. The user department indicated that they are currently busy with the bill of quantities as well as the building plans. The professional fees have been fully committed. The tender will be advertised during January 2020.

#### 3.1.3 Establishment of Informal Trading Sites: Klapmuts

The user department planned to spend R1 521 514 of the adjusted budget. The year to date actual expenditure incurred amounted to R816 611. Invoices to the amount of R210 870 have been submitted for payment. An improvement will therefore be reflected in the next reporting period.

### 3.2 Community and Protection Services

The Directorate planned to spend R42 081 926 of the adjusted budget. The year to date actual expenditure incurred amounted to R14 144 103. This resulted in an under spending of R27 937 823. The projects that attributed to the under spending are as follows:

#### 3.2.1 Integrated parks

The user department planned to spend R2 416 666 of the adjusted budget. The year to date actual expenditure incurred amounted to R1 077 027. The user department indicated that the tender for the different play items will be advertised in January 2020. Orders for the parkways have been loaded on the financial system. The construction of fencing will commence as soon as the fencing tender has been concluded.

### **3.2.2 Hydraulic Ladder Fire Truck**

The user department planned to spend R12 000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R10 743 380. The user department indicated that the saving of R1 256 420 will be utilised for the purchase of specialized equipment.

### **3.2.3 Upgrading of Stellenbosch Fire Station**

The user department planned to spend R3 487 776 of the adjusted budget. No spending has been incurred to date. The tender has closed on 21 September 2019. The user department indicated that the technical evaluation has been concluded. The tender has not served before the Bid Evaluation Committee and no Bid Adjudication date has been scheduled yet. R3 000 000 will be rolled over to the 2020/21 financial year.

### **3.2.4 Install and Upgrade CCTV Cameras in WC024**

The user department planned to spend R683 333 of the adjusted budget. The year to date actual expenditure incurred amounted to R136 151. The tender has closed on 6 December 2019. The user department indicated that spending is anticipated to commence in March 2020.

### **3.2.5 Law Enforcement: Vehicle Fleet**

The user department planned to spend R2 135 000. No spending has been incurred to date. The user department indicated that requisitions to the amount of R2 025 642 have been loaded on the financial system.

### **3.2.6 Purchase of Specialised Vehicles**

The user department planned to spend R1 166 666 of the adjusted budget. No spending has been incurred to date. The user department indicated that requisitions to the amount of R1 781 124 have been loaded on the financial system.

### **3.2.7 Upgrading of the Cloetesville Library**

The user department planned to spend R1 083 333 of the adjusted budget. No spending has been incurred to date. The user department indicated that technical evaluations are being done as a large number of bids have been received which is prolonging the evaluation process. The bid prices are higher than initially anticipated.

### **3.2.8 Upgrade of the Sport Facilities**

The user department planned to spend R1 048 545 of the adjusted budget. The year to date actual expenditure incurred amounted to R4 748. The user department indicated that the tender has been advertised and will close on 14 February 2019. A site-meeting has been scheduled for January 2020.

### **3.2.9 Upgrade of the swimming pool**

The user department planned to spend the entire budget allocation of R2000 000. No spending has been incurred to date. The user department indicated that a consultant has been appointed.

### **3.2.10 Mont Rochelle Nature Reserve: Upgrade of Facilities**

The user department planned to spend R844 446 of the adjusted budget. The year to date actual expenditure incurred amounted to R106 799. The user department indicated that the project manager has been appointed. Phase 1 and 2 will be completed during the current financial year. R1 000 000 will be rolled over to the 2020/21 financial year.

### **3.2.11 Replacement of Patrol Vehicles**

The user department planned to spend R1 062 293 of the adjusted budget. No spending has been incurred to date. The user department indicated that requisitions to the amount of R813 267 have been loaded on the financial system.

## **3.3 Infrastructure Services**

The Directorate planned to spend an amount of R194 493 300 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R110 322 876. This resulted in an under spending of R84 170 424. The projects that attributed to the under spending are as follows:

### **3.3.1 Stellenbosch WC024 Material Recovery Facility**

The user department planned to spend R17 469 337 of the adjusted budget. The year to date actual expenditure incurred amounted to R8 528 006. The user department indicated that the project is on par with the implementation of the project milestones. The delivery of the weigh bridge will take approximately 6 weeks. The user department has indicated that additional funds will be required to complete the construction of the Materials Recovery Facility. A budget increase of R11 500 000 has been requested.



### **3.3.2 Vehicles**

The user department planned to spend R4 000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R2 986 743. The user department has loaded requisitions of R2 649 157 on the financial system.

### **3.3.3 Energy Efficiency and Demand Side Management**

The user department planned to spend R1000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R6 781. The user department indicated that they are awaiting the delivery of some materials. The majority of the materials are available at the stores.

### **3.3.4 Network Cable Replace 11Kv**

The user department planned to spend R2000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R33 039. The user department indicated that all materials are available at the stores. An order has been generated for the labour portion of the tender. It should be noted that the projects will only commence towards the end of January 2020 as the construction industry will be closing for the December holidays. All funds will be spent.

### **3.3.5 Basic Services Improvements: Langrug**

The user department planned to spend R2 500 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that a consultant has been appointed for the construction of the road. The bill of quantities are being compiled. The tender will be finalized by end of January 2020. The budget will be adjusted downwards during the Mid-year adjustments budget process.

### **3.3.6 Idas Valley IRDP/FLISP**

The user department planned to spend R6 500 000 of the adjusted budget. No spending has been incurred to date. The project has been fully committed. The user department indicated that invoices have been received and are being processed.

### **3.3.7 Langrug Dam**

The user department planned to spend R1 500 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that the feasibility report for Erf 3229 was compiled and received. The forecasted program received from the consultant suggests a multi-year project. The budget will be decreased by

R1 000 000 during the Mid-year adjustments budget process. Funds will be rolled over to the 2020/21 financial year.

### **3.3.8 Longlands Vlottenburg: Housing Internal Services**

The user department planned to spend R1 000 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that the site handover meeting was held during December 2019 in order to finalise the tender documents and prices that were received from the contractor. The user department indicated that the installation of services will commence in January 2020 and will amount to approximately R8 000 000.

### **3.3.9 Upgrading of the Steps/Orlean Lounge**

The user department planned to spend R2 000 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that the appeal period came to an end at 31 December 2019.

### **3.3.10 Bulk Sewer Outfall: Jamestown**

The user department planned to spend R19 401 142 of the adjusted budget. The year to date actual expenditure incurred amounted to R9 967 474. The user department indicated that the project is progressing well and will be closely monitored to ensure full utilisation of the allocated adjustment budget. Orders to the amount of R21 493 896 has been loaded on the financial system.

### **3.3.11 Upgrade of WWTW: Pniel & Decommissioning Of Franschhoek**

The user department planned to spend R24 907 278 of the adjusted budget. The year to date actual expenditure incurred amounted to R6 192 697. Order to the amount of R28 558 535 have been loaded on the financial system.

### **3.3.12 Water Conservation & Demand Management**

The user department planned to spend R4 000 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that a consultant has been appointed to manage the project.

### **3.3.13 Main Road Intersection Improvements: Stellenbosch**

The user department planned to spend R4 000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R1 250 266. The user department indicated that they are in the process of appointing consultants. Construction will

commence during the current financial year. The budget will be decreased by R5 000 000 during the Mid-year adjustment budget process.

#### **3.3.14 Khayamandi Pedestrian Crossing (R304, River and Railway Line)**

The user department planned to spend R1 000 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that they are awaiting approvals from the Provincial department and PRASA before the tender can be advertised. Construction will commence during the 2020/21 financial year. The budget will be decreased by R1 500 000 during the Mid-year adjustment budget process.

#### **3.3.15 Non-Motorised Transportation (NMT) Implementation**

The user department planned to spend R1 700 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that a contractor has been appointed. The budget will be decreased by R2 000 000 during the Mid-year adjustment budget process due to an increase in the requests for sidewalks.

### **3.4 Corporate Services**

The Directorate planned to spend R57 104 445 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R73 757 414. This resulted in an over spending of R16 652 969. The projects that attributed to the over spending are as follows:

#### **3.4.1 Purchasing of land**

The user department planned to spend R45 000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R63 196 263. The user department indicated that the sales agreement for the second land purchase has been concluded and the transfer of the property is in progress. A request for additional funding of R35 000 000 has been submitted to the Financial Services Directorate for the purchase of a building to be utilised for office space. The R35 000 000 will be funded by the investment portfolio.



## 3 Investments

ACC. NR	BANK	Type/ Period	INTEREST RATE	MATURITY DATE	OPENING BALANCE AS AT 1 JULY 2019	Dec-19		TOTAL INVESTMENTS/ WITHDRAWALS	INTEREST CAPITALISED FOR THE MONTH UNDER REVIEW	INTEREST ACCRUED YTD	CLOSING BALANCE YTD
						INVEST	WITHDRAW				
	<b>ABSA BANK</b>										
20-7784-1354	A#1354	FIXED / 1 Mth	7.380%	12-Nov-18	(0.00)			-			
20-7826-8856	A#8865	FIXED / 2 Mths	7.650%	29-Apr-19	(0.00)			-			
'9350666915	A#6915	CALL	6.800%	CALL	(0.00)			-			
'9313956927	A#6927	CALL	6.700%	CALL			(30 000 000.00)	20 000 000.00	245 097.29	401 124.69	20 401 124.69
					-	-		20 000 000.00	245 097.29	401 124.69	<b>20 401 124.69</b>
	<b>NEDBANK</b>										
/7881123974/...014	N#014	FIXED / 12 Mths	9.050%	06-Sep-19	128 866 520.39			(130 860 000.00)		1 993 479.64	0.03
/7881123974/...015	N#015	FIXED / 12 Mths	9.050%	11-Oct-19	117 173 054.74			(119 955 000.00)		2 781 945.20	(0.06)
/7881123974/...016	N#016	FIXED / 3 MTHS	8.050%	09-Jul-19	40 723 397.21			(40 793 972.60)		70 575.34	(0.05)
/7881123974/...017	N#017	FIXED / 5 MTHS	7.900%	24-Feb-20				136 732 552.00	917 419.23	2 900 228.54	139 632 780.54
/7881123974/...018	N#018	FIXED / 7 MTHS	8.000%	15-Jun-20				100 000 000.00	679 452.05	1 052 054.79	101 052 054.79
					<b>286 762 972.39</b>	-		<b>(54 876 420.60)</b>	<b>1 596 871.29</b>	<b>8 798 283.52</b>	<b>240 684 835.25</b>
	<b>INVESTEC BANK</b>										
JB 10024052	I#052	FIXED/ 3 MTHS	7.700%	09-Jul-19	61 037 917.81			(61 139 178.08)	-	101 260.27	0.00
					<b>61 037 917.81</b>			<b>(61 139 178.08)</b>	-	<b>101 260.27</b>	<b>0.00</b>
	<b>STANDARD BANK</b>										
258489367-024	S#024	FIXED / 4 Mths	8.025%	26-Sep-19	50 362 773.97			(51 319 178.08)		956 404.11	0.00
258489367-025	S#025	CALL ACCOUNT	6.750%	CALL ACCOUNT	-		(30 000 000.00)	20 000 000.00	128 110.83	1 398 626.34	21 398 626.34
258489367-026	S#026	FIXED DEPOSIT	7.550%	14-Aug-19				(341 301.37)		341 301.37	(0.00)
258489367-027	S#027	FIXED DEPOSIT	7.900%	11-Nov-19				(2 640 547.95)	-	2 640 547.94	(0.01)
258489367-028	S#028	FIXED DEPOSIT	7.825%	24-Feb-20				53 267 448.00	354 009.62	1 119 127.19	54 386 575.19
258489367-029	S#029	FIXED 5 MNTHS	7.875%	14-Apr-20				100 000 000.00	668 835.62	1 035 616.44	101 035 616.44
					<b>50 362 773.97</b>	-	<b>(30 000 000.00)</b>	<b>118 966 420.60</b>	<b>1 150 956.07</b>	<b>7 491 623.38</b>	<b>176 820 817.96</b>
<b>INVESTMENT TOTAL</b>					<b>398 163 664.17</b>	-	<b>(30 000 000.00)</b>	<b>22 950 821.92</b>	<b>2 992 924.65</b>	<b>16 792 291.87</b>	<b>437 906 777.90</b>

## WC024 Stellenbosch - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

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							
<b>R thousands</b>									
<b>Municipality</b>									
N#014-Nedbank		1Y	Deposits - Bank (03)	19/09/06		9.05%	0		0
N#015-Nedbank		1Y	Deposits - Bank (03)	19/10/11		9.05%	(0)	-	(0)
N#016-Nedbank		3M	Deposits - Bank (03)	19/07/09		8.05%	(0)		(0)
N#017-Nedbank		5M	Deposits - Bank (03)	20/02/24	917	7.90%	138 715	-	139 633
I#052- Investec		3M	Deposits - Bank (03)	19/07/09		7.70%	0		0
S#024- Standard Bank		3M	Deposits - Bank (03)	19/09/24		8.03%	0		0
S#025-Standard Bank		4M	Deposits - Bank (03)	CALL ACCOUNT	128	6.75%	51 271	(30 000)	21 399
S#026- Standard Bank		2M	Deposits - Bank (03)	19/08/14		7.55%	-		-
S#027- Standard Bank		5M	Deposits - Bank (03)	19/11/11		7.90%	(0)		(0)
S#028- Standard Bank			Deposits - Bank (03)	19/09/24	354	7.83%	54 033		54 387
A#6927 - ABSA			Deposits - Bank (03)	CALL ACCOUNT	245	6.70%	50 156	(30 000)	20 401
N#018-Nedbank		7M	Deposits - Bank (03)	15-06-2020	679	8.00%	100 373		101 052
S#029- Standard Bank		5M	Deposits - Bank (03)	14-04-2020	669	7.88%	100 367		101 036
		5M					-		-
<b>Municipality sub-total</b>					<b>2 993</b>		<b>494 914</b>	<b>(60 000)</b>	<b>437 907</b>
<b>Entities sub-total</b>					<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>				<b>2 993</b>		<b>494 914</b>	<b>(60 000)</b>	<b>437 907</b>

## 4 Borrowings

Lending Institution	Balance 1/12/2019	Received December 2019	Interest Capitalised December 2019	Capital Repayments December 2019	Balance 31/12/2019	Percentage	Sinking Funds (R'000)
DBSA @ 9.25%	5 298 958	-		1 685 528	3 613 430	9.25%	
DBSA@ 11.1%	18 247 653	-		1 102 916	17 144 737	11.10%	
DBSA@ 10.25%	51 570 033	-		2 588 281	48 981 753	10.25%	
DBSA @ 9.74%	83 683 504	-		2 369 448	81 314 056	9.74%	
NEBANK @ 9.70%	160 000 000	-		4 740 800	155 259 200	9.70%	
	318 800 148	-	-	12 486 973	306 313 175		

## 7 Allocations and grant receipts and expenditure

	TOTAL 2019/20 INCLUSIVE OF ROLL OVER AMOUNTS	UNSPENT CONDITIONAL GRANTS	ACCUMULATED RECEIPTS	ACCUMULATED ACTUAL EXPENDITURE	ACTUAL MONTHLY EXPENDITURE	ACTUAL MONTHLY RECEIPTS	UNSPENT CONDITIONAL GRANTS	% OF RECEIPTS SPENT TO DATE	% OF GAZETTED ALLOCATIONS SPENT TO DATE
<b>OPERATING &amp; CAPITAL GRANTS</b>									
Equitable Share			102 132 000	51 068 073	5 583 482	45 392 000		50.00%	37.50%
Municipal Systems Improvement	1 750 000		-	-	-	-	-	0.00%	0.00%
EPWP Integrated Grant for Municipalities	5 227 000		1 307 000	1 800 626	313 452	-	(493 626)	137.77%	34.45%
Local Government Financial Management Grant	1 550 000		1 550 000	1 069 676	201 126	-	480 324	69.01%	69.01%
Integrated National Electrification Programme (Municipal) Grant	15 640 000		15 640 000	2 790 410	176 354	-	12 849 590	17.84%	17.84%
LGSETA Bursary Fund	-		35 000	-	-	-	35 000	0.00%	0.00%
Integrated Urban Development Grant	46 886 000		5 000 000	29 552 750	6 700 721	-	(24 552 750)	591.06%	63.03%
Library Services: Conditional Grant	12 454 000		8 302 667	3 691 363	626 479	-	4 611 304	44.46%	29.64%
Human Settlements Development Grant	83 610 000	45 710 000	-	50 187 575	3 136 534	-	(4 477 575)	109.80%	60.03%
WC Financial Management Support Grant	255 000		255 000	6 210	-	-	248 790	-100.00%	2.44%
Financial Management Capacity Building Grant	380 000		-	-	-	-	-	0.00%	0.00%
Maintenance and Construction of Transport Infrastructure	384 000		-	-	-	-	-	0.00%	0.00%
Municipal Accreditation and Capacity Building Grant	448 000	224 000	-	-	-	-	224 000	0.00%	0.00%
Regional Socio-Economic Project/violence through urban upgrading (RSEP/VPUU)	1 500 000		1 500 000	-	-	-	1 500 000	0.00%	0.00%
Integrated Transport Planning	600 000		-	87 033	87 033	-	(87 033)	0.00%	14.51%
Natural Resources Management	9 418 031	1 953 031	-	247 007	-	-	1 706 024	12.65%	2.62%
<b>TOTAL</b>	<b>180 102 031</b>	<b>47 887 031</b>	<b>33 589 667</b>	<b>89 432 650</b>	<b>11 241 698</b>	<b>-</b>	<b>(7 955 952)</b>	<b>109.76%</b>	<b>49.66%</b>

- Human Settlement Development Grant disbursements to the amount of R4 118 393 has been transferred into the municipal bank account during December 2019. The funds will be allocated on the financial system during January 2020.
- The EPWP disbursement to the amount of R2 353 000 which was scheduled for 1 November 2019 has been delayed by the transferring department. The municipality is following up in this regard.
- The Integrated Urban Development Grant disbursement to the amount of R15 000 000 was scheduled for 4 December 2019. The transferring department has indicated that the funds will be transferred during the third quarter of the 2019/20 financial year.



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

## WC024 Stellenbosch - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		131 854	144 704	144 704	45 392	105 024	107 167	(2 178)	-2.0%	144 704
Operational Revenue:General Revenue:Equitable Share		124 176	136 177	136 177	45 392	102 132	102 132	-		136 177
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		5 722	5 227	5 227	-	1 307	3 485	(2 178)	-62.5%	5 227
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	-	1 550	1 550	-		1 550
Municipal Systems Improvement Grant		-	1 750	1 750	-	-	-	-		1 750
LGSETA Bursary Fund						35	-			
<b>Provincial Government:</b>		15 042	27 635	27 635	-	10 058	9 803	255	2.6%	27 635
WC Financial Management Support Grant		255	255	255	-	255	-	255	#DIV/0!	255
Financial Management Capacity Building Grant		-	380	380	-	-	-	-		380
Human Settlements Development Grant	4	1 455	12 438	12 438	-	-	-	-		12 438
Libraries, Archives and Museums	4	12 210	12 454	12 454	-	8 303	8 303	-		12 454
Municipal Accreditation and Capacity Building Grant	4	151	224	224	-	-	-	-		224
Maintenance and Construction of Transport Infrastructure	4	971	384	384	-	-	-	-		384
Regional Socio-Economic Project/violence through urban upgrading (RSEP/PUU)			1 500	1 500	-	1 500	1 500	-		1 500
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
All Grants		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
<b>Total Operating Transfers and Grants</b>	5	146 896	172 339	172 339	45 392	115 082	116 969	(1 923)	-1.6%	172 339
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		5 000	62 526	62 526	-	20 640	20 640	-		62 526
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		5 000	15 640	15 640	-	15 640	15 640	-		15 640
Integrated Urban Development Grant		-	46 886	46 886	-	5 000	5 000	-		46 886
<b>Provincial Government:</b>		43 514	26 062	26 062	-	-	25 462	(25 462)	-100.0%	25 462
Human Settlements Development Grant		43 514	25 462	25 462	-	-	25 462	(25 462)	-100.0%	25 462
Integrated Transport Planning			600	600	-	-	-	-		
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
All Grants		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
<b>Total Capital Transfers and Grants</b>	5	48 514	88 588	88 588	-	20 640	46 102	(25 462)	-55.2%	87 988
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	195 410	260 927	260 927	45 392	135 722	163 071	(27 384)	-16.8%	260 327

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

WC024 Stellenbosch - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>										
		97 266	144 704	144 704	6 098	53 938	109 149	(55 211)	-50.6%	144 704
Operational Revenue:General Revenue:Equitable Share		89 588	136 177	136 177	5 583	51 068	102 132	(51 064)	-50.0%	136 177
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		5 722	5 227	5 227	313	1 801	2 613	(813)	-31.1%	5 227
Natural Resources Management Grant		405	–	–	–	–	3 800	(3 800)	-100.0%	–
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	201	1 070	604	466	77.2%	1 550
Municipal Systems Improvement Grant		–	1 750	1 750	–	–	–	–	–	1 750
<b>Provincial Government:</b>		14 517	27 635	27 635	626	3 698	4 071	(374)	-9.2%	27 635
WC Financial Management Support Grant		255	255	255	–	6	–	6	#DIV/0!	255
Financial Management Capacity Building Grant		366	380	380	–	–	380	(380)	-100.0%	380
Human Settlements Development Grant		1 455	12 438	12 438	–	–	–	–	–	12 438
Libraries, Archives and Museums		12 070	12 454	12 454	626	3 691	3 691	–	–	12 454
Municipal Accreditation and Capacity Building Grant		–	224	224	–	–	–	–	–	224
Maintenance and Construction of Transport Infrastructure		371	384	384	–	–	–	–	–	384
Regional Socio-Economic Project/violence through urban upgrading (RSEP/VPUU)		–	1 500	1 500	–	–	–	–	–	1 500
<b>District Municipality:</b>		–	–	–	–	–	–	–	–	–
All Grants		–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>		–	–	–	–	–	–	–	–	–
<b>Total operating expenditure of Transfers and Grants:</b>		111 783	172 339	172 339	6 725	57 636	113 221	(55 585)	-49.1%	172 339
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>										
		34 553	62 526	62 526	6 877	32 343	86 299	(53 956)	-62.5%	62 526
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		5 000	15 640	15 640	176	2 790	7 260	(4 470)	-61.6%	15 640
Integrated Urban Development Grant		–	46 886	46 886	6 701	29 553	36 519	(6 967)	-19.1%	46 886
<b>Provincial Government:</b>		43 514	26 062	26 062	3 224	50 275	657	49 618	7558.0%	26 062
Human Settlements Development Grant		43 514	25 462	25 462	3 137	50 188	57	50 131	–	25 462
Integrated Transport Planning		–	600	600	87	87	600	(513)	–	600
<b>District Municipality:</b>		–	–	–	–	–	–	–	–	–
All Grants		–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>		–	–	–	–	–	–	–	–	–
<b>Total capital expenditure of Transfers and Grants</b>		78 067	88 588	88 588	10 101	82 618	86 955	(4 337)	-5.0%	88 588
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		189 849	260 927	260 927	16 825	140 254	200 176	(59 922)	-29.9%	260 927

## Supporting Table SC7 (2) Monthly Budget Statement – Expenditure against approved rollovers

WC024 Stellenbosch - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Mid-Year Assessment

Description	Ref	Budget Year 2019/20				
		Approved Rollover 2018/19	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
<b>EXPENDITURE</b>						
<b>Operating expenditure of Approved Roll-overs</b>						
<b>National Government:</b>						
		1 951	–	247	1 704	87.3%
Natural Resource Management Project		1 951	–	247	1 704	87.3%
<b>Total operating expenditure of Approved Roll-overs</b>		1 951	–	247	1 704	87.3%
<b>Capital expenditure of Approved Roll-overs</b>						
<b>National Government:</b>						
		–	–	–	–	–
<b>Total capital expenditure of Approved Roll-overs</b>		–	–	–	–	–
<b>TOTAL EXPENDITURE OF APPROVED ROLL-OVERS</b>		1 951	–	247	1 704	87.3%

## 8 Employee related costs

Employee - Related Costs	Original Budget	Adjustments Budget	Year-to-date Budget	Year-to-date Actual	% Variance	Monthly Budget	Monthly Actual	% Variance
Basic Salary and Wages	349 070 959	349 070 959	168 960 904	160 085 288	-5%	15 768 174	26 219 487	66%
Bonus	27 014 271	27 014 271	12 938 527	21 669 356	67%	-	147 028	0%
Acting and Post Related Allowances	1 364 023	1 364 023	653 296	376 590	-42%	-	46 550	0%
Non Structured	33 943 753	33 943 753	16 257 409	14 034 814	-14%	15 719	2 652 781	16776%
Standby Allowance	14 289 607	14 289 607	6 844 023	6 921 654	1%	-	1 203 123	0%
Travel or Motor Vehicle	13 968 860	13 968 860	6 721 291	4 743 514	-29%	-	790 586	0%
Accommodation, Travel and Incidental	325 230	325 230	155 766	73 494	-53%	-	17 947	0%
Bargaining Council	216 706	216 706	103 799	142 893	38%	17 495	23 634	35%
Cellular and Telephone	1 003 201	1 003 201	480 483	819 463	71%	-	131 362	0%
Current Service Cost	29 859 746	29 859 746	14 929 872	3 501 992	-77%	7 464 936	-	-100%
Essential User	623 520	623 520	298 634	455 990	53%	-	67 051	0%
Entertainment	-	-	56 314	-	0%	56 314	-	-100%
Fire Brigade	2 630 594	2 630 594	1 259 928	1 313 906	4%	-	203 379	0%
Group Life Insurance	3 833 697	3 833 697	1 836 152	1 764 218	-4%	124 900	280 096	124%
Housing Benefits	2 874 701	2 874 701	1 376 844	1 489 287	8%	34 968	241 005	589%
Interest Cost	20 905 100	20 905 100	-	-	0%	-	-	0%
Leave Gratuity	-	-	-	-	0%	-	-	0%
Leave Pay	2 006 574	2 006 574	961 050	1 159 397	21%	-	246 686	0%
Long Term Service Awards	5 979 839	5 979 839	2 864 052	6 030	-100%	1 123 309	-	-100%
Medical	26 405 991	26 405 991	20 171 169	11 298 527	-44%	12 655 707	1 896 677	-85%
Non-pensionable	839 301	839 301	401 985	70 702	-82%	-	6 445	0%
Pension	57 394 074	57 394 074	27 488 971	24 582 825	-11%	7 022 630	4 116 484	-41%
Scarcity Allowance	2 509 444	2 509 444	1 201 903	831 923	-31%	-	127 701	0%
Shift Additional Remuneration	1 860 670	1 860 670	891 171	2 093 597	135%	-	335 809	0%
Structured	1 451 296	1 451 296	695 101	968 217	39%	-	112 552	0%
Unemployment Insurance	2 896 734	2 896 734	1 387 396	1 220 835	-12%	90 225	199 665	121%
<b>Totals</b>	<b>603 267 891</b>	<b>603 267 891</b>	<b>288 936 040</b>	<b>259 624 513</b>	<b>-10%</b>	<b>44 374 377</b>	<b>39 066 046</b>	<b>-12%</b>

## Councillor Allowances and Employee Benefits

### WC024 Stellenbosch - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

Summary of Employee and Councillor remuneration	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		11 322	12 934	12 934	990	5 772	6 069	(297)	-5%	12 934
Pension and UIF Contributions		132	800	800	8	50	375	(325)	-87%	800
Medical Aid Contributions		50	87	87	4	26	41	(15)	-37%	87
Motor Vehicle Allowance		4 139	4 667	4 667	336	2 054	2 190	(136)	-6%	4 667
Cellphone Allowance		1 740	1 263	1 263	143	874	593	281	47%	1 263
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		154	186	186	13	77	87	(10)	-12%	186
<b>Sub Total - Councillors</b>		<b>17 538</b>	<b>19 936</b>	<b>19 936</b>	<b>1 494</b>	<b>8 853</b>	<b>9 355</b>	<b>(502)</b>	<b>-5%</b>	<b>19 936</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		3 029	7 256	7 256	512	2 953	3 475	(522)	-15%	7 256
Pension and UIF Contributions		581	1 184	1 184	23	157	567	(410)	-72%	1 184
Medical Aid Contributions		72	111	111	3	20	53	(33)	-62%	111
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		591	485	485	-	-	232	(232)	-100%	485
Motor Vehicle Allowance		493	1 267	1 267	22	140	607	(467)	-77%	1 267
Cellphone Allowance		104	134	134	6	36	64	(28)	-44%	134
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		18	34	34	0	0	16	(16)	-99%	34
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	(4 041)	-	-	-	3 502	-	3 502	0%	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>848</b>	<b>10 471</b>	<b>10 471</b>	<b>565</b>	<b>6 809</b>	<b>5 015</b>	<b>1 794</b>	<b>36%</b>	<b>10 471</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		298 785	341 698	341 698	25 707	157 132	165 486	(8 354)	-5%	328 904
Pension and UIF Contributions		47 153	59 107	59 107	4 293	25 647	27 309	(1 662)	-6%	57 023
Medical Aid Contributions		21 580	26 295	26 295	1 894	11 278	11 299	(20)	0%	25 386
Overtime		44 111	51 545	51 545	4 304	24 018	24 672	(654)	-3%	51 513
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		9 026	12 702	12 702	769	4 604	6 115	(1 511)	-25%	12 702
Cellphone Allowance		1 237	869	869	126	783	416	367	88%	869
Housing Allowances		2 853	2 875	2 875	241	1 489	1 342	147	11%	2 802
Other benefits and allowances		30 748	38 955	38 955	920	26 699	18 515	8 184	44%	38 658
Payments in lieu of leave		858	2 007	2 007	247	1 159	961	198	21%	2 007
Long service awards		(6)	66	66	-	6	32	(26)	-81%	66
Post-retirement benefit obligations	2	4 462	56 678	56 678	-	-	27 775	(27 775)	-100%	56 678
<b>Sub Total - Other Municipal Staff</b>		<b>460 808</b>	<b>592 797</b>	<b>592 797</b>	<b>38 501</b>	<b>252 816</b>	<b>283 921</b>	<b>(31 105)</b>	<b>-11%</b>	<b>576 608</b>
<b>Total Parent Municipality</b>		<b>479 193</b>	<b>623 204</b>	<b>623 204</b>	<b>40 560</b>	<b>268 478</b>	<b>298 291</b>	<b>(29 813)</b>	<b>-10%</b>	<b>607 015</b>
<b>Total Municipal Entities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>479 193</b>	<b>623 204</b>	<b>623 204</b>	<b>40 560</b>	<b>268 478</b>	<b>298 291</b>	<b>(29 813)</b>	<b>-10%</b>	<b>607 015</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>461 655</b>	<b>603 268</b>	<b>603 268</b>	<b>39 066</b>	<b>259 625</b>	<b>288 936</b>	<b>(29 311)</b>	<b>-10%</b>	<b>587 078</b>



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## **APPENDIX B**

# **Mid-year Performance Assessment Report 2019/20**

**01 July – 31 December 2019**

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## 1. INTRODUCTION

In terms of Section 72(1)(a) of the Local Government: Municipal Finance Management Act (MFMA), Act 56 of 2003 the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year. A report on such an assessment must, in terms of Section 72(1)(b) of the MFMA, be submitted to the Mayor, Provincial and National Treasury.

Once the Mayor has considered the report, it must be submitted to Council by 31 January in terms of Section 54 of the MFMA.

The Mid-year Performance Assessment Report and supporting tables of Stellenbosch Municipality is prepared in accordance with MFMA Circular 13 and the Municipal Budget and Reporting Regulations.

## 2. FINANCIAL PERFORMANCE

A report assessing the Municipality's financial performance for the period 01 July- 31 December 2019 will be submitted to Council together with this item.

## 3. SERVICE DELIVERY PERFORMANCE ANALYSIS

### 3.1 CREATING A CULTURE OF PERFORMANCE

#### 3.1.1 Performance Framework

Performance management is prescribed by Chapter 6 of the Municipal Systems Act (MSA), Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7(1) of the aforementioned regulation states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the responsibilities of the different role players." This framework, *inter alia*, reflects the linkage between the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP) and individual as well as service provider performance.

The Stellenbosch Municipality revised its Performance Management Policy and was submitted to Council for approval on 24 July 2019.

#### 3.1.2 Implementation of Performance Management

The revised IDP 2017/2022 was approved by Council on 29 May 2019. Performance is evaluated by means of a municipal scorecard (the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP)) at organisational level and through the Departmental SDBIP at departmental level.

The SDBIP is a plan that converts the IDP and Budget into measurable criteria on how, where and when the strategies, objectives and normal business processes of the Municipality is implemented. It also allocates responsibilities to Directorates to deliver services in terms of the IDP and Budget.

The TL SDBIP was prepared and approved by the Executive Mayor on 26 June 2019.

#### 3.1.3 Monitoring Performance

The SDBIP is loaded on an electronic web based system (after approval). The web based system sends automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against Key Performance Indicator (KPI) Targets for the previous month's

performance. The actual results against monthly targets set, are discussed at Executive Management level to determine early warning indicators as well as to discuss corrective measures, if needed. The Quarter 1 Performance Assessment Report 2019/20 (01 July – 30 September 2019) was submitted to the Executive Mayoral Committee and Council for review on 23 October 2019 and thereafter to the Internal Audit Section for auditing.

**Table 3:1: Explanation of colour codes**

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target more than 150% achieved

## 3.2 OVERALL SERVICE DELIVERY PERFORMANCE

### 3.2.1 Performance against the National Key Performance Indicators

The following tables indicate the Municipality's performance in terms of the National Key Performance Indicators (NKPIs) required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the Municipal Systems Act (MSA), Act 32 of 2000. These key performance indicators are linked to the National Key Performance Areas.

#### a) Municipal Transformation and Institutional Development

**Table 3:2: Municipal Transformation and Institutional Development**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2019	01 July – 31 December 2019
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan <i>*The Stellenbosch Municipality use a % to measure this indicator.</i>	75%*	N/A	N/A
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	0.85%	N/A	N/A



## b) Basic Service Delivery

**Table 3:3: Basic Service Delivery**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2019	01 July – 31 December 2019
The percentage of households earning less than R 6 500 per month with access to free basic services <i>(In the case of Stellenbosch Municipality- percentage of registered Indigent households is being reported)</i>	100%	100%	<b>100%</b> (6 941 / 6 941 x 100 = 100%)
Percentage of formal households with access to basic level of water	100%	100%	<b>100%</b> (27 027 / 27 027 x 100 = 100%)
Percentage of formal households with access to basic level of sanitation	100%	100%	<b>100%</b> (27 027 / 27 027 x 100 = 100%)
Percentage of formal households with access to basic level of electricity	100%	100%	<b>100%</b> (27 027 / 27 027 x 100 = 100%)
Percentage of formal households with access to basic level solid waste removal	100%	100%	<b>100%</b> (27 027 / 27 027 x 100 = 100%)

## c) Local Economic Development

**Table 3:4: Local Economic Development**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2019	01 July – 31 December 2019
The number of jobs created through municipality's local economic development initiatives including capital projects	300	100	<b>972</b>

## d) Municipal Financial Viability and Management

**Table 3:5: Municipal Financial Viability and Management**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2019	01 July – 31 December 2019
Debt coverage (Total operating revenue-operating grants received)/ debt service payments due within the year)	15%	N/A	<b>N/A</b>
Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	27%	N/A	<b>N/A</b>
Cost coverage (Available cash+ investments)/ Monthly fixed operating expenditure	4	N/A	<b>N/A</b>

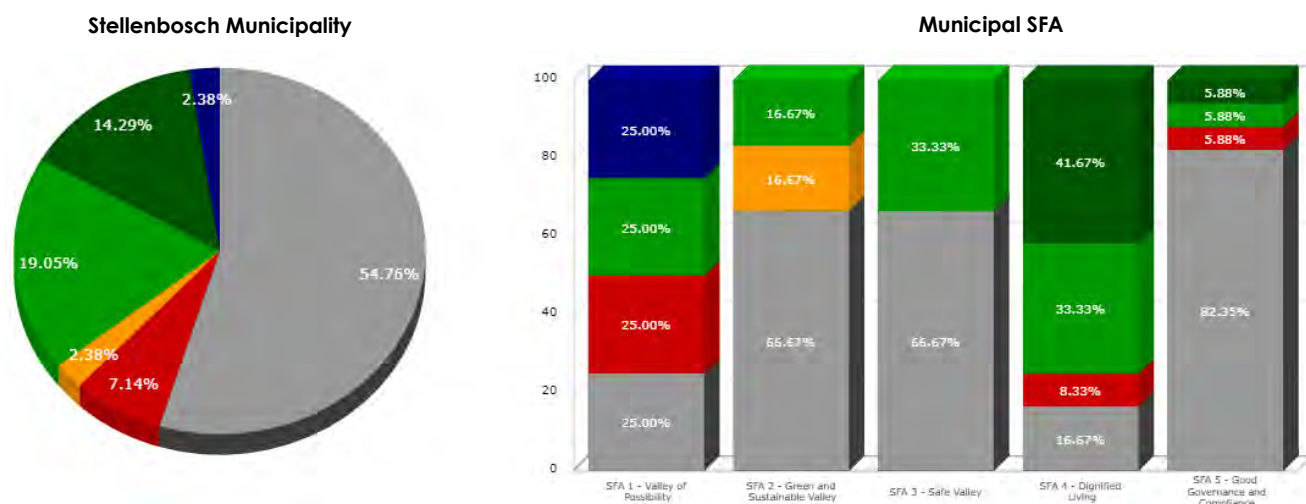
## e) Good Governance and Public Participation

Table 3:6: Good Governance and Public Participation

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2019	01 July – 31 December 2019
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	90%	30%	<b>33.10%</b> (R 202 978 608 / R 613 274 958 x 100 = 33.10%)

### 3.2.2 Summary performance against the Municipal Strategic Focus Areas

The graph below illustrates the performance of the Stellenbosch Municipality against the Municipality's Strategic Focus Areas (SFAs), for the period 01 July – 31 December 2019, as derived from the Municipality's Integrated Development Plan (IDP). The graph only indicates the KPIs measured during the first two quarters of the financial year. To date a total of 19 indicators were due for evaluation. The remaining indicators are targeted for the quarter 3 and 4 of the financial year.

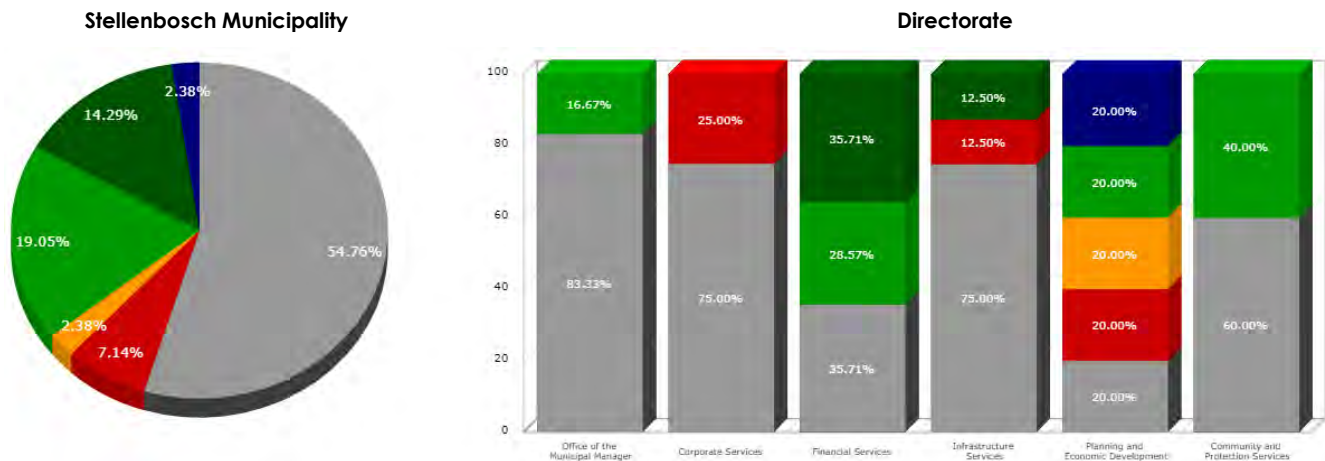


Stellenbosch Municipality		Municipal Strategic Focus Areas (SFAs)				
		SFA 1 - Valley of Possibility	SFA 2 - Green and Sustainable Valley	SFA 3 - Safe Valley	SFA 4 - Dignified Living	SFA 5 - Good Governance and Compliance
KPI Not Yet Measured	23 (54.76%)	1 (25%)	4 (66.67%)	2 (66.67%)	2 (16.67%)	14 (82.35%)
KPI Not Met	3 (7.14%)	1 (25%)	-	-	1 (8.33%)	1 (5.88%)
KPI Almost Met	1 (2.38%)	-	1 (16.67%)	-	-	-
KPI Met	8 (19.05%)	1 (25%)	1 (16.67%)	1 (33.33%)	4 (33.33%)	1 (5.88%)
KPI Well Met	6 (14.29%)	-	-	-	5 (41.67%)	1 (5.88%)
KPI Extremely Well Met	1 (2.38%)	1 (25%)	-	-	-	-
<b>Total:</b>	<b>42</b>	<b>4</b>	<b>6</b>	<b>3</b>	<b>12</b>	<b>17</b>
	<b>100%</b>	<b>9.52%</b>	<b>14.29%</b>	<b>7.14%</b>	<b>28.57%</b>	<b>40.48%</b>

Table 3:7: Summary Performance against the Municipal Strategic Focus Areas- 01 July – 31 December 2019

### 3.2.3 Summary Performance per Municipal Directorate

The graph below illustrates the performance of the Stellenbosch Municipality against each of the Municipality's Directorates, for the period 01 July- 31 December 2019. The graph only indicates the KPIs measured during the first two quarters of the financial year. To date a total of 19 indicators was due for evaluation. The remaining indicators are targeted for the quarter 3 and 4 of the financial year.



Stellenbosch Municipality		Municipal Directorates					
		Office of the Municipal Manager	Corporate Services	Financial Services	Infrastructure Services	Planning & Economic Development	Community & Protection Services
KPI Not Yet Measured	23 (54.76%)	5 (83.33%)	3 (75%)	5 (35.71%)	6 (75%)	1 (20%)	3 (60%)
KPI Not Met	3 (7.14%)	-	1 (25%)	-	1 (12.50%)	1 (20%)	-
KPI Almost Met	1 (2.38%)	-	-	-	-	1 (20%)	-
KPI Met	8 (19.05%)	1 (16.67%)	-	4 (28.57%)	-	1 (20%)	2 (40%)
KPI Well Met	6 (14.29%)	-	-	5 (35.71%)	1 (12.50%)	-	-
KPI Extremely Well Met	1 (2.38%)	-	-	-	-	1 (20%)	-
<b>Total:</b>	<b>42</b>	<b>6</b>	<b>4</b>	<b>14</b>	<b>8</b>	<b>5</b>	<b>5</b>
	100%	14.29%	9.52%	33.33%	19.05%	11.90%	11.90%

Table 3:8: Overall Performance per Municipal Directorate- 01 July – 31 December 2019

#### 4. ADJUSTMENT BUDGET

Regulation 23 of the Municipal Budget and Reporting Regulations provides, *inter alia*, for the following:

*“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances only one adjustment budget may be tabled in Council during a financial year.”*

A revised Top Layer SDBIP will be submitted with the Adjustments Budget to Council by 31 January 2020 with the necessary motivation where key performance indicators require adjustment/ amendment(s) as a result of the Adjustments Budget.

#### 5. OUTSTANDING MATTERS ON THE PAST YEAR'S ANNUAL REPORT (2018/19)

As prescribed in section 72(1)(a)(iii) of the MFMA the Accounting Officer must assess the performance of the municipality in the first 6 months taking into account the past year's Annual Report, and progress on resolving the problems identified in the Annual Report. Please refer to **Annexure B** for detail regarding progress made with the implementation of corrective measures to address the KPIs which have not been met in the TL SDBIP 2018/19.

#### 6. SUMMARY AND CHALLENGES

**Annexure A** is the unaudited Top Layer SDBIP for the period 01 July – 31 December 2019 of the 2019/20 financial year, which measures the Stellenbosch Municipality's overall performance per SFA. The report, furthermore, includes the performance comments and corrective measures indicated for targets not achieved.

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**GERALDINE METTLER**  
**MUNICIPAL MANAGER**

**DATE:** .....

## **7. ANNEXURES**

**Annexure A — Top Layer SDBIP 2019/20 per Municipal SFA and assessment of targets achieved (Mid-year Assessment)**

**Annexure B — Progress made with the implementation of corrective measures of KPIs not met in the Top Layer SDBIP for 2018/19**

## 7.1 ANNEXURE A — TOP LAYER SDBIP 2019/20 PER MUNICIPAL SFA AND ASSESSMENT OF TARGETS ACHIEVED (MID-YEAR ASSESSMENT)

### a) 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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL1	KPI007	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	300	300	50 (50)	415	B	100 (100)	972	B	100 (100)	972	B		
TL2	KPI008	Land-use applications submitted to the Municipal Planning Tribunal within 120 days	Percentage of land-use applications submitted to the Municipal Planning Tribunal within 120 days after date of receipt of application	90%	90%	90%	0%	R	90%	0%	R	90%	0%	R	0 / 19 x 100 = 0%	Two senior managers were appointed in December 2019 and will commence with duty during January 2020 to assist in reducing the land-use applications backlog.
TL3	KPI009	Training opportunities provided for entrepreneurs and Small, Medium and	Number of quarterly training opportunities provided for	4	4	1 (1)	1	G	1 (2)	1	G	2 (2)	2	G		

SFA 1 - Valley of Possibility																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		Micro Enterprises (SMMEs)	entrepreneurs and SMMEs													
TL4	KPI012	Revised Housing Pipeline (document) submitted to the Mayoral Committee (MayCo)	Number of Revised Housing Pipelines (documents) submitted to the MayCo by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

### Summary of Results: SFA 1 - Valley of Possibility

	KPI Not Yet Measured	1
	KPI Not Met	1
	KPI Almost Met	0
	KPI Met	1
	KPI Well Met	0
	KPI Extremely Well Met	1
	<b>Total KPIs</b>	<b>4</b>

## b) 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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL5	KPI016	Conduct an external audit of the Stellenbosch Municipality Waste Disposal Facilities	Number of external audits of the Stellenbosch Municipality Waste Disposal Facilities conducted by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL6	KPI073	Implementation of identified waste minimisation projects	Number of identified waste minimisation projects implemented by 30 June	2	2	0	0	N/A	0	0	N/A	0	0	N/A		
TL7	KPI018	Building applications processed within the prescribed / legislated period	Percentage of building plans processed within the prescribed / legislated period	90%	90%	90%	71.17%	○	90%	90.18%	G2	90%	80.67%	○	452 / 559 x 100 = 80.67%	Council is in the process to implement an electronic building plan submission system. It is anticipated that the system will be functional by 31 March 2020. The system will significantly address the process flow of building plans submitted.
TL8	KPI019	Waste water quality managed and measured into the	Percentage waste water quality	75%	75%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		



SFA 2 - Green and Sustainable Valley																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		SANS Accreditation physical and micro parameters	compliance as per analysis certificate measured by 30 June													
TL9	KPI078	Submission of the Revised Facility Management Plan to the MayCo	Number of Revised Facility Management Plans submitted to the MayCo by 31 May	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL10	KPI079	Submission of a Tree Management Policy to the MayCo	Number of Tree Management Policies submitted to the MayCo by 30 September	1	1	1	0	R	0	1	G2	1	1	G	The Tree Management Policy was submitted to the MayCo during October 2019.	

### Summary of Results: SFA 2 - Green and Sustainable Valley

	KPI Not Yet Measured	4
	KPI Not Met	0
	KPI Almost Met	1
	KPI Met	1
	KPI Well Met	0
	KPI Extremely Well Met	0
	<b>Total KPIs</b>	<b>6</b>

## c) 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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL11	KPI025	Revised Disaster Management Plan submitted to the MayCo	Number of Revised Disaster Management Plans submitted to the MayCo by 31 May	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL12	KPI026	Revised Safety and Security Strategy submitted to the MayCo	Number of Revised Safety and Security Strategies submitted to the MayCo by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL13	KPI027	Revised Traffic Management Plan submitted to the MayCo	Number of Revised Traffic Management Plans submitted to the MayCo by 30 September	1	1	1	0	R	0	1	G2	1	1	G	The Revised Traffic Management Plan was submitted to the MayCo during October 2019.	

**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
<b>Total KPIs</b>	<b>3</b>

## d) 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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL14	KPI037	Provision of waterborne toilet facilities	Number of waterborne toilet facilities provided by 30 June	25	25	0	0	N/A	10	0	R	10	0	R	The contractor is currently on site and the construction of the waterborne toilet facilities are in progress.	The contractor to finalise snags issued by the Municipal Engineering Services Directorate prior to the issue of the completion certificates. The project will be completed by 30 June 2020.
TL15	KPI039	Provision of free basic water to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic water, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 941 / 6 941 x 100 = 100%	
TL16	KPI040	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	Percentage average electricity losses measured by 30 June	<9%	<9%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		

SFA 4 - Dignified Living																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		Purchased and/or Generated) x 100}														
TL17	KPI041	Water quality managed and measured quarterly into the SANS 241 physical and micro parameters	Percentage water quality level as per analysis certificate measured quarterly	90%	90%	90%	90.20%	G2	90%	92.40%	G2	90%	91.30%	G2		
TL18	KPI042	Limit unaccounted water to less than 25%	Average percentage water losses measured by 30 June	<25%	<25%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL19	KPI043	Provision of free basic electricity to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic electricity, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 941 / 6 941 x 100 = 100%	
TL20	KPI044	Provision of free basic refuse removal to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic refuse removal, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 941 / 6 941 x 100 = 100%	
TL21	KPI045	Provision of free basic sanitation to	Percentage of registered indigent	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 941 / 6 941 x 100 = 100%	

SFA 4 - Dignified Living																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	households receiving free basic sanitation, measured quarterly													
TL22	KPI074	Formal households provided with access to water	Number of formal households provided with access to water, measured quarterly	26 000	26 000	26 000	27 016	G2	26 000	27 027	G2	26 000	27 027	G2		
TL23	KPI075	Formal households provided with access to electricity	Number of formal households provided with access to electricity, measured quarterly	24 000	24 000	24 000	27 016	G2	24 000	27 027	G2	24 000	27 027	G2		
TL24	KPI076	Formal households provided with access to refuse removal	Number of formal households provided with access to refuse removal, measured quarterly	26 000	26 000	26 000	27 016	G2	26 000	27 027	G2	26 000	27 027	G2		
TL25	KPI077	Formal households provided with access to sanitation	Number of formal households provided with access to sanitation, measured quarterly	26 000	26 000	26 000	27 016	G2	26 000	27 027	G2	26 000	27 027	G2		

**Summary of Results: SFA 4 - Dignified Living**

	KPI Not Yet Measured	2
	KPI Not Met	1
	KPI Almost Met	0
	KPI Met	4
	KPI Well Met	5
	KPI Extremely Well Met	0
<b>Total KPIs</b>		<b>12</b>

## e) 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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL26	KPI055	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	0	0	N/A	0	0	N/A	0	0	N/A		
TL27	KPI056	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%	0%	0%	N/A	0%	0%	N/A	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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL28	KPI057	Actual expenditure on the approved Capital Budget for the Municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of approved Capital Budget for the Municipality actually spent by 30 June	90%	90%	10%	15.34%	B	30%	33.10%	G2	30.00%	33.10%	G2	R 202 978 608 / R 613 274 958 x 100 = 33.10%	
TL29	KPI058	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	75%	75%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL30	KPI059	The percentage of actual payroll budget spent on implementing the Municipal Workplace Skills Plan (NKPI Proxy-MSA, Reg. S10(f))	Percentage of 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	0.85%	0.85%	0%	0%	N/A	0%	0%	N/A	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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL31	KPI060	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%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL32	KPI061	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%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL33	KPI062	Revised Risk-Based Audit Plan (RBAP) submitted to the Audit Committee	Number of Revised RBAPs submitted to the Audit Committee by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL34	KPI063	Audit Action Plan (AAP) submitted to the Audit Committee	Number of Audit Action Plans submitted to the Audit Committee by 28 February	1	1	0	0	N/A	0	0	N/A	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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL35	KPI064	Revised Risk Register (RR) submitted to the Risk Management Committee	Number of Revised Risk Registers submitted to the Risk Management Committee by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL36	KPI065	Revised Information and Communication Technology (ICT) Backup Disaster Recovery Plan submitted to the ICT Steering Committee	Number of Revised ICT Backup Disaster Recovery Plans submitted to the ICT Steering Committee by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL37	KPI066	Revised Strategic ICT Plan submitted 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	0	0	N/A	0	0	N/A		
TL38	KPI067	Draft Integrated Development Plan (IDP) submitted to Council	Number of Draft IDPs submitted to Council by 31 March	1	1	0	0	N/A	0	0	N/A	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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL39	KPI068	Submission of the Revised Asset Management Policy Council	Number of Revised Asset Management Policies submitted to Council by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL40	KPI070	IDP / Budget / SDF time schedule (process plan) submitted to Council	Number of IDP / Budget / SDF time schedules (process plan) submitted to Council by 31 August	1	1	1	1	G	0	0	N/A	1	1	G		
TL41	KPI071	Revised Electrical Master Plan submitted to Council	Number of Revised Electrical Master Plans submitted to Council by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL42	KPI072	Submission of a Draft Smart City Framework to the MayCo	Number of Draft Smart City Frameworks submitted to the MayCo by 31 December	1	1	0	0	N/A	1	0	R	1	0	R	The Draft Smart City Framework is currently being circulated within the various Directorates for input.	The Draft Smart City Framework will be submitted to the MayCo by 31 May 2020.

**Summary of Results: Planning and Economic Development**

	KPI Not Yet Measured	14
	KPI Not Met	1
	KPI Almost Met	0
	KPI Met	1
	KPI Well Met	1
	KPI Extremely Well Met	0
	<b>Total KPIs</b>	<b>17</b>

## 7.2 ANNEXURE B — PROGRESS MADE WITH THE IMPLEMENTATION OF CORRECTIVE MEASURES OF KPIS NOT MET IN THE TOP LAYER SDBIP FOR 2018/19

### a) SFA 1 - Valley of Possibility

SFA 1 - Valley of Possibility											
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)	Progress as at 31 December 2019
						Target	Actual	R			
TL2	Land-use applications submitted to the Municipal Planning Tribunal within 120 days	Percentage of land-use application submitted to the Municipal Planning Tribunal within 120 days after receipt of application	4 reports	4	80%	80%	40%	R	20 / 50 x 100 = 40%	The appointment of new staff before 31 December 2019 will assist with the processing of the land-use application backlogs. The additional resources will assist to meet the target by 30 June 2020.	Two senior managers were appointed in December 2019 and will commence with duty during January 2020 to assist in reducing the land-use applications backlog.

## b) SFA 2 - Green and Sustainable Valley

SFA 2 - Green and Sustainable Valley											
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)	Progress as at 31 December 2019
						Target	Actual	R			
TL9	Submission of the Waste Management By-Law to Council	Number of Waste Management By-Laws submitted to Council by 30 June	0	1	1	1	0	R	The Waste Management By-Law tender specifications were approved by the Bid Specifications Committee (BSC) on 15 July 2019.	The Municipality anticipates that the Waste Management By-Law tender will be awarded by the Bid Adjudication Committee by 31 December 2019.	The bid closed on 29 November 2019 and the technical component was evaluated by the relevant Department and sent to the Supply Chain Management (SCM) Department on 17 December 2019. No Bid Evaluation Committee (BEC) or Bid Adjudication Committee (BAC) meetings has been scheduled to date.
TL10	Building applications processed within the prescribed / legislated period	Percentage of building plans processed within the prescribed / legislated period	4 reports	90%	90%	90%	76.29%	O	$861 / 1\ 128 \times 100 = 76.29\%$	Council is in the process to implement an electronic building plan submission system. It is anticipated that the system will be functional by 31 March 2020. The system will significantly address the process flow of building plans submitted in order to achieve the legislative timeframes for building plans submitted to the Municipality.	Officials are currently undergoing training to operate the building plan application system. It is anticipated that the system will be operational by 31 March 2020.

## c) SFA 4 - DIGNIFIED LIVING

SFA 4 - DIGNIFIED LIVING											
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)	Progress as at 31 December 2019
						Target	Actual	R			
TL15	Report to MayCo on the identification of land for emergency housing (EH)	Number of reports on the identification of land for emergency housing submitted to MayCo by 30 June	1	1	1	1	0	R	After carefully considering the Housing Plan and available land for emergency housing, it became apparent the information as supplied during 2017/18 remains relevant and no new land pockets for emergency housing was recognised. Hence the 2017/18 report remains relevant and valid for 2018/19.	This indicator has been removed from the TL SDBIP for 2019/20.	This indicator was removed from the approved TL SDBIP 2019/20.
TL46	Provision of free basic electricity to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic electricity, measured quarterly	76%*	100%	100%	100%	71%	R	$4\,834 / 6\,817 \times 100 = 71\%$	The Municipality will on a bi-annual basis create awareness through the Indigent Drives to residents on accessing free basic services offered by the Municipality.	The indigent drives will take place during February to April 2020. The indicator will also be revised with the Mid-Year revision to the Top-Layer SDBIP 2019/20.

\*TL46- The prior year actual was changed to 76%. The prior year unit of measurement was calculated as a number and not percentage.



## d) SFA 5 - Good Governance and Compliance

SFA 5 - Good Governance and Compliance											
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)	Progress as at 31 December 2019
						Target	Actual	R			
TL26	Actual expenditure on the approved Capital Budget for the Municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of approved Capital Budget for the Municipality actually spent by 30 June	86.5%	90%	90%	90%	87.82%	○	(R 494 882 283 / R 563 550 230) x 100 = 87.82%	Tender specifications indicators were developed in the Departmental SDBIP 2019/20 for each Director which are aligned to the Demand Management Plan.	Performance on the SCM indicators will be evaluated during the Mid-year performance evaluations sessions scheduled for 06 February 2020.
TL27	Employment equity appointments made within 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	3	75%	75%	75%	33%	Ⓡ	2 / 6 x 100 = 33%. Deviations clearly motivated. One of the positions advertised 4 times.	<u>The reporting on the new structure will be implemented.</u> <u>A new EE Plan and Policy will be drafted and consulted with stakeholders by 30 June 2020.</u> The Municipality will review the Recruitment and Selection Policy and measures by 31 March 2020 to ensure better implementation of the planned EE targets.	Draft EE Plan and Policy are currently being developed for consultation with all stakeholders.
TL28	The percentage of 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	0.72%	0.95%	0.85%	0.85%	0.43%	Ⓡ	R2 374 502 / R548 996 595 x 100 = 0.43%	This is a statistical indicator. The annual target for the 2019/20 will be adjusted with the revised Top Layer Service Delivery and Budget Implementation Plan (during January 2020) to bring the target in line with the approved Payroll Budget of the 2019/20 financial year.	The target has been reviewed to bring it line with the allocated budget for skills training.

## SFA 5 - Good Governance and Compliance

Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)	Progress as at 31 December 2019
						Target	Actual	R			
		Budget) x 100, measured by 30 June									
TL41	Draft Centralised Customer Care Strategy (CCCS) submitted to MayCo	Number of Draft Centralised Customer Care Strategies submitted to MayCo by 28 February	New KPI	1	1	1	0	R	A Draft CCCS was submitted to Management for consideration. Further revisions were required before submission to MayCo.	Further reviews and consultation will be undertaken in the 2019/20 financial year before submission to MayCo by 31 March 2020.	A presentation to MayCo was made on 14 January 2020 on the functionality of the CCCS.

# APPENDIX 2



**STELLENBOSCH**

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

## **APPENDIX B**

# **Mid-year Performance Assessment Report 2019/20**

**01 July – 31 December 2019**

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## 1. INTRODUCTION

In terms of Section 72(1)(a) of the Local Government: Municipal Finance Management Act (MFMA), Act 56 of 2003 the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year. A report on such an assessment must, in terms of Section 72(1)(b) of the MFMA, be submitted to the Mayor, Provincial and National Treasury.

Once the Mayor has considered the report, it must be submitted to Council by 31 January in terms of Section 54 of the MFMA.

The Mid-year Performance Assessment Report and supporting tables of Stellenbosch Municipality is prepared in accordance with MFMA Circular 13 and the Municipal Budget and Reporting Regulations.

## 2. FINANCIAL PERFORMANCE

A report assessing the Municipality's financial performance for the period 01 July- 31 December 2019 will be submitted to Council together with this item.

## 3. SERVICE DELIVERY PERFORMANCE ANALYSIS

### 3.1 CREATING A CULTURE OF PERFORMANCE

#### 3.1.1 Performance Framework

Performance management is prescribed by Chapter 6 of the Municipal Systems Act (MSA), Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7(1) of the aforementioned regulation states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the responsibilities of the different role players." This framework, *inter alia*, reflects the linkage between the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP) and individual as well as service provider performance.

The Stellenbosch Municipality revised its Performance Management Policy and was submitted to Council for approval on 24 July 2019.

#### 3.1.2 Implementation of Performance Management

The revised IDP 2017/2022 was approved by Council on 29 May 2019. Performance is evaluated by means of a municipal scorecard (the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP)) at organisational level and through the Departmental SDBIP at departmental level.

The SDBIP is a plan that converts the IDP and Budget into measurable criteria on how, where and when the strategies, objectives and normal business processes of the Municipality is implemented. It also allocates responsibilities to Directorates to deliver services in terms of the IDP and Budget.

The TL SDBIP was prepared and approved by the Executive Mayor on 26 June 2019.

#### 3.1.3 Monitoring Performance

The SDBIP is loaded on an electronic web based system (after approval). The web based system sends automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against Key Performance Indicator (KPI) Targets for the previous month's

performance. The actual results against monthly targets set, are discussed at Executive Management level to determine early warning indicators as well as to discuss corrective measures, if needed. The Quarter 1 Performance Assessment Report 2019/20 (01 July – 30 September 2019) was submitted to the Executive Mayoral Committee and Council for review on 23 October 2019 and thereafter to the Internal Audit Section for auditing.

**Table 3:1: Explanation of colour codes**

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target more than 150% achieved

## 3.2 OVERALL SERVICE DELIVERY PERFORMANCE

### 3.2.1 Performance against the National Key Performance Indicators

The following tables indicate the Municipality's performance in terms of the National Key Performance Indicators (NKPIs) required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the Municipal Systems Act (MSA), Act 32 of 2000. These key performance indicators are linked to the National Key Performance Areas.

#### a) Municipal Transformation and Institutional Development

**Table 3:2: Municipal Transformation and Institutional Development**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2019	01 July – 31 December 2019
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan <i>*The Stellenbosch Municipality use a % to measure this indicator.</i>	75%*	N/A	N/A
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	0.85%	N/A	N/A

## b) Basic Service Delivery

**Table 3:3: Basic Service Delivery**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2019	01 July – 31 December 2019
The percentage of households earning less than R 6 500 per month with access to free basic services <i>(In the case of Stellenbosch Municipality- percentage of registered Indigent households is being reported)</i>	100%	100%	<b>100%</b> (6 941 / 6 941 x 100 = 100%)
Percentage of formal households with access to basic level of water	100%	100%	<b>100%</b> (27 027 / 27 027 x 100 = 100%)
Percentage of formal households with access to basic level of sanitation	100%	100%	<b>100%</b> (27 027 / 27 027 x 100 = 100%)
Percentage of formal households with access to basic level of electricity	100%	100%	<b>100%</b> (27 027 / 27 027 x 100 = 100%)
Percentage of formal households with access to basic level solid waste removal	100%	100%	<b>100%</b> (27 027 / 27 027 x 100 = 100%)

## c) Local Economic Development

**Table 3:4: Local Economic Development**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2019	01 July – 31 December 2019
The number of jobs created through municipality's local economic development initiatives including capital projects	300	100	<b>972</b>

## d) Municipal Financial Viability and Management

**Table 3:5: Municipal Financial Viability and Management**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2019	01 July – 31 December 2019
Debt coverage (Total operating revenue-operating grants received)/ debt service payments due within the year)	15%	N/A	<b>N/A</b>
Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	27%	N/A	<b>N/A</b>
Cost coverage (Available cash+ investments)/ Monthly fixed operating expenditure	4	N/A	<b>N/A</b>



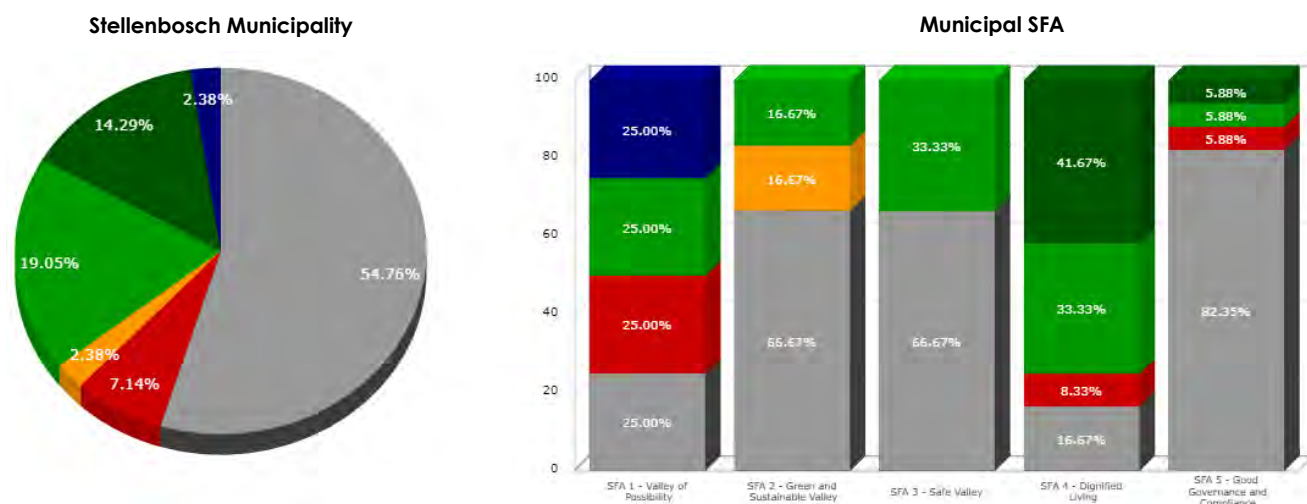
## e) Good Governance and Public Participation

Table 3:6: Good Governance and Public Participation

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2019	01 July – 31 December 2019
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	90%	30%	<b>33.10%</b> (R 202 978 608 / R 613 274 958 x 100 = 33.10%)

### 3.2.2 Summary performance against the Municipal Strategic Focus Areas

The graph below illustrates the performance of the Stellenbosch Municipality against the Municipality's Strategic Focus Areas (SFAs), for the period 01 July – 31 December 2019, as derived from the Municipality's Integrated Development Plan (IDP). The graph only indicates the KPIs measured during the first two quarters of the financial year. To date a total of 19 indicators were due for evaluation. The remaining indicators are targeted for the quarter 3 and 4 of the financial year.

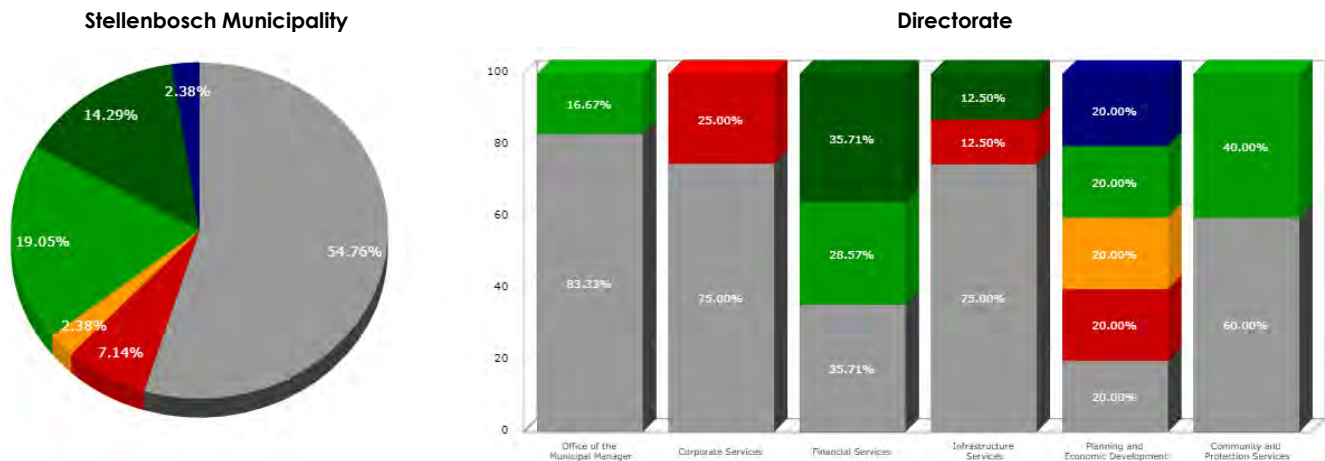


Stellenbosch Municipality		Municipal Strategic Focus Areas (SFAs)				
		SFA 1 - Valley of Possibility	SFA 2 - Green and Sustainable Valley	SFA 3 - Safe Valley	SFA 4 - Dignified Living	SFA 5 - Good Governance and Compliance
KPI Not Yet Measured	23 (54.76%)	1 (25%)	4 (66.67%)	2 (66.67%)	2 (16.67%)	14 (82.35%)
KPI Not Met	3 (7.14%)	1 (25%)	-	-	1 (8.33%)	1 (5.88%)
KPI Almost Met	1 (2.38%)	-	1 (16.67%)	-	-	-
KPI Met	8 (19.05%)	1 (25%)	1 (16.67%)	1 (33.33%)	4 (33.33%)	1 (5.88%)
KPI Well Met	6 (14.29%)	-	-	-	5 (41.67%)	1 (5.88%)
KPI Extremely Well Met	1 (2.38%)	1 (25%)	-	-	-	-
<b>Total:</b>	<b>42</b>	<b>4</b>	<b>6</b>	<b>3</b>	<b>12</b>	<b>17</b>
	<b>100%</b>	<b>9.52%</b>	<b>14.29%</b>	<b>7.14%</b>	<b>28.57%</b>	<b>40.48%</b>

Table 3:7: Summary Performance against the Municipal Strategic Focus Areas- 01 July – 31 December 2019

### 3.2.3 Summary Performance per Municipal Directorate

The graph below illustrates the performance of the Stellenbosch Municipality against each of the Municipality's Directorates, for the period 01 July- 31 December 2019. The graph only indicates the KPIs measured during the first two quarters of the financial year. To date a total of 19 indicators was due for evaluation. The remaining indicators are targeted for the quarter 3 and 4 of the financial year.



Stellenbosch Municipality		Municipal Directorates					
		Office of the Municipal Manager	Corporate Services	Financial Services	Infrastructure Services	Planning & Economic Development	Community & Protection Services
KPI Not Yet Measured	23 (54.76%)	5 (83.33%)	3 (75%)	5 (35.71%)	6 (75%)	1 (20%)	3 (60%)
KPI Not Met	3 (7.14%)	-	1 (25%)	-	1 (12.50%)	1 (20%)	-
KPI Almost Met	1 (2.38%)	-	-	-	-	1 (20%)	-
KPI Met	8 (19.05%)	1 (16.67%)	-	4 (28.57%)	-	1 (20%)	2 (40%)
KPI Well Met	6 (14.29%)	-	-	5 (35.71%)	1 (12.50%)	-	-
KPI Extremely Well Met	1 (2.38%)	-	-	-	-	1 (20%)	-
<b>Total:</b>	<b>42</b>	<b>6</b>	<b>4</b>	<b>14</b>	<b>8</b>	<b>5</b>	<b>5</b>
	100%	14.29%	9.52%	33.33%	19.05%	11.90%	11.90%

Table 3:8: Overall Performance per Municipal Directorate- 01 July – 31 December 2019

#### 4. ADJUSTMENT BUDGET

Regulation 23 of the Municipal Budget and Reporting Regulations provides, *inter alia*, for the following:

*“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances only one adjustment budget may be tabled in Council during a financial year.”*

A revised Top Layer SDBIP will be submitted with the Adjustments Budget to Council by 31 January 2020 with the necessary motivation where key performance indicators require adjustment/ amendment(s) as a result of the Adjustments Budget.

#### 5. OUTSTANDING MATTERS ON THE PAST YEAR'S ANNUAL REPORT (2018/19)

As prescribed in section 72(1)(a)(iii) of the MFMA the Accounting Officer must assess the performance of the municipality in the first 6 months taking into account the past year's Annual Report, and progress on resolving the problems identified in the Annual Report. Please refer to **Annexure B** for detail regarding progress made with the implementation of corrective measures to address the KPIs which have not been met in the TL SDBIP 2018/19.

#### 6. SUMMARY AND CHALLENGES

**Annexure A** is the unaudited Top Layer SDBIP for the period 01 July – 31 December 2019 of the 2019/20 financial year, which measures the Stellenbosch Municipality's overall performance per SFA. The report, furthermore, includes the performance comments and corrective measures indicated for targets not achieved.

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**GERALDINE METTLER**  
**MUNICIPAL MANAGER**

**DATE:** .....

## **7. ANNEXURES**

**Annexure A — Top Layer SDBIP 2019/20 per Municipal SFA and assessment of targets achieved (Mid-year Assessment)**

**Annexure B — Progress made with the implementation of corrective measures of KPIs not met in the Top Layer SDBIP for 2018/19**

## 7.1 ANNEXURE A — TOP LAYER SDBIP 2019/20 PER MUNICIPAL SFA AND ASSESSMENT OF TARGETS ACHIEVED (MID-YEAR ASSESSMENT)

### a) 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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL1	KPI007	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	300	300	50 (50)	415	B	100 (100)	972	B	100 (100)	972	B		
TL2	KPI008	Land-use applications submitted to the Municipal Planning Tribunal within 120 days	Percentage of land-use applications submitted to the Municipal Planning Tribunal within 120 days after date of receipt of application	90%	90%	90%	0%	R	90%	0%	R	90%	0%	R	0 / 19 x 100 = 0%	Two senior managers were appointed in December 2019 and will commence with duty during January 2020 to assist in reducing the land-use applications backlog.
TL3	KPI009	Training opportunities provided for entrepreneurs and Small, Medium and	Number of quarterly training opportunities provided for	4	4	1 (1)	1	G	1 (2)	1	G	2 (2)	2	G		

SFA 1 - Valley of Possibility																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		Micro Enterprises (SMMEs)	entrepreneurs and SMMEs													
TL4	KPI012	Revised Housing Pipeline (document) submitted to the Mayoral Committee (MayCo)	Number of Revised Housing Pipelines (documents) submitted to the MayCo by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

**Summary of Results: SFA 1 - Valley of Possibility**

	KPI Not Yet Measured	1
	KPI Not Met	1
	KPI Almost Met	0
	KPI Met	1
	KPI Well Met	0
	KPI Extremely Well Met	1
	<b>Total KPIs</b>	<b>4</b>

## b) 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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL5	KPI016	Conduct an external audit of the Stellenbosch Municipality Waste Disposal Facilities	Number of external audits of the Stellenbosch Municipality Waste Disposal Facilities conducted by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL6	KPI073	Implementation of identified waste minimisation projects	Number of identified waste minimisation projects implemented by 30 June	2	2	0	0	N/A	0	0	N/A	0	0	N/A		
TL7	KPI018	Building applications processed within the prescribed / legislated period	Percentage of building plans processed within the prescribed / legislated period	90%	90%	90%	71.17%	○	90%	90.18%	G2	90%	80.67%	○	452 / 559 x 100 = 80.67%	Council is in the process to implement an electronic building plan submission system. It is anticipated that he system will be functional by 31 March 2020. The system will significantly address the process flow of building plans submitted.
TL8	KPI019	Waste water quality managed and measured into the	Percentage waste water quality	75%	75%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		

SFA 2 - Green and Sustainable Valley																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		SANS Accreditation physical and micro parameters	compliance as per analysis certificate measured by 30 June													
TL9	KPI078	Submission of the Revised Facility Management Plan to the MayCo	Number of Revised Facility Management Plans submitted to the MayCo by 31 May	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL10	KPI079	Submission of a Tree Management Policy to the MayCo	Number of Tree Management Policies submitted to the MayCo by 30 September	1	1	1	0	R	0	1	G2	1	1	G	The Tree Management Policy was submitted to the MayCo during October 2019.	

**Summary of Results: SFA 2 - Green and Sustainable Valley**

	KPI Not Yet Measured	4
	KPI Not Met	0
	KPI Almost Met	1
	KPI Met	1
	KPI Well Met	0
	KPI Extremely Well Met	0
<b>Total KPIs</b>		<b>6</b>



## c) 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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL11	KPI025	Revised Disaster Management Plan submitted to the MayCo	Number of Revised Disaster Management Plans submitted to the MayCo by 31 May	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL12	KPI026	Revised Safety and Security Strategy submitted to the MayCo	Number of Revised Safety and Security Strategies submitted to the MayCo by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL13	KPI027	Revised Traffic Management Plan submitted to the MayCo	Number of Revised Traffic Management Plans submitted to the MayCo by 30 September	1	1	1	0	R	0	1	G2	1	1	G	The Revised Traffic Management Plan was submitted to the MayCo during October 2019.	

**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
<b>Total KPIs</b>	<b>3</b>

## d) 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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL14	KPI037	Provision of waterborne toilet facilities	Number of waterborne toilet facilities provided by 30 June	25	25	0	0	N/A	10	0	R	10	0	R	The contractor is currently on site and the construction of the waterborne toilet facilities are in progress.	The contractor to finalise snags issued by the Municipal Engineering Services Directorate prior to the issue of the completion certificates. The project will be completed by 30 June 2020.
TL15	KPI039	Provision of free basic water to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic water, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 941 / 6 941 x 100 = 100%	
TL16	KPI040	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	Percentage average electricity losses measured by 30 June	<9%	<9%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		

SFA 4 - Dignified Living																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		Purchased and/or Generated) x 100}														
TL17	KPI041	Water quality managed and measured quarterly into the SANS 241 physical and micro parameters	Percentage water quality level as per analysis certificate measured quarterly	90%	90%	90%	90.20%	G2	90%	92.40%	G2	90%	91.30%	G2		
TL18	KPI042	Limit unaccounted water to less than 25%	Average percentage water losses measured by 30 June	<25%	<25%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL19	KPI043	Provision of free basic electricity to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic electricity, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 941 / 6 941 x 100 = 100%	
TL20	KPI044	Provision of free basic refuse removal to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic refuse removal, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 941 / 6 941 x 100 = 100%	
TL21	KPI045	Provision of free basic sanitation to	Percentage of registered indigent	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 941 / 6 941 x 100 = 100%	

SFA 4 - Dignified Living																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	households receiving free basic sanitation, measured quarterly													
TL22	KPI074	Formal households provided with access to water	Number of formal households provided with access to water, measured quarterly	26 000	26 000	26 000	27 016	G2	26 000	27 027	G2	26 000	27 027	G2		
TL23	KPI075	Formal households provided with access to electricity	Number of formal households provided with access to electricity, measured quarterly	24 000	24 000	24 000	27 016	G2	24 000	27 027	G2	24 000	27 027	G2		
TL24	KPI076	Formal households provided with access to refuse removal	Number of formal households provided with access to refuse removal, measured quarterly	26 000	26 000	26 000	27 016	G2	26 000	27 027	G2	26 000	27 027	G2		
TL25	KPI077	Formal households provided with access to sanitation	Number of formal households provided with access to sanitation, measured quarterly	26 000	26 000	26 000	27 016	G2	26 000	27 027	G2	26 000	27 027	G2		

**Summary of Results: SFA 4 - Dignified Living**

	KPI Not Yet Measured	2
	KPI Not Met	1
	KPI Almost Met	0
	KPI Met	4
	KPI Well Met	5
	KPI Extremely Well Met	0
<b>Total KPIs</b>		<b>12</b>

## e) 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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL26	KPI055	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	0	0	N/A	0	0	N/A	0	0	N/A		
TL27	KPI056	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%	0%	0%	N/A	0%	0%	N/A	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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL28	KPI057	Actual expenditure on the approved Capital Budget for the Municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of approved Capital Budget for the Municipality actually spent by 30 June	90%	90%	10%	15.34%	B	30%	33.10%	G2	30.00%	33.10%	G2	R 202 978 608 / R 613 274 958 x 100 = 33.10%	
TL29	KPI058	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	75%	75%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL30	KPI059	The percentage of actual payroll budget spent on implementing the Municipal Workplace Skills Plan (NKPI Proxy-MSA, Reg. S10(f))	Percentage of 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	0.85%	0.85%	0%	0%	N/A	0%	0%	N/A	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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL31	KPI060	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%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL32	KPI061	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%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL33	KPI062	Revised Risk-Based Audit Plan (RBAP) submitted to the Audit Committee	Number of Revised RBAPs submitted to the Audit Committee by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL34	KPI063	Audit Action Plan (AAP) submitted to the Audit Committee	Number of Audit Action Plans submitted to the Audit Committee by 28 February	1	1	0	0	N/A	0	0	N/A	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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL35	KPI064	Revised Risk Register (RR) submitted to the Risk Management Committee	Number of Revised Risk Registers submitted to the Risk Management Committee by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL36	KPI065	Revised Information and Communication Technology (ICT) Backup Disaster Recovery Plan submitted to the ICT Steering Committee	Number of Revised ICT Backup Disaster Recovery Plans submitted to the ICT Steering Committee by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL37	KPI066	Revised Strategic ICT Plan submitted 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	0	0	N/A	0	0	N/A		
TL38	KPI067	Draft Integrated Development Plan (IDP) submitted to Council	Number of Draft IDPs submitted to Council by 31 March	1	1	0	0	N/A	0	0	N/A	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 July – 30 September 2019			01 October – 31 December 2019			Overall Performance for the period 01 July – 31 December 2019			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL39	KPI068	Submission of the Revised Asset Management Policy Council	Number of Revised Asset Management Policies submitted to Council by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL40	KPI070	IDP / Budget / SDF time schedule (process plan) submitted to Council	Number of IDP / Budget / SDF time schedules (process plan) submitted to Council by 31 August	1	1	1	1	G	0	0	N/A	1	1	G		
TL41	KPI071	Revised Electrical Master Plan submitted to Council	Number of Revised Electrical Master Plans submitted to Council by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL42	KPI072	Submission of a Draft Smart City Framework to the MayCo	Number of Draft Smart City Frameworks submitted to the MayCo by 31 December	1	1	0	0	N/A	1	0	R	1	0	R	The Draft Smart City Framework is currently being circulated within the various Directorates for input.	The Draft Smart City Framework will be submitted to the MayCo by 31 May 2020.

**Summary of Results: Planning and Economic Development**

KPI Not Yet Measured	14
KPI Not Met	1
KPI Almost Met	0
KPI Met	1
KPI Well Met	1
KPI Extremely Well Met	0
<b>Total KPIs</b>	<b>17</b>

## 7.2 ANNEXURE B — PROGRESS MADE WITH THE IMPLEMENTATION OF CORRECTIVE MEASURES OF KPIS NOT MET IN THE TOP LAYER SDBIP FOR 2018/19

### a) SFA 1 - Valley of Possibility

SFA 1 - Valley of Possibility											
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)	Progress as at 31 December 2019
						Target	Actual	R			
TL2	Land-use applications submitted to the Municipal Planning Tribunal within 120 days	Percentage of land-use application submitted to the Municipal Planning Tribunal within 120 days after receipt of application	4 reports	4	80%	80%	40%	R	20 / 50 x 100 = 40%	The appointment of new staff before 31 December 2019 will assist with the processing of the land-use application backlogs. The additional resources will assist to meet the target by 30 June 2020.	Two senior managers were appointed in December 2019 and will commence with duty during January 2020 to assist in reducing the land-use applications backlog.

## b) SFA 2 - Green and Sustainable Valley

SFA 2 - Green and Sustainable Valley											
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)	Progress as at 31 December 2019
						Target	Actual	R			
TL9	Submission of the Waste Management By-Law to Council	Number of Waste Management By-Laws submitted to Council by 30 June	0	1	1	1	0	R	The Waste Management By-Law tender specifications were approved by the Bid Specifications Committee (BSC) on 15 July 2019.	The Municipality anticipates that the Waste Management By-Law tender will be awarded by the Bid Adjudication Committee by 31 December 2019.	The bid closed on 29 November 2019 and the technical component was evaluated by the relevant Department and sent to the Supply Chain Management (SCM) Department on 17 December 2019. No Bid Evaluation Committee (BEC) or Bid Adjudication Committee (BAC) meetings has been scheduled to date.
TL10	Building applications processed within the prescribed / legislated period	Percentage of building plans processed within the prescribed / legislated period	4 reports	90%	90%	90%	76.29%	O	$861 / 1\ 128 \times 100 = 76.29\%$	Council is in the process to implement an electronic building plan submission system. It is anticipated that the system will be functional by 31 March 2020. The system will significantly address the process flow of building plans submitted in order to achieve the legislative timeframes for building plans submitted to the Municipality.	Officials are currently undergoing training to operate the building plan application system. It is anticipated that the system will be operational by 31 March 2020.

## c) SFA 4 - DIGNIFIED LIVING

SFA 4 - DIGNIFIED LIVING											
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)	Progress as at 31 December 2019
						Target	Actual	R			
TL15	Report to MayCo on the identification of land for emergency housing (EH)	Number of reports on the identification of land for emergency housing submitted to MayCo by 30 June	1	1	1	1	0	R	After carefully considering the Housing Plan and available land for emergency housing, it became apparent the information as supplied during 2017/18 remains relevant and no new land pockets for emergency housing was recognised. Hence the 2017/18 report remains relevant and valid for 2018/19.	This indicator has been removed from the TL SDBIP for 2019/20.	This indicator was removed from the approved TL SDBIP 2019/20.
TL46	Provision of free basic electricity to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic electricity, measured quarterly	76%*	100%	100%	100%	71%	R	$4\ 834 / 6\ 817 \times 100 = 71\%$	The Municipality will on a bi-annual basis create awareness through the Indigent Drives to residents on accessing free basic services offered by the Municipality.	The indigent drives will take place during February to April 2020. The indicator will also be revised with the Mid-Year revision to the Top-Layer SDBIP 2019/20.

\*TL46- The prior year actual was changed to 76%. The prior year unit of measurement was calculated as a number and not percentage.

## d) SFA 5 - Good Governance and Compliance

SFA 5 - Good Governance and Compliance											
Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)	Progress as at 31 December 2019
						Target	Actual	R			
TL26	Actual expenditure on the approved Capital Budget for the Municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of approved Capital Budget for the Municipality actually spent by 30 June	86.5%	90%	90%	90%	87.82%	O	$(R\ 494\ 882\ 283 / R\ 563\ 550\ 230) \times 100 = 87.82\%$	Tender specifications indicators were developed in the Departmental SDBIP 2019/20 for each Director which are aligned to the Demand Management Plan.	Performance on the SCM indicators will be evaluated during the Mid-year performance evaluations sessions scheduled for 06 February 2020.
TL27	Employment equity appointments made within 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	3	75%	75%	75%	33%	R	$2 / 6 \times 100 = 33\%$ . Deviations clearly motivated. One of the positions advertised 4 times.	<u>The reporting on the new structure will be implemented.</u> <u>A new EE Plan and Policy will be drafted and consulted with stakeholders by 30 June 2020.</u> The Municipality will review the Recruitment and Selection Policy and measures by 31 March 2020 to ensure better implementation of the planned EE targets.	Draft EE Plan and Policy are currently being developed for consultation with all stakeholders.
TL28	The percentage of 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	0.72%	0.95%	0.85%	0.85%	0.43%	R	$R2\ 374\ 502 / R548\ 996\ 595 \times 100 = 0.43\%$	This is a statistical indicator. The annual target for the 2019/20 will be adjusted with the revised Top Layer Service Delivery and Budget Implementation Plan (during January 2020) to bring the target in line with the approved Payroll Budget of the 2019/20 financial year.	The target has been reviewed to bring it line with the allocated budget for skills training.



## SFA 5 - Good Governance and Compliance

Ref	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Revised Target	Overall Performance for 01 July 2018 to 30 June 2019			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (under performance)	Progress as at 31 December 2019
						Target	Actual	R			
		Budget) x 100, measured by 30 June									
TL41	Draft Centralised Customer Care Strategy (CCCS) submitted to MayCo	Number of Draft Centralised Customer Care Strategies submitted to MayCo by 28 February	New KPI	1	1	1	0	R	A Draft CCCS was submitted to Management for consideration. Further revisions were required before submission to MayCo.	Further reviews and consultation will be undertaken in the 2019/20 financial year before submission to MayCo by 31 March 2020.	A presentation to MayCo was made on 14 January 2020 on the functionality of the CCCS.

8.3	<b>MID-YEAR ADJUSTMENTS BUDGET FOR 2019/2020</b>
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance and Compliance

22 January 2020

**1. SUBJECT: MID-YEAR ADJUSTMENTS BUDGET FOR 2019/2020****2. PURPOSE**

To table the adjustments budget as envisaged by section 28 of the Municipal Finance Management Act (Act No.56 of 2003), for the 2019/2020 financial year, for approval.

**3. DELEGATED AUTHORITY**

Council

**4. EXECUTIVE SUMMARY**

This adjustments budget addresses adjustments in terms of section 28 (2) a, b, d & f of the MFMA and is further explained as required by section 28 (2).

Attached as **APPENDIX 1** is an executive summary by the Accounting Officer.

**5. RECOMMENDATIONS**

- (a) that the Adjustments Budget as prescribed by the Budgeting and Reporting Regulations, as set out in **APPENDIX 1 and 2** be approved;
- (b) that the following capital projects be adjusted over the MTREF (2020/2021) as follows:

Project	2020/2021	2021/2022
Upgrade Refuse disposal site (Existing Cell)- Rehab	2 500 000	1 000 000
Waste Minimization Projects	500 000	-
Basic Services Improvements: Langrug	8 220 682	5 500 000
Upgrade of WWTW: Pniel & Decommissioning Of Franschhoek	32 800 000	36 000 000
Bulk water supply pipe and Reservoir: Kayamandi	19 500 000	-
Water Conservation & Demand Management	10 000 000	5 000 000
Waterpipe Replacement	8 000 000	7 000 000
Khayamandi Pedestrian Crossing (R304, River and Railway Line)	2 000 000	-
La Motte Clubhouse	800 000	-
Public Ablution Facilities: Franschhoek	1 000 000	-
Upgrading of Traffic Offices: Stellenbosch	8 000 000	2 000 000
Spray/Water Parks	5 500 000	1 000 000
Upgrading of Stellenbosch Fire Station	5 000 000	-
Mont Rochelle Nature Reserve: Upgrade of Facilities.	1 000 000	-

- (c) that the Service Delivery and Budget Implementation Plan be adjusted accordingly inclusive of the non-financial information (performance measurement).

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## 6. DISCUSSION / CONTENTS

### 6.1 Background

In terms of section 28 of the Municipal Finance Management Act (Act no. 56 of 2003), a municipality may revise an approved budget through an adjustments budget process. Only the mayor may table an adjustments budget in the Municipal Council (within the prescribed framework). The latter is regulated by means of the Municipal Budget and Reporting Regulations that came into effect on 1 July 2009.

*In terms of section 28(2) of the Municipal Finance Management Act, an adjustments budget:*

- a) must adjust the revenue and expenditure estimates downwards if there is material under collection of revenue during the current year;*
- b) may appropriate additional revenue that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;*
- d) may authorize the utilization of projected savings in one vote towards spending in another vote; and*
- f) may correct any errors in the annual budget.*

In terms of section 23(1) of the Municipal Budget and Reporting Regulations, the above mentioned adjustments can only be done after the mid-year budget and performance assessment has been tabled to Council, but not later than 28 February.

### 6.2 Discussion

#### **Capital Adjustments Budget**

During the mid-year budget and performance assessment process, inclusive of taking into account actual spending as at 31 December 2019, it was identified that the capital budget had to be adjusted downwards to make necessary amendments to various projects in order to accelerate progress on the priorities identified.

#### **Effect of the adjustments budget on the current annual budget:**

Taking all proposed adjustments into consideration, will result in the current approved capital budget of R613 274 958 decreasing with R776 518. The proposed adjusted capital budget for 2019/2020 will be R612 498 440, refer to **APPENDIX 1** for the detail.

#### **Operational Adjustment Budget**

With the process followed during the mid-year budget and performance assessment, taking into consideration projected spending or projected billed revenue versus what was actually processed, it was identified that the operational budget should be adjusted accordingly.

#### **Effect of the adjustments budget on the current annual budget**

The operational income budget of 2019/2020 increases from R1 921 687 818 to the proposed budget of R1 952 927 162 refer to **APPENDIX 1** for detail.

The operational expenditure budget of 2019/2020 increases from R1 810 200 255 to the proposed budget amount of R1 840 812 085 refer to **APPENDIX 1** for detail.

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**Material changes to the operating budget****Operational Income Budget**

There are line items where we anticipate receiving additional revenue, over and above those already included and approved in the annual budget. The following income line items will be adjusted upwards:

- **Electricity Service Charges:** The municipality has billed R45 280 451 more electricity than initially anticipated. The over performance is due to the increase in demand largely attributable to the Pniel area which now sources its electricity supply from Stellenbosch municipality as well as the NERSA tariff increases. The revenue budget for this line item will have to be adjusted upwards with R55 000 000.

However, there are other line items where we anticipate underperformance. The income line items that will have to be adjusted downwards are:

- **Water Service Charges:** The municipality has billed R30 281 211 less water than initially anticipated. The average billing for the year amounted to R12 068 976 per month which indicates that the decline in consumption equates to more than two month's billings. The largest variances billed relates to the agricultural and rural water services (R24 888 or 8% of the R298 801 adjusted budget) as well as the low billings for the connection and disconnection of water (R39 753 or 14% of the R274 212 adjusted budget). The water usage fluctuates according to seasonal trends and an increase is anticipated over the summer months. The municipality has re-assessed the water revenue budget and anticipates that a downward adjustment of R40 000 000 will be necessitated during the Mid-year adjustment budget process.
- **Other Revenue: Encroachments:** An underperformance is noted as only R1 365 522 has been receipted against an adjusted budget of R6 839 069. The budget for this item will have to be adjusted downward to R2 839 069 as a result of the actual revenue collected being less than the year to date planned budget.

**Operational Expenditure Budget**

Various line items were adjusted (detail included in **APPENDIX 1**) due to requests received from user departments and operational pressure to increase efficiencies.

There are line items where we noted an overspending when compared to the year-to-date budget and we anticipate that additional funds will be required, over and above those already included and approved in the annual budget. The following expenditure line items will be adjusted upwards:

- **Materials and Bulk purchases:** An over performance of R38 810 484 is noted for materials and bulk purchases. This is due to the increase in demand largely attributable to the Pniel area which now sources its electricity supply from Stellenbosch municipality as well as the NERSA tariff increases. The expenditure budget for this line item will have to be adjusted upwards with R49 000 000.
- **Outsourced Services: Security Services:** A budget increase of R11 565 000 has been requested due to additional funds needed for the security services relating to land invasions and demolishing of illegal structures.
- **Outsourced Services: Refuse Removal:** A budget increase of R3 500 000 has been requested to continue service delivery for tenders Franschoek refuse collection, recycling collection in Stellenbosch as well as the landfill operation and management until 30 June 2020. Funds is also required for crushing of builder's rubble to minimize waste at the landfill.

- Transfer Station Klappmuts: Outsourced Services: Refuse Removal: A budget increase of R11 600 000 has been requested for the transport and disposal of waste generated in Stellenbosch at Vissershok landfill site until 30 June 2020.

We have identified savings on the the following expenditure categories:

- Employee related costs: An under performance of R29 311 527 is noted against the year to date budget projections. The underspending is due to vacancies which have not yet been filled. Various advertisements for vacancies have been issued during the last quarter. The expenditure budget for this line item will have to be adjusted downwards with R46 000 000.
- Finance Charges: After considering the municipality's cash position as at 31 December 2019 and also taking into account the improved capital spending it would be in council's best interest to take up the external loan of R120 000 000 for the 2019/2020 financial year. The external loan will only be taken up towards the end of the financial year and it will result in a R10 000 000 saving.

### **6.3 External Loan for 2019/2020**

After considering the municipality's cash position as at 31 December 2019 and also taking into account the improved capital spending it would be in council's best interest to take up the external loan of R120 000 000 for the 2019/2020 financial year. The external loan will only be taken up towards the end of the financial year and it will result in a saving in finance charges.

### **6.4 Legal Implications**

The item is compliant with the relevant legislative framework.

### **6.5 Staff Implications**

This report has no staff implications to the Municipality.

### **6.6 Previous / Relevant Council Resolutions**

Roll-over Adjustments Budget 2019/2020 - 14 August 2019

### **6.7 Risk Implications**

None

### **6.8 Comments from Senior Management**

Inputs from all Directorates were incorporated into the adjustments budget.

## **RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.3.1**

- (a) that the Adjustments Budget as prescribed by the Budgeting and Reporting Regulations, as set out in **APPENDIX 1 and 2** be approved;
- (b) that the following capital projects be adjusted over the MTREF (2020/2021) as follows:

<b>Project</b>	<b>2020/2021</b>	<b>2021/2022</b>
Upgrade Refuse disposal site (Existing Cell)- Rehab	2 500 000	1 000 000
Waste Minimization Projects	500 000	-
Basic Services Improvements: Langrug	8 220 682	5 500 000
Upgrade of WWTW: Pniel & Decommissioning Of Franschhoek	32 800 000	36 000 000
Bulk water supply pipe and Reservoir: Kayamandi	19 500 000	-
Water Conservation & Demand Management	10 000 000	5 000 000
Waterpipe Replacement	8 000 000	7 000 000
Khayamandi Pedestrian Crossing (R304, River and Railway Line)	2 000 000	-
La Motte Clubhouse	800 000	-
Public Ablution Facilities: Franschhoek	1 000 000	-
Upgrading of Traffic Offices: Stellenbosch	8 000 000	2 000 000
Spray/Water Parks	5 500 000	1 000 000
Upgrading of Stellenbosch Fire Station	5 000 000	-
Mont Rochelle Nature Reserve: Upgrade of Facilities.	1 000 000	-

- (c) that the Service Delivery and Budget Implementation Plan be adjusted accordingly inclusive of the non-financial information (performance measurement).

### **Attachments**

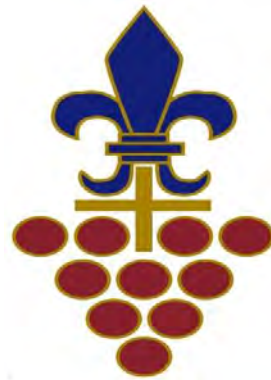
- Appendix 1 - Budget documentation  
Appendix 2 - Adjustments budget 19/20 (B-schedule)  
Appendix 3 - Quality certificate

### **FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<b>KEVIN CAROLUS</b>
<b>POSITION</b>	<b>CHIEF FINANCIAL OFFICER</b>
<b>DIRECTORATE</b>	<b>FINANCIAL SERVICES</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8528</b>
<b>E-MAIL ADDRESS</b>	<b>Kevin.Carolus@stellenbosch.gov.za</b>
<b>REPORT DATE</b>	<b>29 January 2020</b>

# APPENDIX 1

**ANNEXURE 1**



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK  
MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

**MID-YEAR ADJUSTMENTS BUDGET DOCUMENTATION JANUARY 2020**



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## CONTENTS

### ADJUSTMENTS BUDGET

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**ADJUSTMENTS BUDGET**
**PART 1****1. Mayor's Report**

In terms of section 72 of the MFMA, the municipality should assess its performance for the first half of the financial year. If necessary, this assessment then warrants an adjustment to the municipality's budget to revise projections of revenue and expenditure.

Changes to the approved budget are herein presented.

This adjustments budget is presented in terms of section 28 of the Municipal Finance Management Act (Act No.56 of 2003.) (MFMA).

**2. Resolutions**

- (a) that the Adjustments Budget as prescribed by the Budgeting and Reporting Regulations, as set out in APPENDIX 1 and 2 be approved.
- (b) that the following capital projects be adjusted over the MTREF (2019/2020) as follows:

<b>Project</b>	<b>2020/2021</b>	<b>2021/2022</b>
Upgrade Refuse disposal site (Existing Cell)- Rehab	2 500 000	1 000 000
Waste Minimization Projects	500 000	-
Basic Services Improvements: Langrug	8 220 682	5 500 000
Upgrade of WWTW: Pniel & Decommissioning Of Franschhoek	32 800 000	36 000 000
Bulk water supply pipe and Reservoir: Kayamandi	19 500 000	-
Water Conservation & Demand Management	10 000 000	5 000 000
Waterpipe Replacement	8 000 000	7 000 000
Khayamandi Pedestrian Crossing (R304, River and Railway Line)	2 000 000	-
La Motte Clubhouse	800 000	-

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Public Ablution Facilities: Franschhoek	1 000 000	-
Upgrading of Traffic Offices: Stellenbosch	8 000 000	2 000 000
Spray/Water Parks	5 500 000	1 000 000
Upgrading of Stellenbosch Fire Station	5 000 000	-
Mont Rochelle Nature Reserve: Upgrade of Facilities.	1 000 000	-

- (c) that the Service Delivery and Budget Implementation Plan be adjusted accordingly inclusive of the non-financial information (performance measurement).

### 3. Executive Summary

Following the mid-year performance assessment, the municipality recognized the necessity to adjust its' budget as per section 28 (2) of the MFMA.

On a high level, the adjustments budget is as follows:

<b><u>Vote</u></b>	<b>Total Approved Budget (R )</b>	<b>%</b>	<b>Total Adjustments Budget (R )</b>	<b>%</b>
Municipal Manager	52 292 775	2%	40 406 153	2%
Planning & Development	122 500 764	5%	125 811 770	5%
Community & Protection Services	430 121 404	18%	431 472 901	18%
Infrastructure Services	1 393 138 930	57%	1 414 955 263	58%
Corporate Services	292 147 067	12%	306 110 871	12%
Financial Services	133 274 272	5%	134 553 566	5%
	<b>2 423 475 213</b>		<b>2 453 310 525</b>	

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#### 4. Adjustments Budget Tables

In accordance with the Budget and Reporting Regulations, the following compulsory schedules are attached (Appendix 2) reflecting the composition and detail of the adjustments budget:

<b>Table name</b>	<b>Table reference</b>
Adjustments Budget Summary	B1
Adjustments Budget Financial Performance by standard classification	B2
Adjustments Budget Financial Performance by vote	B3
Adjustments Budget Financial Performance	B4
Adjustments Budget Capital Expenditure by vote and funding	B5
Adjustments Budget Financial Position	B6
Adjustments Budget Cash Flows	B7
Cash backed reserves/ Accumulated surplus reconciliation	B8
Asset Management	B9
Basic Service Delivery Measurement	B10

The following other supporting schedules (SB1 – SB19) are attached on Appendix 2 In accordance with the Budget and Reporting Regulations.

<b>Table Name</b>	<b>Table reference</b>
Supporting detail to 'Budgeted Financial Performance'	SB1
Supporting detail to 'Financial Position Budget'	SB2
Adjustments to the SDBIP	SB3
Adjustments to the budgeted performance indicators & benchmarks	SB4
Social, economic & demographic statistics & assumptions	SB5
Funding measurement	SB6
Transfers & grant receipts	SB7
Expenditure on transfers & grant programme	SB8
Reconciliation of transfers, grant receipts and unspent funds	SB9
Transfers & grants made by the municipality	SB10
Councillor & staff benefits	SB11
Monthly revenue & expenditure (vote)	SB12
Monthly revenue & expenditure (standard classification)	SB13
Monthly revenue & expenditure	SB14
Monthly cash flow	SB15
Monthly capital expenditure (vote)	SB16
Monthly capital expenditure (standard classification)	SB17
Capital expenditure on new assets by asset class	SB18a
Capital expenditure on renewal of existing assets by asset class	SB18b
Expenditure on repairs & maintenance by asset class	SB18c
Depreciation by asset class	SB18d
List of capital programmes & projects affected by the adjusted budget	SB19

## 5. Adjustments Budget Assumptions

This adjustments budget is based on the following assumptions:

1. All non-multiyear capital expenditure projects will be completed in the current financial year.

## 6. Adjustments Budget Funding

The financing sources of the capital adjustments budget are as follows:

<b><u>Funding</u></b>	<b>Approved Budget (R )</b>	<b>%</b>	<b>Adjustments Budget (R )</b>	<b>%</b>
<b>Own Funding</b>				
Capital Replacement Reserve	243 576 511	40%	261 016 442	43%
<b>External Funding</b>				
External Loans	178 610 919	29%	157 096 470	26%
Public contributions & donations	50 000 000	8%	50 000 000	8%
National Grants	62 526 000	10%	62 526 000	10%
Provincial Grants	78 561 528	13%	81 859 528	13%
	<b>613 274 958</b>		<b>612 498 440</b>	

## 7. Adjustments to Capital Expenditure

The revised capital expenditure budget per vote is as follows:

<b><u>Directorate</u></b>	<b>Approved Budget (R )</b>	<b>%</b>	<b>Adjustments Budget (R )</b>	<b>%</b>
Municipal Manager	35 000	0.01%	35 000	0.01%
Planning & Development	13 222 038	2.16%	19 479 019	3.18%
Community & Protection Services	70 642 597	11.52%	63 653 652	10.39%
Infrastructure Services	421 133 115	68.67%	386 496 778	63.10%
Corporate Services	108 092 208	17.63%	142 533 990	23.27%
Financial Services	150 000	0.02%	300 000	0.05%
	<b>613 274 958</b>		<b>612 498 440</b>	

<i>Projects</i>	<i>Fund</i>	<i>Approved Budget</i>	<i>Adjustment</i>	<i>Adjusted Budget</i>	<i>Motivation</i>
<b>Planning and Development Services</b>		<b>5 233 100</b>	<b>6 256 981</b>	<b>11 490 081</b>	
<b>Local Economic Development</b>		<b>5 233 100</b>	<b>977 107</b>	<b>6 210 207</b>	
Establishment of Informal Trading Sites: Kayamandi	CRR	5 233 100	-122 893	5 110 207	Additional funding required for Kayamandi informal trading market.
Establishment of Informal Trading Sites: Kayamandi	RSEP	-	1 100 000	1 100 000	RSEP grant funding of R 1 100 000 allocated towards the establishment of the informal trading site in Kayamandi.
<b>Housing Development</b>		<b>-</b>	<b>5 279 874</b>	<b>5 279 874</b>	
Cloetesville IRDP Planning	HS Grant	-	260 000	260 000	Project moved from Infrastructure Planning, Development and Implementation
Computer - Hardware/Equipment: Human Settlements & Property	CRR	-	175 386	175 386	Project moved from Infrastructure Planning, Development and Implementation
Enkanini subdivision, consolidation and rezoning	CRR	-	179 874	179 874	Project moved from Infrastructure Planning, Development and Implementation
Furniture, Tools and Equipment: Human Settlements and Property	CRR	-	4 614	4 614	Project moved from Infrastructure Planning, Development and Implementation
Jamestown: Housing	HS Grant	-	600 000	600 000	Project moved from Infrastructure Planning, Development and Implementation
Kayamandi Town Centre - Civil Infrastructure	HS Grant	-	1 960 000	1 960 000	Project moved from Infrastructure Planning, Development and Implementation
Langrug Dam	CRR	-	1 500 000	1 500 000	Project moved from Infrastructure Planning, Development and Implementation
Northern Extension: Feasibility	CRR	-	600 000	600 000	Project moved from Infrastructure Planning, Development and Implementation
<b>Infrastructure Services</b>		<b>164 129 213</b>	<b>-34 636 337</b>	<b>129 492 876</b>	
<b>Waste Management: Solid Waste Management</b>		<b>3 927 613</b>	<b>2 400 000</b>	<b>6 327 613</b>	
Stellenbosch WC024 Material Recovery Facility	CRR	1 269 337	3 400 000	4 669 337	Additional funds required to complete the construction of the Material Recovery Facility
Upgrade Refuse disposal site (Existing Cell)- Rehab	CRR	1 500 000	-500 000	1 000 000	Multiyear project. The construction will be completed in the next financial year.
Waste Minimization Projects	CRR	1 158 276	-500 000	658 276	Multiyear project. The construction will be completed in the next financial year.



<i>Projects</i>	<i>Fund</i>	<i>Approved Budget</i>	<i>Adjustment</i>	<i>Adjusted Budget</i>	<i>Motivation</i>
<b>Infrastructure Planning, Development and Implementation</b>		<b>26 159 874</b>	<b>-9 052 644</b>	<b>17 107 230</b>	
Access to Basic Services	CRR	250 000	150 000	400 000	Additional funding required to provide basic services to Klein Mooiwater.
Basic Services Improvements: Langrug	CRR	4 300 000	-2 720 682	1 579 318	Multiyear project. Project is in implementation phase and will continue in the next financial year.
Cloetesville IRDP Planning	HS Grant	260 000	-260 000	-	Project to be moved to Planning and Development Services.
Computer - Hardware/Equipment: Human Settlements & Property	CRR	65 386	-65 386	-	Project to be moved to Planning and Development Services.
Enkanini subdivision, consolidation and rezoning	CRR	179 874	-179 874	-	Project to be moved to Planning and Development Services.
Furniture, Tools and Equipment: Human Settlements and Property	CRR	4 614	-4 614	-	Project to be moved to Planning and Development Services.
Housing Projects	CRR	500 000	-150 000	350 000	Cost to complete the project is less than anticipated
Housing Projects	HS Grant	-	2 320 000	2 320 000	Human Settlements Development Grant allocation for a temporary relocation structures in Klapmuts.
Idas Valley IRDP / FLISP	HS Grant	8 500 000	-482 000	8 018 000	Reduce with R482,000 to be in line with the Human Settlements Development Grant allocation.
Jamestown: Housing	HS Grant	600 000	-600 000	-	Project to be moved to Planning and Development Services.
Kayamandi Town Centre - Civil Infrastructure	HS Grant	2 000 000	-2 000 000	-	Reduce to be in line with the Human Settlements Development Grant allocation.
Langrug Dam	CRR	3 500 000	-3 500 000	-	Project to be moved to Planning and Development Services.
Northern Extension: Feasibility	CRR	500 000	-500 000	-	Additional funding required to appoint an urban designer in order to go out on a Call for Proposal.
Smartie town, Cloetesville	CRR	5 500 000	-1 060 088	4 439 912	Cost to complete the project is less than anticipated
<b>Water and Wastewater Services: Sanitation</b>		<b>42 355 908</b>	<b>-10 574 726</b>	<b>31 781 182</b>	
Extention Of WWTW: Stellenbosch	Ext Loan	3 168 000	2 425 274	5 593 274	Additional funding to complete the project
Sewerpipe Replacement: Dorp Straat	Ext Loan	9 000 000	-3 000 000	6 000 000	Cost to complete the project is less than anticipated
Upgrade of WWTW: Pniel & Decommissioning Of Franschhoek	Ext Loan	30 187 908	-10 000 000	20 187 908	Multiyear project. Project is in implementation phase and will continue in the next financial year.

<i>Projects</i>	<i>Fund</i>	<i>Approved Budget</i>	<i>Adjustment</i>	<i>Adjusted Budget</i>	<i>Motivation</i>
<b>Water and Wastewater Services: Water</b>		<b>56 336 413</b>	<b>-16 858 967</b>	<b>39 477 446</b>	
Bulk water supply pipe and Reservoir: Kayamandi	Ext Loan	15 000 000	-12 000 000	3 000 000	Multiyear project. Project is in implementation phase and will continue in the next financial year.
New Reservoir: Polkadraai	Ext Loan	20 000 000	-3 000 000	17 000 000	Multiyear project. Project is in implementation phase and will continue in the next financial year.
Relocation/Upgrading main water supply line	Ext Loan	4 028 027	2 665 683	6 693 710	Additional funding required for Relocation/Upgrading main water supply line
Reservoirs and Dam Safety	CRR	1 908 386	2 875 350	4 783 736	Additional funding required for Reservoirs and Dam Safety.
Water Conservation & Demand Management	Ext Loan	10 000 000	-5 000 000	5 000 000	Multiyear project. Project is in implementation phase and will continue in the next financial year.
Waterpipe Replacement	Ext Loan	5 000 000	-2 000 000	3 000 000	Multiyear project. Project is in implementation phase and will continue in the next financial year.
WSDP (tri-annually)	CRR	400 000	-400 000	-	Project will commence in the next financial year
<b>Roads and Stormwater</b>		<b>8 735 001</b>	<b>-650 000</b>	<b>8 085 001</b>	
Structural Rehabilitation - Bridges	CRR	3 700 000	-2 000 000	1 700 000	Cost to complete the project is less than anticipated
Upgrade Gravel Roads - Devon Valley	CRR	1 500 000	-500 000	1 000 000	Cost to complete the project is less than anticipated
Upgrade Gravel Roads - Lamotte & Franschoek	CRR	2 700 001	2 000 000	4 700 001	Additional funding required to accommodate the upgrading of municipal gravel roads in Franschoek to surfaced standards.
Upgrade Stormwater Water Conveyance System	CRR	835 000	-150 000	685 000	Cost to complete the project is less than anticipated
<b>Traffic Engineering</b>		<b>14 650 000</b>	<b>-4 500 000</b>	<b>10 150 000</b>	
Accident Information System	CRR	750 000	-750 000	-	Project will commence in the next financial year
Directional Information Signage	CRR	200 000	-150 000	50 000	Cost to complete the project is less than anticipated
Main Road Intersection Improvements: Stellenbosch	CRR	11 700 000	-5 000 000	6 700 000	Waiting for provincial approvals
Traffic Calming Projects: Implementation	CRR	1 500 000	-1 000 000	500 000	Cost to complete the project is less than anticipated
Traffic Management Improvement Programme	CRR	500 000	2 400 000	2 900 000	Additional funding required for R44 Corridor Traffic Signal Synchronisation Infrastructure.
<b>Transport Planning</b>		<b>11 964 404</b>	<b>4 600 000</b>	<b>16 564 404</b>	
Bus and Taxi Shelters	CRR	200 000	100 000	300 000	Additional funding required to complete the bus and taxi shelters as planned.
Khayamandi Pedestrian Crossing (R304, River and Railway Line)	CRR	2 000 000	-1 500 000	500 000	Multiyear project. Project is in implementation phase and will continue in the next financial year.

<i>Projects</i>	<i>Fund</i>	<i>Approved Budget</i>	<i>Adjustment</i>	<i>Adjusted Budget</i>	<i>Motivation</i>
NMT Asset Management & NMT Public Transport	CRR	1 800 000	500 000	2 300 000	Additional funding required for comprehensive plans NMT and side walks.
Non Motorised Transportation (NMT) Implementation	CRR	3 700 000	1 000 000	4 700 000	Additional funding required for request for sidewalks.
Taxi Rank: Franschhoek	CRR	1 064 404	3 000 000	4 064 404	Additional funding required for construction phase.
Taxi Rank: Kayamandi	CRR	700 000	1 500 000	2 200 000	Additional funding required for construction phase.
Taxi Rank: Klapmuts	CRR	1 500 000	1 000 000	2 500 000	Additional funding required for construction phase.
Update Roads Master Plan for WC024	CRR	1 000 000	-1 000 000	-	Project will commence in the next financial year
<b>Corporate Services</b>		<b>51 060 114</b>	<b>34 441 783</b>	<b>85 501 897</b>	
<b>Information and Communications Technology (ICT)</b>		<b>5 366 999</b>	<b>3 900 000</b>	<b>9 266 999</b>	
Public WI-FI Network	CRR	548 400	300 000	848 400	Additional funding required for upgrading of the WIFI Network at the highsites (Matopie, Johannesdal & Papegaaiberg).
Upgrade and Expansion of IT Infrastructure Platforms	CRR	4 818 599	3 600 000	8 418 599	Additional funding required for procurement of Switches and accessories, Storage Device with accessories, Gen 10 Hosts & Servers, Firewalls and Firewall Manager Device. Items required for the newly constructed Data Centre & Disaster Recovery Site.
<b>Properties and Municipal Building Maintenance</b>		<b>45 693 115</b>	<b>30 541 783</b>	<b>76 234 898</b>	
La Motte Clubhouse	CRR	3 700 000	-500 000	3 200 000	Multiyear project. Construction will be completed in the next financial year.
Public Ablution Facilities: Franschhoek	CRR	539 000	500 000	1 039 000	Additional required to complete the project.
Purchasing of land	CRR	31 790 000	35 250 000	67 040 000	Additional funding required to finance the new office space in Ryneveld Street.
Rebuild: Kleine Libertas Theatre	CRR	4 329 446	-3 000 000	1 329 446	Multiyear project. The planning to finalised in the current year and construction to commence in the following financial years.
Structural Improvement: General	CRR	1 000 000	1 291 783	2 291 783	Additional funding required for Structural Improvement: General.
Upgrading of Stellenbosch Town Hall	CRR	2 077 400	-1 000 000	1 077 400	Project commenced funds to spend as project progress
Upgrading of Traffic Offices: Stellenbosch	CRR	2 257 269	-2 000 000	257 269	Multiyear project. The planning to finalised in the current year and construction to commence in the following financial years.

<i>Projects</i>	<i>Fund</i>	<i>Approved Budget</i>	<i>Adjustment</i>	<i>Adjusted Budget</i>	<i>Motivation</i>
<b>Community &amp; Protection Services</b>		<b>26 749 259</b>	<b>-6 988 945</b>	<b>19 760 314</b>	
<b>Community and Protection Services: General</b>		<b>4 022 458</b>	<b>1 715 812</b>	<b>5 738 270</b>	
Enlarge Office Space (Jan Marais Reserve)	CRR	1 500 000	1 745 812	3 245 812	Additional funding required to Enlarge Office Space (Jan Marais Reserve).
Implementation of Ward Priorities	CRR	2 522 458	-30 000	2 492 458	R30 000 re-allocated from Capital Budget to the Operational Budget for neighbourhood watch project.
<b>Parks and Cemeteries</b>		<b>6 000 000</b>	<b>-500 000</b>	<b>5 500 000</b>	
Spray/Water Parks	CRR	1 000 000	-500 000	500 000	Multiyear project. The planning to finalised in the current year and construction to commence in the following financial years.
Integrated Parks	CRR	5 000 000	-400 000	4 600 000	Grant funding to be re-allocated from Operational Budget to the capital projects identified as per agreement.
Integrated Parks	RSEP	-	400 000	400 000	Grant funding to be re-allocated from Operational Budget to the capital projects identified as per agreement.
<b>Community Development</b>		<b>35 000</b>	<b>98 543</b>	<b>133 543</b>	
Furniture Tools and Equipment	CRR	35 000	98 543	133 543	Additional funding required for furniture for new office.
<b>Fire and Rescue Services</b>		<b>6 471 109</b>	<b>-4 400 000</b>	<b>2 071 109</b>	
Furniture, Tools and Equipment	CRR	100 000	100 000	200 000	Additional funding required for procurement of outdoor gym equipment for the fire fighters.
Rescue equipment	CRR	300 000	500 000	800 000	Additional funding required to procure rescue tools.
Upgrading of Stellenbosch Fire Station	CRR	6 071 109	-5 000 000	1 071 109	Multiyear project. The planning to finalised in the current year and construction to commence in the following financial years.
<b>Environmental Management: Nature Conservation</b>		<b>2 319 446</b>	<b>-1 400 000</b>	<b>919 446</b>	
Mont Rochelle Nature Reserve: Upgrade of Facilities.	CRR	1 719 446	-1 000 000	719 446	Funding sufficient to complete the project as planned.
New Cemetery: Klapmuts	CRR	500 000	-500 000	-	The necessary planning approvals (EIA) not in place.
Workshop : FTE	CRR	100 000	100 000	200 000	Additional funding required for procurement of equipment for operational requirement and to ensure service delivery.

<i>Projects</i>	<i>Fund</i>	<i>Approved Budget</i>	<i>Adjustment</i>	<i>Adjusted Budget</i>	<i>Motivation</i>
<b>Recreation, Sports Grounds &amp; Halls</b>		<b>7 901 246</b>	<b>-2 503 300</b>	<b>5 397 946</b>	
Borehole: Rural Sportsgrounds	CRR	550 000	-550 000	-	The project was completed as part of water services capital projects.
Building of Clubhouse & Ablution Facilities: Lanquedoc Sports grounds	CRR	599 349	546 700	1 146 049	Additional funding required for Building of Clubhouse at Lanquedoc Sport Grounds.
Upgrade of Sport Facilities	IUDG	4 000 000	-3 000 000	1 000 000	Multiyear project. Planning and feasibility to be finalised in the current financial year.
Upgrade of swimming pool	CRR	2 000 000	-500 000	1 500 000	Funding sufficient to complete the project
Vehicle Fleet	CRR	751 897	1 000 000	1 751 897	Additional funding required to purchase vehicles for Environmental Management section due to shortage of vehicles within the section.
<b>Financial Services</b>		<b>150 000</b>	<b>150 000</b>	<b>300 000</b>	
<b>Financial Services General</b>		<b>150 000</b>	<b>150 000</b>	<b>300 000</b>	
Furniture, Tools and Equipment	CRR	150 000	150 000	300 000	Additional funding required for furniture.

## 8. Adjustments to Operational Expenditure

The revised operational expenditure budget per vote is as follows:

<b><u>Directorate</u></b>	<b>Approved Budget (R )</b>	<b>%</b>	<b>Adjustments Budget (R )</b>	<b>%</b>
Municipal Manager	52 257 775	3%	40 371 153	2%
Planning & Development	109 278 726	6%	107 532 751	6%
Community & Protection services	359 478 808	20%	367 819 249	20%
Infrastructure Services	972 005 815	54%	1 028 458 485	56%
Corporate Services	184 054 859	10%	163 576 881	9%
Financial Services	133 124 272	7%	134 253 566	7%
	<b><u>1 810 200 255</u></b>		<b><u>1 842 012 085</u></b>	

Department	Description	Approved Budget	Adjustment	Adjusted Budget	Motivation
<b>Municipal Manager</b>					
Municipal Manager	Business and Advisory	726 210	-726 210	-	Savings
Municipal Manager	Salaries and Allowances: Basic Salary	38 071 525	-10 000 000	28 071 525	Savings
Internal Audit	Business and Advisory: Forensic Investigators	1 388 165	-760 412	627 753	Savings
Internal Audit	Outsourced Services: Internal Auditors	932 694	-400 000	532 694	Savings
<b>Sub Total: Municipal Manager</b>		<b>41 118 594</b>	<b>-11 886 622</b>	<b>29 231 972</b>	
<b>Planning and Development Services</b>					
Planning & Development: General	Contractors: Catering Services	715 045	-500 000	215 045	Savings
Planning & Development: General	Operating Leases: Furniture and Office Equipment	1 903 012	-800 000	1 103 012	Savings
Planning & Development: General	Operating Leases: Machinery and Equipment	95 172	-95 172	-	Savings
Planning & Development: General	Salaries and Allowances: Basic Salary	46 608 024	-3 000 000	43 608 024	Savings
Housing Administration	Operating Leases: Furniture and Office Equipment	320 954	-320 954	-	Savings
Housing Administration	Business and Advisory: Project Management	1 000 000	2 773 151	3 773 151	Adjust budget in line with Human Settlements Grant allocation
Housing Administration	Business and Advisory: Project Management	300 000	-300 000	-	Savings
Housing Administration	Legal Cost: Legal Advice and Litigation	400 000	-400 000	-	Reallocate funds to Legal Services Department
Housing Administration	Beneficiary Administration	-	450 000	450 000	Additional funding requested for Housing Beneficiary Administration.
Informal Settlements	Operational Cost: Uniform and Protective Clothing	160 149	-120 000	40 149	Savings
Local Economic Development	Cleaning Services : Informal Trading Sites	-	567 000	567 000	Additional funding requested for Cleaning Services : Informal Trading Sites.
<b>Sub Total: Planning and Development Services</b>		<b>51 502 356</b>	<b>-1 745 975</b>	<b>49 756 381</b>	

Department	Description	Approved Budget	Adjustment	Adjusted Budget	Motivation
<b>Infrastructure Services</b>					
Develop Services & Project Management	Top Structures (Idas Valley housing Project)	-	5 425 745	5 425 745	Adjust budget in line with Human Settlements Grant allocation
Dumping Site	Outsourced Services: Refuse Removal	14 113 075	516 925	14 630 000	Additional funding requested for recycling collection as well as landfill operation and management
Bulk Purchases	Electricity: ESKOM	375 842 200	49 000 000	424 842 200	Additional funding requested for electricity bulk purchases from Eskom & Drakenstein.
Refuse Removal	Operational Cost: Hire Charges	1 946 637	500 000	2 446 637	Additional funding requested for hire of replacement vehicles for breakdowns and repairs to ensure continued service delivery.
Sewerage Treatment Pniel & Others	Contractors: Transportation	2 565 200	1 500 000	4 065 200	Additional funding requested for transportation services.
Water Network	Bulk Purchases: Water	28 757 562	-1 500 000	27 257 562	Savings
Water Network	Finance Charges	39 877 000	-10 000 000	29 877 000	Savings. External loan will only be taken up towards the end of the financial year
Water Filtration Idas Valley	Contractors: Maintenance of Unspecified Assets	2 649 322	-1 500 000	1 149 322	Savings
Water Filtration Paradyskloof	Licences: Motor Vehicle Licence and Registrations	1 919	1 000 000	1 001 919	Additional funding requested for licensing of all vehicles in 2020.
Transfer Station: Klapmuts	Outsourced Services: Refuse Removal	11 720 000	11 600 000	23 320 000	Additional funding requested for the transport and disposal of waste generated in the WC024 at Vissershok landfill.
Sewerage Purification Klapmuts	Contractors: Maintenance of Unspecified Assets	571 912	-250 000	321 912	Savings
Traffic Engineering	Contractors: Maintenance of Equipment	348 396	-340 000	8 396	Savings
Traffic Engineering	Contractors: Maintenance of Unspecified Assets	3 903 671	500 000	4 403 671	Additional funding requested to ensure continuous roadmarking, traffic signage and traffic signals maintenance operations.
<b>Sub Total: Infrastructure Services</b>		<b>482 296 894</b>	<b>56 452 670</b>	<b>538 749 564</b>	



Department	Description	Approved Budget	Adjustment	Adjusted Budget	Motivation
<b>Community and Protection Services</b>					
Community & Protection Services: General	Salaries and Allowances: Basic Salary	163 573 652	-3 000 000	160 573 652	Savings
Community Development	Operational items	-	56 000	56 000	CDW grant allocation for the year
Commonage and Plantation	Contractors: Transportation	3 980 091	-3 881 514	98 577	NRM funding agreement was cancelled
Fire Services	Contractors: Maintenance of Unspecified Assets	680 000	500 000	1 180 000	Additional funding requested for major repairs
Fire Services	Consumables: Zero Rated	600 000	300 000	900 000	Additional funding requested to ensure uninterrupted response to emergencies.
Fire Services	Operational Cost: Uniform and Protective Clothing	400 000	400 000	800 000	Additional funding requested for Uniforms and Protective Clothing.
Traffic Services: Licensing	Outsourced Services: Traffic Fines Management	9 500 000	1 500 000	11 000 000	Additional funding requested for the management of traffic fines
Disaster Management	Inventory Consumed: Materials and Supplies	2 300 000	500 000	2 800 000	Additional funding requested to ensure preparedness for disasters.
Law Enforcement	Outsourced Services: Security Services	17 500 000	11 565 955	29 065 955	Additional funding requested for the Red Ants and security services relating to land invasions and demolishing of illegal structures.
Law Enforcement	Operational Cost: Uniform and Protective Clothing	318 703	400 000	718 703	Additional funding requested for Uniforms and Protective Clothing.
<b>Sub Total: Community and Protection Services</b>		<b>198 852 446</b>	<b>8 340 441</b>	<b>207 192 887</b>	
<b>Corporate Services</b>					
Corporate Services: General	Salaries and Allowances: Basic Salary	113 964 693	-30 000 000	83 964 693	Savings
Property Management	Investment Properties	9 444 950	2 000 000	11 444 950	Additional funding requested for Investment Properties.
Human Resources	Bursaries	-	35 000	35 000	Provincial Grant funding for bursaries
Human Resources	Legal Cost: Legal Advice and Litigation	1 498 978	-1 498 978	-	Reallocate funds to Legal Services Department
Occupational Health and Safety	Operational Cost: Bursaries (Employees)	380 000	360 000	740 000	Grant funding rolled over from 2018/2019 financial year.
Occupational Health and Safety	New U-key Internship Grant	60 000	80 000	140 000	Grant funding received for the current financial year and an amount of R60 000 rolled over from previous financial year.

Department	Description	Approved Budget	Adjustment	Adjusted Budget	Motivation
Legal Services	Legal Cost: Legal Advice and Litigation	3 754 000	6 246 000	10 000 000	Additional funding requested for Legal Cost: Legal Advice and Litigation.
Information Technology	External Computer Service: Mainframe Time	800 000	600 000	1 400 000	Additional funding requested for WAN, & internet services and VPN/ APN .
Information Technology	External Computer Service: Software Licences	10 100 000	1 000 000	11 100 000	Additional funding requested for all flash storage software, firewall and host/ servers software.
Information Technology	External Computer Service: System Development	1 400 000	700 000	2 100 000	Additional funding requested for all ICT Network SLA's
<b>Sub Total: Corporate Services</b>		<b>141 402 621</b>	<b>-20 477 978</b>	<b>120 924 643</b>	
<b>Financial Services</b>					
Financial Services: General	Legal Cost: Legal Advice and Litigation	1 870 706	-1 870 706	-	Reallocate funds to Legal Services Department
Financial Services: General	Contracted Services: Business and Financial Management	-	3 000 000	3 000 000	DBSA Grant funding received.
<b>Sub Total: Financial Services</b>		<b>1 870 706</b>	<b>1 129 294</b>	<b>3 000 000</b>	
<b>TOTAL</b>		<b>917 043 617</b>	<b>31 811 830</b>	<b>948 855 447</b>	

## 9. Adjustments to Operational Revenue

The revised operating income budget per vote is as follows:

<b><u>Directorate</u></b>	<b>Approved Budget (R )</b>	<b>%</b>	<b>Adjustments Budget (R )</b>	<b>%</b>
Municipal Manager	387 360	0%	387 360	0%
Planning & Development	96 044 641	5%	98 417 792	5%
Community & Protection Services	147 701 811	8%	156 108 889	8%
Infrastructure Services	1 198 477 557	62%	1 221 183 302	63%
Corporate Services	10 396 240	1%	13 710 309	1%
Financial Services	468 680 208	24%	463 119 510	24%
	<b><u>1 921 687 818</u></b>		<b><u>1 952 927 162</u></b>	

Department	Description	Approved Budget	Adjustment	Adjusted Budget	Motivation
<b>Planning and Development Services</b>					
Local Economic Development	RSEP Grant Funding	-1 500 000	1 500 000	-	Reallocation of RSEP Grant Funding from operational expenditure budget to the capital expenditure budget.
Local Economic Development	RSEP Grant Funding	-	-1 100 000	-1 100 000	RSEP grant funding allocated for upgrading of parks.
Housing Administration	Human Settlements Grant - Operational	-1 000 000	-2 773 151	-3 773 151	Adjust budget in line with Human Settlements Grant allocation
<b>Sub Total: Planning and Development Services</b>		<b>-2 500 000</b>	<b>-2 373 151</b>	<b>-4 873 151</b>	
<b>Infrastructure Services</b>					
Electrical Engineering	Electricity Sales	-639 886 270	-55 000 000	-694 886 270	Increase in electricity service charges due to the increase in demand attributable to Pniel which now sources its electricity supply from WC024 and NERSA tariff increases.
Water Services	Water Sales	-201 974 611	40 000 000	-161 974 611	Decrease in water service charges. The municipality has billed less water than initially anticipated. The water usage fluctuates according to seasonal trends.
Develop Services & Project Management	Human Settlements Grant - Operational	-	-5 425 745	-5 425 745	Adjust budget in line with Human Settlements Grant allocation
Develop Services & Project Management	Human Settlements Grant - Capital	-	-2 280 000	-2 280 000	Adjust budget in line with Human Settlements Grant allocation
<b>Sub Total: Infrastructure Services</b>		<b>-841 860 881</b>	<b>-22 705 745</b>	<b>-864 566 626</b>	
<b>Community and Protection Services</b>					
Community Development	Community Development Workers	-	-112 000	-112 000	CDW Grant allocation
Parksand Cemeteries	RSEP Grant Funding	-	-400 000	-400 000	RSEP funding received for Capital project upgrading of parks.
Traffic Services: Parking	Parking Areas And Parking	-4 051 131	-9 648 078	-13 699 209	Parking revenue increase.
Commonage and Plantations	Alien Clearing	-2 000 000	1 753 000	-247 000	National Resource Management project cancelled.
<b>Sub Total: Community and Protection Services</b>		<b>-6 051 131</b>	<b>-8 407 078</b>	<b>-14 458 209</b>	
<b>Corporate Services</b>					
Property Management	Encroachments	-	-2 839 069	-2 839 069	Revenue projection for the financial year is less than what was budgeted for.

Department	Description	Approved Budget	Adjustment	Adjusted Budget	Motivation
Human Resource Management	Capacity Building and Other: Specify (Add grant des	-380 000	-360 000	-740 000	Financial Management Capacity Building Grant.
Human Resource Management	Internship	-60 000	-80 000	-140 000	Local Government Graduate Internship Grant Received.
Human Resource Management	Bursaries	-	-35 000	-35 000	LGSETA Discretionary Grant Funding - Bursaries.
<b>Sub Total: Corporate Services</b>		<b>-440 000</b>	<b>-3 314 069</b>	<b>-3 754 069</b>	
<b>Financial Services</b>					
Financial Services	Development Bank of South Africa Grant	-	-3 000 000	-3 000 000	DBSA Grant funding received.
Financial Services	Encroachments	-6 810 698	6 810 698	-	Line item moved to property management
Financial Services	Municipal Systems Improvement Grant	-1 750 000	1 750 000	-	Municipal Systems Improvement Grant
<b>Sub Total: Financial Services</b>		<b>-8 560 698</b>	<b>5 560 698</b>	<b>-3 000 000</b>	
<b>TOTAL</b>		<b>-859 412 710</b>	<b>-31 239 345</b>	<b>-890 652 055</b>	

# **APPENDIX 2**



**STELLENBOSCH**

STELLENBOSCH • PNIEL • FRANSCHHOEK

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**STELLENBOSCH MUNICIPALITY**

**ADJUSTMENTS BUDGET TABLES**

WC024 Stellenbosch - Table B1 Adjustments Budget Summary - 22 January 2020

Description	Budget Year 2019/20									Budget Year	Budget Year	
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	+1 2020/21	+2 2021/22	
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H	Adjusted Budget	Adjusted Budget	
<b>R thousands</b>												
<b>Financial Performance</b>												
Property rates	356 122	356 122	-	-	-	-	-	-	356 122	382 456	408 452	
Service charges	1 024 589	1 024 589	-	-	-	-	15 000	15 000	984 589	1 109 445	1 195 463	
Investment revenue	44 171	44 171	-	-	-	-	-	-	44 171	36 730	36 300	
Transfers recognised - operational	172 339	174 293	-	-	-	-	6 783	6 783	181 075	179 316	183 641	
Other own revenue	181 426	181 426	-	-	-	-	5 676	5 676	187 103	191 259	201 639	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 778 647</b>	<b>1 780 600</b>	-	-	-	-	<b>27 459</b>	<b>27 459</b>	<b>1 808 060</b>	<b>1 899 207</b>	<b>2 025 525</b>	
Employee costs	603 268	603 268	-	-	-	-	(45 920)	(45 920)	557 348	628 564	665 252	
Remuneration of councillors	19 936	19 936	-	-	-	-	-	-	19 936	21 115	22 363	
Depreciation & asset impairment	206 956	206 956	-	-	-	-	-	-	206 956	215 430	224 255	
Finance charges	39 877	39 877	-	-	-	-	(10 000)	(10 000)	29 877	54 668	66 655	
Materials and bulk purchases	441 448	441 448	-	-	-	-	48 300	48 300	489 748	478 505	518 647	
Transfers and grants	10 049	10 049	-	-	-	-	-	-	10 049	10 628	11 242	
Other expenditure	486 713	488 666	-	-	-	-	39 432	39 432	528 098	516 351	539 936	
<b>Total Expenditure</b>	<b>1 808 247</b>	<b>1 810 200</b>	-	-	-	-	<b>31 812</b>	<b>31 812</b>	<b>1 842 012</b>	<b>1 925 262</b>	<b>2 048 352</b>	
<b>Surplus/(Deficit)</b>	<b>(29 600)</b>	<b>(29 600)</b>	-	-	-	-	<b>(4 352)</b>	<b>(4 352)</b>	<b>(33 952)</b>	<b>(26 055)</b>	<b>(22 827)</b>	
Transfers recognised - capital	141 088	141 088	-	-	-	-	3 780	3 780	144 868	73 948	79 199	
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>111 488</b>	<b>111 488</b>	-	-	-	-	<b>(572)</b>	<b>(572)</b>	<b>110 915</b>	<b>47 893</b>	<b>56 372</b>	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/ (Deficit) for the year</b>	<b>111 488</b>	<b>111 488</b>	-	-	-	-	<b>(572)</b>	<b>(572)</b>	<b>110 915</b>	<b>47 893</b>	<b>56 372</b>	
<b>Capital expenditure &amp; funds sources</b>												
<b>Capital expenditure</b>	558 277	613 275	-	-	-	-	(777)	(777)	612 499	414 613	426 338	
Transfers recognised - capital	141 088	141 088	-	-	-	-	3 298	3 298	144 386	73 948	79 199	
Borrowing	160 000	178 611	-	-	-	-	(21 514)	(21 514)	157 096	120 000	100 000	
Internally generated funds	257 189	293 577	-	-	-	-	17 440	17 440	311 016	220 665	247 139	
<b>Total sources of capital funds</b>	<b>558 277</b>	<b>613 275</b>	-	-	-	-	<b>(777)</b>	<b>(777)</b>	<b>612 498</b>	<b>414 613</b>	<b>426 338</b>	
<b>Financial position</b>												
Total current assets	780 320	847 178	-	-	-	-	-	-	847 178	775 413	754 377	
Total non current assets	5 907 057	5 962 055	-	-	-	-	(777)	(777)	5 961 279	6 117 070	6 330 631	
Total current liabilities	352 300	352 300	-	-	-	-	-	-	352 300	373 899	394 726	
Total non current liabilities	743 814	743 814	-	-	-	-	-	-	743 814	848 624	931 207	
<b>Community wealth/Equity</b>	<b>5 591 263</b>	<b>5 713 119</b>	-	-	-	-	<b>(777)</b>	<b>(777)</b>	<b>5 712 343</b>	<b>5 669 960</b>	<b>5 759 074</b>	
<b>Cash flows</b>												
Net cash from (used) operating	355 914	355 914	-	-	-	-	(1 022)	(1 022)	354 892	311 224	332 685	
Net cash from (used) investing	(558 277)	(613 275)	-	-	-	-	777	777	(612 498)	(414 613)	(426 338)	
Net cash from (used) financing	139 117	139 117	-	-	-	-	(40 000)	(40 000)	99 117	93 689	68 922	
<b>Cash/cash equivalents at the year end</b>	<b>370 118</b>	<b>448 475</b>	-	-	-	-	<b>(40 246)</b>	<b>(40 246)</b>	<b>408 229</b>	<b>398 529</b>	<b>373 798</b>	
<b>Cash backing/surplus reconciliation</b>												
Cash and investments available	370 118	436 975	-	-	-	-	-	-	436 975	360 418	335 687	
Application of cash and investments	271 759	(15 675)	-	-	-	-	(33 583)	(33 583)	(49 258)	278 644	245 546	
<b>Balance - surplus (shortfall)</b>	<b>98 359</b>	<b>452 650</b>	-	-	-	-	<b>33 583</b>	<b>33 583</b>	<b>486 234</b>	<b>81 774</b>	<b>90 141</b>	
<b>Asset Management</b>												
Asset register summary (WDV)	5 900 562	5 955 561	-	-	-	-	(777)	(777)	5 954 784	6 110 103	6 323 166	
Depreciation & asset impairment	197 184	197 184	-	-	-	-	-	-	197 184	205 072	213 274	
Renewal and Upgrading of Existing Assets	218 416	240 569	-	-	-	-	(29 551)	(29 551)	211 018	192 554	244 000	
Repairs and Maintenance	91 240	91 240	-	-	-	-	-	-	91 240	97 216	102 533	
<b>Free services</b>												
Cost of Free Basic Services provided	49 768	49 768	-	-	-	-	-	-	49 768	54 545	50 858	
Revenue cost of free services provided	84 568	84 568	-	-	-	-	-	-	84 568	85 589	89 872	
<b>Households below minimum service level</b>												
Water:	1	1	-	-	-	-	-	-	1	1	1	
Sanitation/sewerage:	1	1	-	-	-	-	-	-	1	1	1	
Energy:	2	2	-	-	-	-	-	-	2	2	2	
Refuse:	4	4	-	-	-	-	-	-	4	4	4	



WC024 Stellenbosch - Table B2 Adjustments Budget Financial Performance (functional classification) - 22 January 2020

Standard Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
<b>Revenue - Functional</b>												
<b>Governance and administration</b>		454 808	454 808	-	-	-	-	(2 247)	(2 247)	452 561	469 641	484 223
Executive and council		3 566	3 566	-	-	-	-	-	-	3 566	3 837	4 128
Finance and administration		451 242	451 242	-	-	-	-	(2 247)	(2 247)	448 995	465 804	480 094
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		132 219	132 219	-	-	-	-	1 532	1 532	133 751	134 251	144 454
Community and social services		20 917	20 917	-	-	-	-	(1 641)	(1 641)	19 276	22 507	24 217
Sport and recreation		1 986	1 986	-	-	-	-	400	400	2 386	2 137	2 299
Public safety		3 830	3 830	-	-	-	-	-	-	3 830	4 122	4 435
Housing		105 485	105 485	-	-	-	-	2 773	2 773	108 259	105 485	113 502
Health		-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		130 189	132 142	-	-	-	-	16 954	16 954	149 095	140 083	150 729
Planning and development		8 028	8 028	-	-	-	-	7 306	7 306	15 333	8 638	9 294
Road transport		122 133	122 133	-	-	-	-	9 648	9 648	131 781	131 415	141 402
Environmental protection		28	1 981	-	-	-	-	-	-	1 981	31	33
<b>Trading services</b>		1 202 446	1 202 446	-	-	-	-	15 000	15 000	1 217 446	1 229 101	1 325 234
Energy sources		711 349	711 349	-	-	-	-	55 000	55 000	766 349	700 680	756 653
Water management		222 248	222 248	-	-	-	-	(40 000)	(40 000)	182 248	239 139	257 313
Waste water management		177 357	177 357	-	-	-	-	-	-	177 357	190 836	205 339
Waste management		91 493	91 493	-	-	-	-	-	-	91 493	98 447	105 929
<b>Other</b>		74	74	-	-	-	-	-	-	74	79	85
<b>Total Revenue - Functional</b>	2	1 919 735	1 921 688	-	-	-	-	31 239	31 239	1 952 927	1 973 154	2 104 724
<b>Expenditure - Functional</b>												
<b>Governance and administration</b>		369 437	369 437	-	-	-	-	(30 509)	(30 509)	338 928	394 976	417 300
Executive and council		75 155	75 155	-	-	-	-	(10 000)	(10 000)	65 155	80 751	85 608
Finance and administration		280 760	280 760	-	-	-	-	(19 349)	(19 349)	261 412	299 431	316 195
Internal audit		13 522	13 522	-	-	-	-	(1 160)	(1 160)	12 362	14 793	15 497
<b>Community and public safety</b>		245 839	245 839	-	-	-	-	8 923	8 923	254 761	287 297	304 949
Community and social services		49 583	49 583	-	-	-	-	(3 326)	(3 326)	46 257	52 525	55 643
Sport and recreation		48 508	48 508	-	-	-	-	-	-	48 508	51 514	54 671
Public safety		107 603	107 603	-	-	-	-	10 166	10 166	117 769	140 967	149 890
Housing		40 144	40 144	-	-	-	-	2 082	2 082	42 226	42 291	44 745
Health		-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		364 618	366 571	-	-	-	-	2 531	2 531	369 102	351 488	370 624
Planning and development		69 190	69 190	-	-	-	-	1 598	1 598	70 788	70 345	76 257
Road transport		268 707	268 707	-	-	-	-	934	934	269 641	251 711	262 843
Environmental protection		26 720	28 674	-	-	-	-	-	-	28 674	29 431	31 524
<b>Trading services</b>		828 354	828 354	-	-	-	-	50 867	50 867	879 221	891 501	955 479
Energy sources		450 275	450 275	-	-	-	-	49 000	49 000	499 275	481 311	517 980
Water management		161 896	161 896	-	-	-	-	(10 500)	(10 500)	151 396	179 996	194 090
Waste water management		127 649	127 649	-	-	-	-	1 250	1 250	128 899	142 741	150 768
Waste management		88 534	88 534	-	-	-	-	11 117	11 117	99 651	87 454	92 640
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	1 808 247	1 810 200	-	-	-	-	31 812	31 812	1 842 012	1 925 262	2 048 352
<b>Surplus/ (Deficit) for the year</b>		111 488	111 488	-	-	-	-	(572)	(572)	110 915	47 893	56 372

**References**

- Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
- Total Revenue by standard classification must reconcile to Total Operating Revenue shown in the Adjustments Budget Financial Performance (revenue and expenditure)
- Total Operating Expenditure by standard classification must reconcile to Total Operating Expenditure shown in the Adjustments Budget Financial Performance (revenue and expenditure)
- All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification
- Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
- Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)
- Increases of funds approved under MFMA section 31
- Adjustments approved in accordance with MFMA section 29
- Adjustments to transfers from National or Provincial Government
- Adjusts. = 'Other' Adjustments proposed to be approved; including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))
- G = B + C + D + E + F
- Adjusted Budget H = (A or A1/2 etc) + G

WC024 Stellenbosch - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 22 January 2020

Vote Description  <i>(Insert departmental structure etc)</i>	Ref	Budget Year 2019/20									Budget Year +1 2020/21	Budget Year +2 2021/22
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>R thousands</b>												
<b>Revenue by Vote</b>	1											
Vote 1 - Office of the Municipal Manager		387	387	-	-	-	-	-	-	387	417	448
Vote 2 - Planning and Development Services		96 045	96 045	-	-	-	-	2 373	2 373	98 418	103 344	111 198
Vote 3 - Infrastructure Services		1 196 525	1 196 525	-	-	-	-	22 706	22 706	1 219 230	1 200 828	1 283 093
Vote 4 - Community and Protection Services		147 702	149 655	-	-	-	-	8 407	8 407	158 062	158 927	171 006
Vote 5 - Corporate Services		10 396	10 396	-	-	-	-	3 314	3 314	13 710	11 186	12 037
Vote 6 - Financial Services		468 680	468 680	-	-	-	-	(5 561)	(5 561)	463 120	498 452	526 942
<b>Total Revenue by Vote</b>	2	<b>1 919 735</b>	<b>1 921 688</b>	-	-	-	-	<b>31 239</b>	<b>31 239</b>	<b>1 952 927</b>	<b>1 973 154</b>	<b>2 104 724</b>
<b>Expenditure by Vote</b>	1											
Vote 1 - Office of the Municipal Manager		52 258	52 258	-	-	-	-	(11 887)	(11 887)	40 371	53 489	55 780
Vote 2 - Planning and Development Services		109 279	109 279	-	-	-	-	(1 746)	(1 746)	107 533	112 577	120 939
Vote 3 - Infrastructure Services		972 006	972 006	-	-	-	-	56 453	56 453	1 028 458	1 046 404	1 115 437
Vote 4 - Community and Protection Services		357 526	359 479	-	-	-	-	8 340	8 340	367 819	379 805	404 176
Vote 5 - Corporate Services		184 055	184 055	-	-	-	-	(20 478)	(20 478)	163 577	195 930	209 548
Vote 6 - Financial Services		133 124	133 124	-	-	-	-	1 129	1 129	134 254	137 057	142 472
<b>Total Expenditure by Vote</b>	2	<b>1 808 247</b>	<b>1 810 200</b>	-	-	-	-	<b>31 812</b>	<b>31 812</b>	<b>1 842 012</b>	<b>1 925 262</b>	<b>2 048 352</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>111 488</b>	<b>111 488</b>	-	-	-	-	<b>(572)</b>	<b>(572)</b>	<b>110 915</b>	<b>47 893</b>	<b>56 372</b>

## WC024 Stellenbosch - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 22 January 2020

Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
<b>Revenue By Source</b>												
Property rates	2	356 122	356 122	-	-	-	-	-	-	356 122	382 456	408 452
Service charges - electricity revenue	2	639 886	639 886	-	-	-	-	55 000	55 000	639 886	692 917	749 031
Service charges - water revenue	2	201 975	201 975	-	-	-	-	(40 000)	(40 000)	161 975	217 103	231 085
Service charges - sanitation revenue	2	113 503	113 503	-	-	-	-	-	-	113 503	122 278	130 586
Service charges - refuse revenue	2	69 225	69 225	-	-	-	-	-	-	69 225	77 147	84 762
Rental of facilities and equipment		18 831	18 831							18 831	19 961	21 159
Interest earned - external investments		44 171	44 171							44 171	36 730	36 330
Interest earned - outstanding debtors		11 270	11 270							11 270	12 096	12 983
Dividends received		-	-							-	-	-
Fines, penalties and forfeits		108 260	108 260							108 260	113 673	119 357
Licences and permits		5 398	5 398							5 398	5 722	6 065
Agency services		2 852	2 852							2 852	3 023	3 204
Transfers and subsidies		172 339	174 293					6 783	6 783	181 075	179 316	183 641
Other revenue	2	34 815	34 815	-	-	-	-	5 676	5 676	40 491	36 784	38 871
Gains on disposal of PPE		-	-							-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 778 647</b>	<b>1 780 600</b>					<b>27 459</b>	<b>27 459</b>	<b>1 753 060</b>	<b>1 899 207</b>	<b>2 025 525</b>
<b>Expenditure By Type</b>												
Employee related costs		603 268	603 268	-	-	-	-	(45 920)	(45 920)	557 348	628 564	665 252
Remuneration of councillors		19 936	19 936							19 936	21 115	22 363
Debt impairment		72 067	72 067							72 067	76 391	80 975
Depreciation & asset impairment		206 956	206 956	-	-	-	-	-	-	206 956	215 430	224 255
Finance charges		39 877	39 877					(10 000)	(10 000)	29 877	54 668	66 655
Bulk purchases		406 458	406 458	-	-	-	-	47 500	47 500	453 958	441 586	479 627
Other materials		34 990	34 990					800	800	35 790	36 919	39 020
Contracted services		237 957	237 957	-	-	-	-	33 717	33 717	271 674	251 947	254 544
Transfers and subsidies		10 049	10 049							10 049	10 628	11 242
Other expenditure		176 689	178 642	-	-	-	-	5 715	5 715	184 357	188 014	204 417
Loss on disposal of PPE		-	-							-	-	-
<b>Total Expenditure</b>		<b>1 808 247</b>	<b>1 810 200</b>					<b>31 812</b>	<b>31 812</b>	<b>1 842 012</b>	<b>1 925 262</b>	<b>2 048 352</b>
<b>Surplus/(Deficit)</b>												
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		141 088	141 088					3 780	3 780	144 868	73 948	79 199
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-							-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-							-	-	-
<b>Surplus/(Deficit) before taxation</b>		<b>111 488</b>	<b>111 488</b>					<b>(572)</b>	<b>(572)</b>	<b>55 915</b>	<b>47 893</b>	<b>56 372</b>
Taxation		-	-							-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>111 488</b>	<b>111 488</b>					<b>(572)</b>	<b>(572)</b>	<b>55 915</b>	<b>47 893</b>	<b>56 372</b>
Attributable to minorities		-	-							-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>111 488</b>	<b>111 488</b>					<b>(572)</b>	<b>(572)</b>	<b>55 915</b>	<b>47 893</b>	<b>56 372</b>
Share of surplus/ (deficit) of associate		-	-							-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>111 488</b>	<b>111 488</b>					<b>(572)</b>	<b>(572)</b>	<b>55 915</b>	<b>47 893</b>	<b>56 372</b>

WC024 Stellenbosch - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 22 January 2020

Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
<b>R thousands</b>												
<b>Capital expenditure - Vote</b>												
<b>Multi-year expenditure to be adjusted</b>												
Vote 1 - Office of the Municipal Manager	2	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Planning and Development Services		9 670	12 942	-	-	-	-	6 257	6 257	19 199	4 750	-
Vote 3 - Infrastructure Services		323 143	365 419	-	-	-	-	(34 636)	(34 636)	330 783	318 961	330 171
Vote 4 - Community and Protection Services		18 125	24 453	-	-	-	-	(6 989)	(6 989)	17 464	13 250	12 400
Vote 5 - Corporate Services		97 420	100 542	-	-	-	-	34 442	34 442	134 984	21 000	22 100
Vote 6 - Financial Services		-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	3	<b>448 358</b>	<b>503 356</b>	-	-	-	-	<b>(927)</b>	<b>(927)</b>	<b>502 429</b>	<b>357 961</b>	<b>364 671</b>
<b>Single-year expenditure to be adjusted</b>												
Vote 1 - Office of the Municipal Manager	2	35	35	-	-	-	-	-	-	35	40	40
Vote 2 - Planning and Development Services		280	280	-	-	-	-	-	-	280	252	184
Vote 3 - Infrastructure Services		55 715	55 715	-	-	-	-	-	-	55 715	34 665	39 068
Vote 4 - Community and Protection Services		46 190	46 190	-	-	-	-	-	-	46 190	14 995	15 275
Vote 5 - Corporate Services		7 550	7 550	-	-	-	-	-	-	7 550	6 550	6 950
Vote 6 - Financial Services		150	150	-	-	-	-	150	150	300	150	150
<b>Capital single-year expenditure sub-total</b>		<b>109 920</b>	<b>109 920</b>	-	-	-	-	<b>150</b>	<b>150</b>	<b>110 070</b>	<b>56 652</b>	<b>61 667</b>
<b>Total Capital Expenditure - Vote</b>		<b>558 277</b>	<b>613 275</b>	-	-	-	-	<b>(777)</b>	<b>(777)</b>	<b>612 499</b>	<b>414 613</b>	<b>426 338</b>
<b>Capital Expenditure - Functional</b>												
<b>Governance and administration</b>		<b>105 155</b>	<b>108 277</b>	-	-	-	-	<b>34 592</b>	<b>34 592</b>	<b>142 869</b>	<b>27 740</b>	<b>29 240</b>
Executive and council		35	35	-	-	-	-	-	-	35	40	40
Finance and administration		105 120	108 242	-	-	-	-	34 592	34 592	142 834	27 700	29 200
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>61 445</b>	<b>70 330</b>	-	-	-	-	<b>(6 989)</b>	<b>(6 989)</b>	<b>63 341</b>	<b>26 447</b>	<b>27 334</b>
Community and social services		2 845	4 873	-	-	-	-	99	99	4 971	1 490	1 155
Sport and recreation		29 000	32 086	-	-	-	-	(2 687)	(2 687)	29 399	17 955	20 770
Public safety		29 550	30 621	-	-	-	-	(4 400)	(4 400)	26 221	6 950	5 350
Housing		50	2 750	-	-	-	-	-	-	2 750	52	59
Health		-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>130 452</b>	<b>136 268</b>	-	-	-	-	<b>(3 346)</b>	<b>(3 346)</b>	<b>132 923</b>	<b>73 847</b>	<b>65 369</b>
Planning and development		50 332	53 604	-	-	-	-	(2 796)	(2 796)	50 808	42 747	44 519
Road transport		80 120	82 665	-	-	-	-	(550)	(550)	82 115	31 100	20 850
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>261 225</b>	<b>298 399</b>	-	-	-	-	<b>(25 034)</b>	<b>(25 034)</b>	<b>273 365</b>	<b>286 579</b>	<b>304 395</b>
Energy sources		35 090	49 717	-	-	-	-	-	-	49 717	30 900	38 950
Water management		80 000	82 142	-	-	-	-	(16 859)	(16 859)	65 283	113 500	132 750
Waste water management		114 400	129 728	-	-	-	-	(10 575)	(10 575)	119 153	113 234	98 350
Waste management		31 735	36 812	-	-	-	-	2 400	2 400	39 212	28 945	34 345
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	<b>558 277</b>	<b>613 275</b>	-	-	-	-	<b>(777)</b>	<b>(777)</b>	<b>612 498</b>	<b>414 613</b>	<b>426 338</b>
<b>Funded by:</b>												
National Government		62 526	62 526	-	-	-	-	-	-	62 526	45 636	49 309
Provincial Government		78 562	78 562	-	-	-	-	3 298	3 298	81 860	28 312	29 890
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	<b>141 088</b>	<b>141 088</b>	-	-	-	-	<b>3 298</b>	<b>3 298</b>	<b>144 386</b>	<b>73 948</b>	<b>79 199</b>
<b>Borrowing</b>		<b>160 000</b>	<b>178 611</b>	-	-	-	-	<b>(21 514)</b>	<b>(21 514)</b>	<b>157 096</b>	<b>120 000</b>	<b>100 000</b>
<b>Internally generated funds</b>		<b>257 189</b>	<b>293 577</b>	-	-	-	-	<b>17 440</b>	<b>17 440</b>	<b>311 016</b>	<b>220 665</b>	<b>247 139</b>
<b>Total Capital Funding</b>		<b>558 277</b>	<b>613 275</b>	-	-	-	-	<b>(777)</b>	<b>(777)</b>	<b>612 498</b>	<b>414 613</b>	<b>426 338</b>

## WC024 Stellenbosch - Table B6 Adjustments Budget Financial Position - 22 January 2020

Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original	Prior Adjusted	Accum. Funds	Multi-year	Unfore.	Nat. or Prov.	Other Adjusts.	Total Adjusts.	Adjusted	Adjusted	Adjusted
		Budget	3	4	capital	Unavoid.	Govt	8	9	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H	+1 2020/21	+2 2021/22	
<b>ASSETS</b>												
<b>Current assets</b>												
Cash		46 864	46 864						-	46 864	59 162	35 125
Call investment deposits	1	323 254	390 111	-	-	-	-	-	-	390 111	301 256	300 562
Consumer debtors	1	148 796	148 796	-	-	-	-	-	-	148 796	120 887	87 735
Other debtors		204 059	204 059						-	204 059	233 631	267 181
Current portion of long-term receivables		2 511	2 511						-	2 511	2 682	2 857
Inventory		54 836	54 836						-	54 836	57 797	60 918
<b>Total current assets</b>		<b>780 320</b>	<b>847 178</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>847 178</b>	<b>775 413</b>	<b>754 377</b>
<b>Non current assets</b>												
Long-term receivables		3 876	3 876						-	3 876	4 140	4 411
Investments		-	-						-	-	-	-
Investment property		416 637	417 348						-	417 348	436 197	459 509
Investment in Associate		-	-						-	-	-	-
Property, plant and equipment	1	5 468 573	5 522 697	-	-	-	-	(777)	(777)	5 521 921	5 660 732	5 852 460
Biological		9 938	9 938						-	9 938	9 938	10 188
Intangible		5 414	5 577						-	5 577	3 236	1 009
Other non-current assets		2 618	2 618						-	2 618	2 827	3 054
<b>Total non current assets</b>		<b>5 907 057</b>	<b>5 962 055</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(777)</b>	<b>(777)</b>	<b>5 961 279</b>	<b>6 117 070</b>	<b>6 330 631</b>
<b>TOTAL ASSETS</b>		<b>6 687 377</b>	<b>6 809 233</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(777)</b>	<b>(777)</b>	<b>6 808 456</b>	<b>6 892 483</b>	<b>7 085 008</b>
<b>LIABILITIES</b>												
<b>Current liabilities</b>												
Bank overdraft		-	-						-	-	-	-
Borrowing		26 311	26 311	-	-	-	-	-	-	26 311	31 078	34 163
Consumer deposits		14 274	14 274						-	14 274	14 274	14 274
Trade and other payables		254 131	254 131	-	-	-	-	-	-	254 131	267 855	282 319
Provisions		57 584	57 584						-	57 584	60 693	63 971
<b>Total current liabilities</b>		<b>352 300</b>	<b>352 300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>352 300</b>	<b>373 899</b>	<b>394 726</b>
<b>Non current liabilities</b>												
Borrowing	1	449 591	449 591	-	-	-	-	-	-	449 591	538 513	604 350
Provisions	1	294 223	294 223	-	-	-	-	-	-	294 223	310 111	326 857
<b>Total non current liabilities</b>		<b>743 814</b>	<b>743 814</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>743 814</b>	<b>848 624</b>	<b>931 207</b>
<b>TOTAL LIABILITIES</b>		<b>1 096 114</b>	<b>1 096 114</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 096 114</b>	<b>1 222 523</b>	<b>1 325 933</b>
<b>NET ASSETS</b>	2	<b>5 591 263</b>	<b>5 713 119</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(777)</b>	<b>(777)</b>	<b>5 712 343</b>	<b>5 669 960</b>	<b>5 759 074</b>
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		5 591 263	5 713 119	-	-	-	-	(777)	(777)	5 712 343	5 669 960	5 759 074
Reserves		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>		<b>5 591 263</b>	<b>5 713 119</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(777)</b>	<b>(777)</b>	<b>5 712 343</b>	<b>5 669 960</b>	<b>5 759 074</b>

WC024 Stellenbosch - Table B7 Adjustments Budget Cash Flows - 22 January 2020

Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original	Prior Adjusted	Accum. Funds	Multi-year	Unfore.	Nat. or Prov.	Other Adjusts.	Total Adjusts.	Adjusted	Adjusted	Adjusted
		Budget	3	4	capital	Unavoid.	Govt	8	9	Budget	Budget	Budget
	A	A1	B	C	D	E	F	G	H			
<b>R thousands</b>												
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Property rates		341 877	341 877						-	341 877	370 982	396 199
Service charges		996 403	996 403					14 550	14 550	1 010 953	1 083 091	1 167 089
Other revenue		93 620	93 620					5 676	5 676	99 297	98 793	104 260
Government - operating	1	172 339	174 293					6 783	6 783	181 075	179 316	183 641
Government - capital	1	141 088	141 088					3 780	3 780	144 868	73 948	79 199
Interest		54 991	54 991						-	54 991	48 343	48 794
Dividends		-	-						-	-	-	-
<b>Payments</b>												
Suppliers and employees		(1 394 478)	(1 396 431)					(41 812)	(41 812)	(1 438 243)	(1 477 953)	(1 568 600)
Finance charges		(39 877)	(39 877)					10 000	10 000	(29 877)	(54 668)	(66 655)
Transfers and Grants	1	(10 049)	(10 049)						-	(10 049)	(10 628)	(11 242)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>355 914</b>	<b>355 914</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 022)</b>	<b>(1 022)</b>	<b>354 892</b>	<b>311 224</b>	<b>332 685</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<b>Receipts</b>												
Proceeds on disposal of PPE		-	-						-	-	-	-
Decrease (Increase) in non-current debtors		-	-						-	-	-	-
Decrease (increase) other non-current receivables		-	-						-	-	-	-
Decrease (increase) in non-current investments		-	-						-	-	-	-
<b>Payments</b>												
Capital assets		(558 277)	(613 275)					777	777	(612 498)	(414 613)	(426 338)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(558 277)</b>	<b>(613 275)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>777</b>	<b>777</b>	<b>(612 498)</b>	<b>(414 613)</b>	<b>(426 338)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<b>Receipts</b>												
Short term loans		-	-						-	-	-	-
Borrowing long term/refinancing		160 000	160 000					(40 000)	(40 000)	120 000	120 000	100 000
Increase (decrease) in consumer deposits		-	-						-	-	-	-
<b>Payments</b>												
Repayment of borrowing		(20 883)	(20 883)						-	(20 883)	(26 311)	(31 078)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>139 117</b>	<b>139 117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(40 000)</b>	<b>(40 000)</b>	<b>99 117</b>	<b>93 689</b>	<b>68 922</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(63 245)</b>	<b>(118 244)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(40 246)</b>	<b>(40 246)</b>	<b>(158 490)</b>	<b>(9 700)</b>	<b>(24 730)</b>
Cash/cash equivalents at the year begin:	2	433 363	566 719					-	-	566 719	408 229	398 529
Cash/cash equivalents at the year end:	2	370 118	448 475					(40 246)	(40 246)	408 229	398 529	373 798

WC024 Stellenbosch - Table B8 Cash backed reserves/accumulated surplus reconciliation - 22 January 2020

Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original	Prior Adjusted	Accum. Funds	Multi-year	Unfore.	Nat. or Prov.	Other Adjusts.	Total Adjusts.	Adjusted	Adjusted	Adjusted
		Budget	3	4	capital	Unavoid.	Govt	8	9	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	370 118	448 475	-	-	-	-	(40 246)	(40 246)	408 229	398 529	373 798
Other current investments > 90 days		-	(11 500)	-	-	-	-	40 246	40 246	28 746	(38 111)	(38 111)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>370 118</b>	<b>436 975</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>436 975</b>	<b>360 418</b>	<b>335 687</b>
<b>Applications of cash and investments</b>												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	18 611	-	-	-	-	(21 514)	(21 514)	(2 904)	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	(72 860)	(72 860)	-	-	-	-	(12 069)	(12 069)	(84 929)	(63 039)	(49 542)
Other provisions		38 574	38 574	-	-	-	-	-	-	38 574	9 164	9 707
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		306 045	-	-	-	-	-	-	-	306 045	332 518	285 382
<b>Total Application of cash and investments:</b>		<b>271 759</b>	<b>(15 675)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33 583)</b>	<b>(33 583)</b>	<b>256 787</b>	<b>278 644</b>	<b>245 546</b>
<b>Surplus(shortfall)</b>		<b>98 359</b>	<b>452 650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33 583</b>	<b>33 583</b>	<b>180 189</b>	<b>81 774</b>	<b>90 141</b>





Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
	7	8	9	10	11	12	13	14	+1 2020/21	+2 2021/22		
<b>Total Upgrading of Existing Assets to be adjusted</b>	<b>2a</b>	<b>184 100</b>	<b>205 462</b>	-	-	-	-	<b>(24 551)</b>	<b>(24 551)</b>	<b>180 911</b>	<b>159 034</b>	<b>195 100</b>
Roads Infrastructure		33 700	34 200	-	-	-	-	(6 500)	(6 500)	27 700	4 500	1 400
Storm water Infrastructure		1 000	1 000	-	-	-	-	(150)	(150)	850	2 000	-
Electrical Infrastructure		14 250	18 806	-	-	-	-	-	-	18 806	13 300	11 450
Water Supply Infrastructure		32 000	33 734	-	-	-	-	(14 125)	(14 125)	19 609	30 000	70 750
Sanitation Infrastructure		54 100	62 019	-	-	-	-	4 595	4 595	66 615	76 184	79 000
Solid Waste Infrastructure		1 500	1 500	-	-	-	-	(500)	(500)	1 000	2 000	1 000
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		1 000	1 000	-	-	-	-	-	-	1 000	1 000	500
Infrastructure		137 550	152 259	-	-	-	-	(16 679)	(16 679)	135 579	128 984	164 100
Community Facilities		11 850	15 772	-	-	-	-	(2 712)	(2 712)	13 061	9 300	5 850
Sport and Recreation Facilities		6 500	7 507	-	-	-	-	-	-	7 507	5 550	6 050
Community Assets		18 350	23 279	-	-	-	-	(2 712)	(2 712)	20 568	14 850	11 900
Heritage Assets		500	500	-	-	-	-	-	-	500	500	200
Revenue Generating		5 200	5 277	-	-	-	-	(1 000)	(1 000)	4 277	4 000	11 000
Non-revenue Generating		5 700	5 957	-	-	-	-	(2 000)	(2 000)	3 957	5 250	2 000
Investment properties		10 900	11 235	-	-	-	-	(3 000)	(3 000)	8 235	9 250	13 000
Operational Buildings		5 700	6 771	-	-	-	-	-	-	6 771	250	250
Housing		5 500	5 500	-	-	-	-	(6 060)	(6 060)	(560)	-	-
Other Assets	6	11 200	12 271	-	-	-	-	(6 060)	(6 060)	6 211	250	250
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	250
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		200	200	-	-	-	-	-	-	200	300	150
Intangible Assets		200	200	-	-	-	-	-	-	200	300	150
Computer Equipment		5 100	5 419	-	-	-	-	3 900	3 900	9 319	4 600	4 600
Furniture and Office Equipment		200	200	-	-	-	-	-	-	200	200	500
Machinery and Equipment		100	100	-	-	-	-	-	-	100	100	150
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure to be adjusted</b>	<b>4</b>	<b>558 277</b>	<b>613 275</b>	-	-	-	-	<b>(777)</b>	<b>(777)</b>	<b>612 499</b>	<b>414 612</b>	<b>438 063</b>
Roads Infrastructure		86 150	89 150	-	-	-	-	(665)	(665)	88 485	40 250	33 600
Storm water Infrastructure		1 000	1 838	-	-	-	-	(150)	(150)	1 688	2 000	-
Electrical Infrastructure		30 746	43 226	-	-	-	-	-	-	43 226	28 320	35 700
Water Supply Infrastructure		80 202	82 344	-	-	-	-	(19 275)	(19 275)	63 069	110 617	138 431
Sanitation Infrastructure		128 300	143 628	-	-	-	-	1 113	1 113	144 741	130 634	111 700
Solid Waste Infrastructure		33 300	34 843	-	-	-	-	2 400	2 400	37 243	25 500	30 600
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		1 010	1 010	-	-	-	-	-	-	1 010	1 020	1 120
Infrastructure		360 707	396 039	-	-	-	-	(16 576)	(16 576)	379 463	338 340	351 151
Community Facilities		24 325	33 609	-	-	-	-	(4 764)	(4 764)	28 845	16 785	14 650
Sport and Recreation Facilities		12 500	13 933	-	-	-	-	-	-	13 933	10 550	7 050
Community Assets		36 825	47 542	-	-	-	-	(4 764)	(4 764)	42 778	27 335	21 700
Heritage Assets		2 500	2 601	-	-	-	-	-	-	2 601	1 500	200
Revenue Generating		7 300	7 377	-	-	-	-	(1 500)	(1 500)	5 877	14 480	21 500
Non-revenue Generating		6 000	6 634	-	-	-	-	(2 000)	(2 000)	4 634	5 550	2 300
Investment properties		13 300	14 011	-	-	-	-	(3 500)	(3 500)	10 511	20 030	23 800
Operational Buildings		11 300	12 970	-	-	-	-	(11 000)	(11 000)	1 970	4 850	5 250
Housing		9 260	9 808	-	-	-	-	(8 060)	(8 060)	1 748	280	11 790
Other Assets		20 560	22 778	-	-	-	-	(19 060)	(19 060)	3 718	5 130	17 040
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	250
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		200	363	-	-	-	-	-	-	363	300	350
Intangible Assets		200	363	-	-	-	-	-	-	363	300	350
Computer Equipment		5 150	5 469	-	-	-	-	3 900	3 900	9 369	4 650	4 650
Furniture and Office Equipment		2 575	2 575	-	-	-	-	349	349	2 924	2 312	2 252
Machinery and Equipment		21 580	21 580	-	-	-	-	3 266	3 266	24 846	4 455	4 700
Transport Assets		17 230	22 667	-	-	-	-	250	250	22 917	10 400	11 800
Land		77 650	77 650	-	-	-	-	35 360	35 360	113 010	160	170
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	<b>4</b>	<b>558 277</b>	<b>613 275</b>	-	-	-	-	<b>(777)</b>	<b>(777)</b>	<b>612 499</b>	<b>414 612</b>	<b>438 063</b>

Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		7	8	9	10	11	12	13	14	+1 2020/21	+2 2021/22	
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	5 900 562	5 955 561	-	-	-	(777)	(777)	5 954 784	6 110 103	6 323 166	
<i>Roads Infrastructure</i>		1 067 539	1 070 539				(665)	(665)	1 069 874	1 041 422	1 006 000	
<i>Storm water Infrastructure</i>		59 437	60 275				(150)	(150)	60 125	59 753	58 002	
<i>Electrical Infrastructure</i>		657 090	669 570				-	-	669 570	655 738	660 579	
<i>Water Supply Infrastructure</i>		1 295 871	1 298 013				(19 275)	(19 275)	1 278 739	1 361 185	1 440 775	
<i>Sanitation Infrastructure</i>		1 005 459	1 020 787				1 113	1 113	1 021 901	1 120 317	1 215 610	
<i>Solid Waste Infrastructure</i>		71 141	72 685				2 400	2 400	75 085	93 968	121 787	
<i>Rail Infrastructure</i>		-	-				-	-	-	-	-	
<i>Coastal Infrastructure</i>		-	-				-	-	-	-	-	
<i>Information and Communication Infrastructure</i>		115 773	115 773				-	-	115 773	116 793	117 913	
Infrastructure		4 272 310	4 307 642	-	-	-	(16 576)	(16 576)	4 291 066	4 449 175	4 620 667	
Community Assets		154 148	164 865				(4 764)	(4 764)	160 100	170 677	181 140	
Heritage Assets		4 924	5 025				-	-	5 025	6 424	6 624	
Investment properties		416 637	417 348				(3 500)	(3 500)	413 848	436 197	459 509	
Other Assets		762 778	764 997				(19 060)	(19 060)	745 936	761 256	771 378	
Biological or Cultivated Assets		9 938	9 938				-	-	9 938	9 938	10 188	
Intangible Assets		5 414	5 577				-	-	5 577	3 236	1 009	
Computer Equipment		9 744	10 063				3 900	3 900	13 963	8 581	7 186	
Furniture and Office Equipment		24 406	24 406				349	349	24 755	23 580	22 569	
Machinery and Equipment		69 573	69 573				3 266	3 266	72 839	68 991	68 452	
Transport Assets		76 289	81 726				250	250	81 976	77 486	79 715	
Land		94 351	94 351				35 360	35 360	129 711	94 511	94 681	
Zoo's, Marine and Non-biological Animals		50	50				-	-	50	50	50	
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	<b>5 900 562</b>	<b>5 955 561</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(777)</b>	<b>(777)</b>	<b>5 954 784</b>	<b>6 110 103</b>	<b>6 323 166</b>	
<b>EXPENDITURE OTHER ITEMS</b>												
<u>Depreciation &amp; asset impairment</u>		197 184	197 184	-	-	-	-	-	197 184	205 072	213 274	
<u>Repairs and Maintenance by asset class</u>	3	<b>91 240</b>	<b>91 240</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91 240</b>	<b>97 216</b>	<b>102 533</b>	
<i>Roads Infrastructure</i>		14 386	14 386	-	-	-	-	-	14 386	15 249	16 164	
<i>Storm water Infrastructure</i>		802	802	-	-	-	-	-	802	850	901	
<i>Electrical Infrastructure</i>		2 328	2 328	-	-	-	-	-	2 328	2 468	2 616	
<i>Water Supply Infrastructure</i>		8 292	8 292	-	-	-	-	-	8 292	8 789	9 317	
<i>Sanitation Infrastructure</i>		6 100	6 100	-	-	-	-	-	6 100	6 466	6 854	
<i>Solid Waste Infrastructure</i>		4 403	4 403	-	-	-	-	-	4 403	4 668	4 948	
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	
Infrastructure		36 312	36 312	-	-	-	-	-	36 312	38 490	40 800	
Community Facilities		25 857	25 857	-	-	-	-	-	25 857	27 847	28 988	
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	
Community Assets		25 857	25 857	-	-	-	-	-	25 857	27 847	28 988	
Heritage Assets		-	-	-	-	-	-	-	-	-	-	
Revenue Generating		-	-	-	-	-	-	-	-	-	-	
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	
Investment properties		-	-	-	-	-	-	-	-	-	-	
Operational Buildings		587	587	-	-	-	-	-	587	622	659	
Housing		-	-	-	-	-	-	-	-	-	-	
Other Assets		587	587	-	-	-	-	-	587	622	659	
Biological or Cultivated Assets		42	42	-	-	-	-	-	42	45	48	
Servitudes		-	-	-	-	-	-	-	-	-	-	
Licences and Rights		503	503	-	-	-	-	-	503	533	565	
Intangible Assets		503	503	-	-	-	-	-	503	533	565	
Computer Equipment		-	-	-	-	-	-	-	-	-	-	
Furniture and Office Equipment		17 268	17 268	-	-	-	-	-	17 268	18 346	19 487	
Machinery and Equipment		-	-	-	-	-	-	-	-	11 333	11 987	
Transport Assets		10 671	10 671	-	-	-	-	-	10 671	-	-	
Land		-	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>		<b>288 424</b>	<b>288 424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>288 424</b>	<b>302 287</b>	<b>315 808</b>	
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		39.1%	39.2%						34.5%	46.4%	55.7%	
<i>Renewal and upgrading of Existing Assets as % of deprecn"</i>		110.8%	122.0%						107.0%	93.9%	114.4%	
<i>R&amp;M as a % of PPE</i>		1.5%	1.5%						1.5%	1.6%	1.6%	
<i>Renewal and upgrading and R&amp;M as a % of PPE</i>		5.2%	5.6%						5.1%	4.7%	5.5%	

WC024 Stellenbosch - Table B10 Basic service delivery measurement - 22 January 2020

Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original	Prior Adjusted	Accum. Funds	Multi-year	Unfore.	Nat. or Prov.	Other Adjus.	Total Adjus.	Adjusted	Adjusted	Adjusted
		Budget			capital	Unavoid.	Govt			Budget	Budget	Budget
	A	A1	B	C	D	E	F	G	H	+1 2020/21	+2 2021/22	
<b>Household service targets</b>	1											
<b>Water:</b>												
Piped water inside dwelling		40626.28988	40626.28988						41	40676.28988	40676.28988	
Piped water inside yard (but not in dwelling)		4461.48675	4461.48675						4	4561.48675	4561.48675	
Using public tap (at least min.service level)	2	4777.87	4777.87						5	4877.87	4877.87	
Other water supply (at least min.service level)		684.103375	684.103375						1	1	1	
<i>Minimum Service Level and Above sub-total</i>		51	51						51	51	51	
Using public tap (< min.service level)	3	1170	1170						1	1070	1070	
Other water supply (< min.service level)	3,4	0	0							0	0	
No water supply		207	207						0	157	157	
<i>Below Minimum Servic Level sub-total</i>		1	1						1	1	1	
<b>Total number of households</b>	5	52	52						52	52	52	
<b>Sanitation/sewerage:</b>												
Flush toilet (connected to sewerage)		46256.0975	46256.0975						46 256	46306.0975	46306.0975	
Flush toilet (with septic tank)		2164.9825	2164.9825						2 165	2264.9825	2264.9825	
Chemical toilet		407.484	407.484						407	420	420	
Pit toilet (ventilated)		50	50						50	0	0	
Other toilet provisions (> min.service level)		1898.186	1898.186						1 898	2235.67	2235.67	
<i>Minimum Service Level and Above sub-total</i>		50 777	50 777						50 777	51 227	51 227	
Bucket toilet		800	800						800	700	700	
Other toilet provisions (< min.service level)		50	50						50	0	0	
No toilet provisions		300	300						300	250	250	
<i>Below Minimum Servic Level sub-total</i>		1 150	1 150						1 150	950	950	
<b>Total number of households</b>	5	51 927	51 927						51 927	52 177	52 177	
<b>Energy:</b>												
Electricity (at least min. service level)		14820.95	14820.95						14 821	15070.95	15070.95	
Electricity - prepaid (> min.service level)		35003	35003						35 003	35253	35253	
<i>Minimum Service Level and Above sub-total</i>		49 824	49 824						49 824	50 324	50 324	
Electricity (< min.service level)		150	150						150	150	150	
Electricity - prepaid (< min. service level)		0	0							0	0	
Other energy sources		1952.8	1952.8						1 953	1702.8	1702.8	
<i>Below Minimum Servic Level sub-total</i>		2 103	2 103						2 103	1 853	1 853	
<b>Total number of households</b>	5	51 927	51 927						51 927	52 177	52 177	
<b>Refuse:</b>												
Removed at least once a week (min.service)		47649.05	47649.05						47 649	48149.05	48149.05	
<i>Minimum Service Level and Above sub-total</i>		47 649	47 649						47 649	48 149	48 149	
Removed less frequently than once a week		0	0							977.7	977.7	
Using communal refuse dump		1027.7	1027.7						1 028	2000	2000	
Using own refuse dump		2100	2100						2 100	700	700	
Other rubbish disposal		750	750						750	350	350	
No rubbish disposal		400	400						400			
<i>Below Minimum Servic Level sub-total</i>		4 278	4 278						4 278	4 028	4 028	
<b>Total number of households</b>	5	51 927	51 927						51 927	52 177	52 177	
<b>Households receiving Free Basic Service</b>	15											
Water (6 kilolitres per household per month)		-	-						-	-	-	
Sanitation (free minimum level service)		-	-						-	-	-	
Electricity/other energy (50kwh per household per month)		-	-						-	-	-	
Refuse (removed at least once a week)		-	-						-	-	-	
<b>Cost of Free Basic Services provided (R'000)</b>	16											
Water (6 kilolitres per indigent household per month)		11 755	11 755						11 755	12 519	13 333	
Sanitation (free sanitation service to indigent households)		11 839	11 839						11 839	12 549	13 302	
Refuse (removed once a week for indigent households)		14 210	14 210						14 210	16 555	10 268	
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>												
<b>Total cost of FBS provided</b>		49 768	49 768						49 768	54 545	50 858	
<b>Highest level of free service provided</b>												
Property rates (R'000 value threshold)		200000	200000						200 000	200000	200000	
Water (kilolitres per household per month)		6	6						6	6	6	
Sanitation (kilolitres per household per month)		0	0							0	0	
Sanitation (Rand per household per month)		122.3525	122.3525						122	121.2625	121.2625	
Electricity (kw per household per month)		100	100						100	100	100	
Refuse (average litres per week)		250	250						250	250	250	
<b>Revenue cost of free services provided (R'000)</b>	17											
Property rates (tariff adjustment) ( impermissible values per section 17 of MPRA)		-	-						-	-	-	
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		44 377	44 377						44 377	47 262	50 334	
Water (in excess of 6 kilolitres per indigent household per month)		5 961	5 961						5 961	6 349	6 761	
Sanitation (in excess of free sanitation service to indigent households)		8 843	8 843						8 843	9 374	9 936	
Electricity/other energy (in excess of 50 kwh per indigent household per month)		1 363	1 363						1 363	1 472	1 590	
households)		1 363	1 363						1 363	1 472	1 590	
Municipal Housing - rental rebates		-	-						-	-	-	
Housing - top structure subsidies	6	22 660	22 660						22 660	19 660	19 660	
Other		-	-						-	-	-	
<b>Total revenue cost of subsidised services provided</b>		84 568	84 568						84 568	85 589	89 872	

## WC024 Stellenbosch - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 22 January 2020

Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
<b>R thousands</b>		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
<b>REVENUE ITEMS</b>												
<b>Property rates</b>												
Total Property Rates		400 499	400 499						-	400 499	429 718	458 786
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		44 377	44 377						-	44 377	47 262	50 334
<b>Net Property Rates</b>		<b>356 122</b>	<b>356 122</b>	-	-	-	-	-	-	<b>356 122</b>	<b>382 456</b>	<b>408 452</b>
<b>Service charges - electricity revenue</b>												
Total Service charges - electricity revenue		652 214	652 214					55 000	55 000	707 214	707 311	764 576
less Revenue Foregone (in excess of 50 kwh per indigent household per month)		1 363	1 363						-	1 363	1 472	1 590
less Cost of Free Basis Services (50 kwh per indigent household per month)		11 964	11 964	-	-	-	-	-	-	11 964	12 921	13 955
<b>Net Service charges - electricity revenue</b>		<b>638 886</b>	<b>638 886</b>	-	-	-	-	<b>55 000</b>	<b>55 000</b>	<b>693 886</b>	<b>692 917</b>	<b>749 031</b>
<b>Service charges - water revenue</b>												
Total Service charges - water revenue		219 691	219 691					(40 000)	(40 000)	179 691	235 971	251 179
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		5 961	5 961						-	5 961	6 349	6 761
less Cost of Free Basis Services (6 kilolitres per indigent household per month)		11 755	11 755	-	-	-	-	-	-	11 755	12 519	13 333
<b>Net Service charges - water revenue</b>		<b>201 975</b>	<b>201 975</b>	-	-	-	-	<b>(40 000)</b>	<b>(40 000)</b>	<b>161 975</b>	<b>217 103</b>	<b>231 085</b>
<b>Service charges - sanitation revenue</b>												
Total Service charges - sanitation revenue		134 186	134 186						-	134 186	144 202	153 824
less Revenue Foregone (in excess of free sanitation service to indigent households)		8 843	8 843						-	8 843	9 374	9 936
less Cost of Free Basis Services (free sanitation service to indigent households)		11 839	11 839	-	-	-	-	-	-	11 839	12 549	13 302
<b>Net Service charges - sanitation revenue</b>		<b>113 503</b>	<b>113 503</b>	-	-	-	-	-	-	<b>113 503</b>	<b>122 278</b>	<b>130 586</b>
<b>Service charges - refuse revenue</b>												
Total refuse removal revenue		84 798	84 798						-	84 798	95 174	96 620
Total landfill revenue		-	-						-	-	-	-
less Revenue Foregone (in excess of one removal a week to indigent households)		1 363	1 363						-	1 363	1 472	1 590
less Cost of Free Basis Services (removed once a week to indigent households)		14 210	14 210	-	-	-	-	-	-	14 210	16 555	10 268
<b>Net Service charges - refuse revenue</b>		<b>69 225</b>	<b>69 225</b>	-	-	-	-	-	-	<b>69 225</b>	<b>77 147</b>	<b>84 762</b>
<b>Other Revenue By Source</b>												
Encroachment Fees		6 811	6 811					-397 1629	(3 972)	2 839	7 219	7 653
Merchandising, Jobbing and Contracts		7 400	7 400						-	7 400	7 844	8 315
Building Plan Approval		6 763	6 763						-	6 763	7 169	7 599
Parking Fees		4 051	4 051					964 8078	9 648	13 699	4 294	4 552
Collection Charges		1 879	1 879						-	1 879	1 992	2 111
Cemetery and Burial		1 010	1 010						-	1 010	1 070	1 135
Other Revenue		6 901	6 901						-	6 901	7 195	7 507
		-	-						-	-	-	-
		-	-						-	-	-	-
		-	-						-	-	-	-
		-	-						-	-	-	-
		-	-						-	-	-	-
<b>Total 'Other' Revenue</b>	1	<b>34 815</b>	<b>34 815</b>	-	-	-	-	<b>5 676</b>	<b>5 676</b>	<b>40 491</b>	<b>36 784</b>	<b>38 871</b>
<b>EXPENDITURE ITEMS</b>												
<b>Employee related costs</b>												
Basic Salaries and Wages		359 273	359 273					(45 920)	(45 920)	313 353	369 389	390 950
Pension and UIF Contributions		60 291	60 291						-	60 291	63 908	67 638
Medical Aid Contributions		26 406	26 406						-	26 406	27 990	29 624
Overtime		51 545	51 545						-	51 545	54 638	57 827
Performance Bonus		-	-						-	-	-	-
Motor Vehicle Allowance		14 081	14 081						-	14 081	14 925	15 797
Cellphone Allowance		1 003	1 003						-	1 003	1 063	1 125
Housing Allowances		2 875	2 875						-	2 875	3 047	3 225
Other benefits and allowances		39 474	39 474						-	39 474	41 843	44 285
Payments in lieu of leave		2 007	2 007						-	2 007	2 127	2 251
Long service awards		66	66						-	66	70	75
Post-retirement benefit obligations		46 247	46 247						-	46 247	49 562	52 455
<b>sub-total</b>	4	<b>603 268</b>	<b>603 268</b>	-	-	-	-	<b>(45 920)</b>	<b>(45 920)</b>	<b>557 348</b>	<b>628 564</b>	<b>665 252</b>
Less: Employees costs capitalised to PPE		-	-						-	-	-	-
<b>Total Employee related costs</b>	1	<b>603 268</b>	<b>603 268</b>	-	-	-	-	<b>(45 920)</b>	<b>(45 920)</b>	<b>557 348</b>	<b>628 564</b>	<b>665 252</b>
<b>Contributions recognised - capital</b>												
List contributions by contract		-	-						-	-	-	-

Description	Ref	Budget Year 2019/20									Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
			6	7	8	9	10	11	12	13			
		-								-	-	-	-
		-								-	-	-	-
		-								-	-	-	-
		-								-	-	-	-
<b>Total Contributions recognised - capital</b>		-	-	-	-	-	-	-	-	-	-	-	-
<b>Depreciation &amp; asset impairment</b>													
Depreciation of Property, Plant & Equipment		194 802	194 802							-	194 802	202 594	210 698
Lease amortisation		2 383	2 383							-	2 383	2 478	2 577
Capital asset impairment		9 772	9 772							-	9 772	10 359	10 981
Depreciation resulting from revaluation of PPE		-	-							-	-	-	-
<b>Total Depreciation &amp; asset impairment</b>	1	<b>206 956</b>	<b>206 956</b>	-	-	-	-	-	-	-	<b>206 956</b>	<b>215 430</b>	<b>224 255</b>
<b>Bulk purchases</b>													
Electricity Bulk Purchases		375 842	375 842					49 000	49 000	424 842	405 909	438 382	
Water Bulk Purchases		30 616	30 616					(1 500)	(1 500)	29 116	35 678	41 245	
<b>Total bulk purchases</b>	1	<b>406 458</b>	<b>406 458</b>	-	-	-	-	<b>47 500</b>	<b>47 500</b>	<b>453 958</b>	<b>441 586</b>	<b>479 627</b>	
<b>Transfers and grants</b>													
Cash transfers and grants		10 049	10 049							-	10 049	10 628	11 242
Non-cash transfers and grants		-	-							-	-	-	-
<b>Total transfers and grants</b>		<b>10 049</b>	<b>10 049</b>	-	-	-	-	-	-	-	<b>10 049</b>	<b>10 628</b>	<b>11 242</b>
<b>Contracted services</b>													
Outsourced Services		77 468	77 468							-	77 468	82 661	88 385
Consultants and Professional Services		30 860	30 860							-	30 860	34 164	33 709
Contractors		123 641	123 641					33 717	33 717	157 358	132 704	141 785	
										-	-	-	-
<b>sub-total</b>	1	<b>231 969</b>	<b>231 969</b>	-	-	-	-	<b>33 717</b>	<b>33 717</b>	<b>265 686</b>	<b>249 529</b>	<b>263 878</b>	
<b>Allocations to organs of state:</b>													
Electricity		-	-							-	-	-	-
Water		-	-							-	-	-	-
Sanitation		-	-							-	-	-	-
Other		-	-							-	-	-	-
<b>Total contracted services??</b>		<b>231 969</b>	<b>231 969</b>	-	-	-	-	<b>33 717</b>	<b>33 717</b>	<b>265 686</b>	<b>249 529</b>	<b>263 878</b>	
<b>Other Expenditure By Type</b>													
Collection costs		2 940	2 940							-	2 940	3 087	3 241
Contributions to 'other' provisions		38 574	38 574							-	38 574	9 164	9 707
Consultant fees		-	-							-	-	-	-
Audit fees		6 275	6 275							-	6 275	6 540	6 816
General expenses		-	-							-	-	-	-
<b>Other Expenditure</b>													
Communication		-	-							-	-	-	-
Advertising, Publicity and Marketing		-	-							-	-	-	-
Travel and Subsistence		-	-							-	-	-	-
External Computer Service		12 771	12 771							-	12 771	13 188	14 512
Entertainment		446	446							-	446	487	529
Operating Leases		18 416	18 416					784	784	19 200	20 043	21 820	
Statutory Payments other than Tax		-	-							-	-	-	-
Discontinued Operations		-	-							-	-	-	-
Operational Cost		97 268	99 221					4 931	4 931	104 152	135 505	147 792	
Gains and Losses : Losses		-	-							-	-	-	-
<b>Total Other Expenditure</b>	1	<b>176 689</b>	<b>178 642</b>	-	-	-	-	<b>5 715</b>	<b>5 715</b>	<b>184 357</b>	<b>188 014</b>	<b>204 417</b>	
<b>by Expenditure Item</b>	14												
Employee related costs		-	-							-	-	-	-
Other materials		-	-							-	-	-	-
Contracted Services		-	-							-	-	-	-
Other Expenditure		91 240	91 240							-	91 240	97 216	102 533
<b>Total Repairs and Maintenance Expenditure</b>	15	<b>91 240</b>	<b>91 240</b>	-	-	-	-	-	-	-	<b>91 240</b>	<b>97 216</b>	<b>102 533</b>

## WC024 Stellenbosch - Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 22 January 2020

Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	4 A1	5 B	6 C	7 D	8 E	9 F	10 G	11 H		
<b>R thousands</b>												
<b>ASSETS</b>												
<b>Call investment deposits</b>												
Call deposits		-	-						-	-	-	-
Other current investments		323 254	390 111						-	390 111	301 256	300 562
<b>Total Call investment deposits</b>	1	<b>323 254</b>	<b>390 111</b>	-	-	-	-	-	-	<b>390 111</b>	<b>301 256</b>	<b>300 562</b>
<b>Consumer debtors</b>												
Consumer debtors		263 296	263 296						-	263 296	276 015	287 033
Less: provision for debt impairment		114 500	114 500	-	-	-	-	-	-	114 500	155 129	199 298
<b>Total Consumer debtors</b>	1	<b>148 796</b>	<b>148 796</b>	-	-	-	-	-	-	<b>148 796</b>	<b>120 887</b>	<b>87 735</b>
<b>Debt impairment provision</b>												
Balance at the beginning of the year		75 926	75 926						-	75 926	114 500	155 129
Contributions to the provision		-	-						-	-	-	-
Bad debts written off		38 574	38 574						-	38 574	40 629	44 170
<b>Balance at end of year</b>		<b>114 500</b>	<b>114 500</b>	-	-	-	-	-	-	<b>114 500</b>	<b>155 129</b>	<b>199 298</b>
<b>Property, plant &amp; equipment</b>												
PPE at cost/valuation (excl. finance leases)		7 201 635	7 255 759						(777)	7 254 983	7 595 917	7 997 855
Leases recognised as PPE	2	-	-						-	-	-	-
Less: Accumulated depreciation		1 733 062	1 733 062						-	1 733 062	1 935 186	2 145 395
<b>Total Property, plant &amp; equipment</b>	1	<b>5 468 573</b>	<b>5 522 697</b>	-	-	-	-	-	(777)	<b>5 521 921</b>	<b>5 660 732</b>	<b>5 852 460</b>
<b>LIABILITIES</b>												
<b>Current liabilities - Borrowing</b>												
Short term loans (other than bank overdraft)		-	-						-	-	-	-
Current portion of long-term liabilities		26 311	26 311						-	26 311	31 078	34 163
<b>Total Current liabilities - Borrowing</b>		<b>26 311</b>	<b>26 311</b>	-	-	-	-	-	-	<b>26 311</b>	<b>31 078</b>	<b>34 163</b>
<b>Trade and other payables</b>												
Trade Payables	12	254 131	254 131						-	254 131	267 855	282 319
Other creditors		-	-						-	-	-	-
Unspent conditional grants and receipts		-	-						-	-	-	-
VAT		-	-						-	-	-	-
<b>Total Trade and other payables</b>	1	<b>254 131</b>	<b>254 131</b>	-	-	-	-	-	-	<b>254 131</b>	<b>267 855</b>	<b>282 319</b>
<b>Non current liabilities - Borrowing</b>												
Borrowing	3	449 591	449 591						-	449 591	538 513	604 350
Finance leases (including PPP asset element)		-	-						-	-	-	-
<b>Total Non current liabilities - Borrowing</b>		<b>449 591</b>	<b>449 591</b>	-	-	-	-	-	-	<b>449 591</b>	<b>538 513</b>	<b>604 350</b>
<b>Provisions - non current</b>												
Retirement benefits		247 335	247 335						-	247 335	260 691	274 768
List other major items		-	-						-	-	-	-
Refuse landfill site rehabilitation		46 888	46 888						-	46 888	49 420	52 089
Other		-	-						-	-	-	-
<b>Total Provisions - non current</b>		<b>294 223</b>	<b>294 223</b>	-	-	-	-	-	-	<b>294 223</b>	<b>310 111</b>	<b>326 857</b>
<b>CHANGES IN NET ASSETS</b>												
<b>Accumulated surplus/(Deficit)</b>												
Accumulated surplus/(Deficit) - opening balance		5 537 458	5 537 458						-	5 537 458	5 639 156	5 726 332
Appropriations to Reserves		-	-						(204)	(204)	-	-
Transfers from Reserves		-	-						-	-	-	-
Depreciation offsets		-	-						-	-	-	-
Other adjustments		53 805	175 661						(572)	(572)	30 804	32 742
<b>Accumulated Surplus/(Deficit)</b>	1	<b>5 591 263</b>	<b>5 713 119</b>	-	-	-	-	-	(777)	<b>5 712 343</b>	<b>5 669 960</b>	<b>5 759 074</b>
<b>Reserves</b>												
Housing Development Fund		-	-						-	-	-	-
Capital replacement		-	-						-	-	-	-
Self-insurance		-	-						-	-	-	-
Other reserves (list)		-	-						-	-	-	-
Revaluation		-	-						-	-	-	-
<b>Total Reserves</b>	2	<b>-</b>	<b>-</b>	-	-	-	-	-	-	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>5 591 263</b>	<b>5 713 119</b>	-	-	-	-	-	(777)	<b>5 712 343</b>	<b>5 669 960</b>	<b>5 759 074</b>







## WC024 Stellenbosch - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks - 22 January 2020

Description of financial indicator	Basis of calculation	2016/17	2017/18	2018/19	Budget Year 2019/20			Budget Year +1 2020/21	Budget Year +2 2021/22
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b><u>Borrowing Management</u></b>									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	2.4%	2.4%	2.1%	3.4%	3.4%	2.8%	4.2%	4.8%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	2.4%	2.3%	2.4%	0.0%	0.0%	3.8%	4.7%	5.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants	0.0%	0.0%	35.0%	38.4%	37.8%	29.2%	35.8%	23.5%
<b><u>Safety of Capital</u></b>									
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Liquidity</u></b>									
Current Ratio	Current assets/current liabilities	239.9%	215.7%	252.4%	221.5%	240.5%	240.5%	207.4%	191.1%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities	239.9%	215.7%	252.4%	221.5%	240.5%	221.5%	207.4%	191.1%
Liquidity Ratio	Monetary Assets/Current Liabilities	139.5%	125.6%	130.0%	1.1	1.2	1.2	1.0	0.9
<b><u>Revenue Management</u></b>									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing	99.3%	95.7%	96.0%	96.0%	96.0%	96.0%	96.9%	97.5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		95.8%	92.5%	96.0%	96.9%	96.9%	96.9%	97.5%	97.5%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	28.8%	21.8%	21.4%	20.2%	20.2%	20.5%	19.0%	17.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Creditors Management</u></b>									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
Creditors to Cash and Investments		94.2%	1040.2%	55.7%	68.7%	56.7%	62.3%	67.2%	75.5%
<b><u>Other Indicators</u></b>									
Electricity Distribution Losses (2)	Total Volume Losses (kW)	23 530 743	30 935 978	38 324 322	21 177 669	21 177 669	37 941 078	37 561 668	37 186 051
	Total Cost of Losses (Rand '000)	-	-	-	-	-	-	-	-
	% Volume (units purchased and generated less units sold)/units purchased and generated	-	-	-	-	-	-	-	-
Water Distribution Losses (2)	Total Volume Losses (kℓ)	2 648	3 215	3 215	2 384	2 384	2 384	2 384	2 384
	Total Cost of Losses (Rand '000)	-	-	-	-	-	-	-	-
	% Volume (units purchased and generated less units sold)/units purchased and generated	-	-	-	-	-	-	-	-
Employee costs	Employee costs/(Total Revenue - capital revenue)	28.7%	29.0%	33.6%	33.9%	33.9%	31.8%	33.1%	32.8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	29.7%	30.1%	34.8%					
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.1%	2.8%	5.6%	5.1%	5.1%	5.2%	5.1%	5.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	11.8%	11.5%	13.4%	13.9%	13.9%	13.5%	14.2%	14.4%
<b><u>IDP regulation financial viability indicators</u></b>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	1910.1%	1969.7%	1933.9%	1983.6%	1983.6%	1941.2%	1759.8%	1884.6%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	36.9%	28.0%	27.3%	8.4%	8.4%	8.5%	6.4%	4.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	334.8%	26.2%	375.2%	3.1	3.7	3.4	3.1	2.7



## WC024 Stellenbosch - Supporting Table SB6 Adjustments Budget - funding measurement - 22 January 2020

Description	Ref	MFMA section	2016/17	2017/18	2018/19	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousands</b>										
<b>Funding measures</b>										
Cash/cash equivalents at the year end - R'000	1	18(1)b	299 431	23 062	433 363	370 118	448 475	408 229	398 529	373 798
Cash + investments at the yr end less applications - R'000	2	18(1)b	351 030	230 978	73 416	98 359	452 650	180 189	81 774	90 141
Cash year end/monthly employee/supplier payments	3	18(1)b	0	0	0	0	0	0	0	0
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)	217 967	263 579	19 290	111 488	111 488	55 915	47 893	56 372
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)	0.046133464	2.0%	-6.0%	0.0%	0.0%	0.0%	5.3%	1.5%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0.0%	0.0%	0.0%	91.7%	91.7%	95.0%	92.3%	92.4%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)	7.6%	4.1%	7.2%	5.1%	5.1%	5.3%	5.1%	5.0%
Capital payments % of capital expenditure	8	18(1)c;19	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c	0.0%	0.0%	35.0%	38.4%	37.8%	29.2%	35.8%	23.5%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	11	18(1)a	8.2%	-18.3%	0.0%	2.6%	2.6%	2.6%	0.5%	0.2%
Long term receivables % change - incr(decr)	12	18(1)a	60.6%	-38.6%	0.0%	7.7%	7.7%	7.7%	6.8%	6.5%
R&M % of Property Plant & Equipment	13	20(1)(vi)	1.3%	0.9%	1.8%	1.5%	1.5%	1.5%	1.6%	1.6%
Asset renewal % of capital budget	14	20(1)(vi)	39.8%	6.7%	0.0%	6.1%	5.7%	4.9%	8.1%	11.2%

## WC024 Stellenbosch - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 22 January 2020

Description	Ref	Budget Year 2019/20						Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	
		A	7 A1	8 B	9 C	10 D	11 E	12 F	+1 2020/21	+2 2021/22
<b>R thousands</b>										
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		144 704	144 704	-	-	(1 750)	(1 750)	142 954	153 354	168 626
Local Government Equitable Share		136 177	136 177					136 177	149 804	165 076
Municipal Systems Improvement	3	1 750	1 750			(1 750)	(1 750)		2 000	2 000
EPWP Integrated Grant for Municipalities		5 227	5 227					5 227		
Local Government Financial Management Grant		1 550	1 550					1 550	1 550	1 550
		-	-					-	-	-
		-	-					-	-	-
Other transfers and grants [insert description]		-	-					-	-	-
<b>Provincial Government:</b>		27 635	27 635	-	192	(9 738)	(9 546)	18 089	25 962	15 015
Library Services: Conditional Grant		12 454	12 454					12 454	13 577	14 324
Community Development Workers Operational Support Grant		-	-		112		112	112	-	-
Human Settlements Development Grant		12 438	12 438			(8 238)	(8 238)	4 200	9 208	-
LG Graduate Internship Grant		-	-		80		80	80	-	-
WC Financial Management Support Grant		255	255					255	-	-
Financial Management Capacity Building Grant		380	380					380	-	-
Maintenance and Construction of Transport Infrastructure		384	384					384	439	439
Environmental Affairs and Development Planning		-	-					-	-	-
Spatial Development framework		-	-					-	-	-
Municipal Accreditation and Capacity Building Grant	4	224	224					224	238	252
Title Deeds Restoration		-	-					-	-	-
Regional Socio-Economic Project/violence through urban upgra	5	1 500	1 500			(1 500)	(1 500)	-	2 500	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Hosting of cultural events		-	-					-	-	-
		-	-					-	-	-
<b>Other grant providers:</b>		-	-	-	-	2 035	2 035	2 035	-	-
Departmental Agencies and Accounts		-	-			35	35	35	-	-
Foreign Government and International Organisations		-	-					-	-	-
Households		-	-					-	-	-
Non-profit Institutions		-	-					-	-	-
Private Enterprises		-	-					-	-	-
Public Corporations		-	-			2 000	2 000	2 000	-	-
Higher Educational Institutions		-	-					-	-	-
Parent Municipality / Entity		-	-					-	-	-
<b>Total Operating Transfers and Grants</b>	6	172 339	172 339	-	192	(9 453)	(9 261)	163 078	179 316	183 641
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		62 526	62 526	-	-	-	-	62 526	45 636	49 309
Municipal Infrastructure Grant (MIG)		-	-					-	-	-
Regional Bulk Infrastructure		-	-					-	-	-
Integrated National Electrification Programme (Municipal) Grant		15 640	15 640					15 640	8 000	9 000
Energy Efficiency and Demand Side Management Grant		-	-					-	-	-
Local Government Financial Management Grant		-	-					-	-	-
Shared Economic infrastructure facility		-	-					-	-	-
Integrated Urban Development Grant		46 886	46 886					46 886	37 636	40 309
<b>Provincial Government:</b>		78 562	78 562	-	40 270	(42 762)	(2 492)	76 070	28 312	29 890
Human Settlements Development Grant		25 462	25 462		40 270	8 238	48 508	73 970	27 712	29 290
RSEP/ VPUU		-	-			1 500	1 500	1 500	-	-
Maintenance and Construction of Transport Infrastructure		-	-					-	-	-
Library Services: Conditional Grant		-	-					-	-	-
Integrated Transport Planning		600	600					600	600	600
Fire Services Capacity Building Grant		-	-					-	-	-
Public Transport Non Motorised Infrastructure		-	-					-	-	-
Development of Sport and Recreational Facilities		-	-					-	-	-
Human Settlements Development Grant (Roll over)		52 500	52 500			(52 500)	(52 500)	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Hosting of cultural events		-	-					-	-	-
		-	-					-	-	-
<b>Other grant providers:</b>		50 000	50 000	-	-	-	-	50 000	-	-
LOTTO		-	-					-	-	-
Public contribution		50 000	50 000					50 000	-	-
<b>Total Capital Transfers and Grants</b>	6	191 088	191 088	-	40 270	(42 762)	(2 492)	188 596	73 948	79 199
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		363 427	363 427	-	40 462	(52 215)	(11 753)	351 674	253 264	262 840

## WC024 Stellenbosch - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 22 January 2020

Description	Ref	Budget Year 2019/20							Budget Year	Budget Year
		Original	Prior Adjusted	Multi-year	Nat. or Prov.	Other Adjusts.	Total Adjusts.	Adjusted	Adjusted	Adjusted
		A	2 A1	3 B	4 C	5 D	6 E	7 F	+1 2020/21	+2 2021/22
<b>R thousands</b>										
<b>EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		144 704	144 704	-	-	(1 503)	(1 503)	143 201	153 354	168 626
Local Government Equitable Share		136 177	136 177				-	136 177	149 804	165 076
Municipal Systems Improvement		1 750	1 750			(1 750)	(1 750)	-	2 000	2 000
EPWP Integrated Grant for Municipalities		5 227	5 227					5 227	-	-
Local Government Financial Management Grant		1 550	1 550					1 550	1 550	1 550
		-	-			247	247	247	-	-
		-	-					-	-	-
<b>Other transfers and grants [insert description]</b>		-	-					-	-	-
<b>Provincial Government:</b>		27 635	27 635	-	4 329	(8 313)	(3 984)	23 652	25 962	15 015
Library Services: Conditional Grant		12 454	12 454					12 454	13 577	14 324
Community Development Workers Operational Support Grant		-	-		56	-	56	56	-	-
Human Settlements Development Grant		12 438	12 438			(6 813)	(6 813)	5 626	9 208	-
LG Graduate Internship Grant		-	-		140	-	140	140	-	-
WC Financial Management Support Grant		255	255					255	-	-
Financial Management Capacity Building Grant		380	380		360		360	740	-	-
Maintenance and Construction of Transport Infrastructure		384	384					384	439	439
Environmental Affairs and Development Planning		-	-					-	-	-
Spatial Development framework		-	-					-	-	-
Municipal Accreditation and Capacity Building Grant		224	224					224	238	252
Title Deeds Restoration		-	-		3 773	-	3 773	3 773	-	-
Regional Socio-Economic Project/violence through urban upgrading (RSEP)		1 500	1 500			(1 500)	(1 500)	-	2 500	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Hosting of cultural events		-	-					-	-	-
		-	-					-	-	-
<b>Other grant providers:</b>		-	-	-	-	2 035	2 035	2 035	-	-
Departmental Agencies and Accounts		-	-			35	35	35	-	-
Foreign Government and International Organisations		-	-					-	-	-
Households		-	-					-	-	-
Non-profit Institutions		-	-					-	-	-
Private Enterprises		-	-					-	-	-
Public Corporations		-	-			2 000	2 000	2 000	-	-
Higher Educational Institutions		-	-					-	-	-
Parent Municipality / Entity		-	-					-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		172 339	172 339	-	4 329	(7 781)	(3 452)	168 888	179 316	183 641
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		62 526	62 526	-	-	-	-	62 526	45 636	49 309
Municipal Infrastructure Grant (MIG)		-	-					-	-	-
Regional Bulk Infrastructure		-	-					-	-	-
Integrated National Electrification Programme (Municipal) Grant		15 640	15 640					15 640	8 000	9 000
Energy Efficiency and Demand Side Management Grant		-	-					-	-	-
Local Government Financial Management Grant		-	-					-	-	-
Shared Economic infrastructure facility		-	-					-	-	-
Integrated Urban Development Grant		46 886	46 886					46 886	37 636	40 309
<b>Provincial Government:</b>		78 562	78 562	-	48 713	(48 201)	512	79 073	28 312	29 890
Human Settlements Development Grant		25 462	25 462		45 710	2 799	48 509	73 970	27 712	29 290
RSEP/ VPUU		-	-			1 500	1 500	1 500	-	-
Maintenance and Construction of Transport Infrastructure		-	-					-	-	-
Library Services: Conditional Grant		-	-					-	-	-
Integrated Transport Planning		600	600					600	600	600
Fire Services Capacity Building Grant		-	-		3 003	-	3 003	3 003	-	-
Public Transport Non Motorised Infrastructure		-	-					-	-	-
Development of Sport and Recreational Facilities		-	-					-	-	-
Human Settlements Development Grant (Roll over)		52 500	52 500			(52 500)	(52 500)	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Hosting of cultural events		-	-					-	-	-
		-	-					-	-	-
<b>Other grant providers:</b>		50 000	50 000	-	-	-	-	50 000	17 500	17 500
LOTTO		-	-					-	-	-
Public contribution		50 000	50 000					50 000	17 500	17 500
<b>Total capital expenditure of Transfers and Grants</b>		191 088	191 088	-	48 713	(48 201)	512	191 599	91 448	96 699
<b>Total capital expenditure of Transfers and Grants</b>		363 427	363 427	-	53 042	(55 982)	(2 940)	360 487	270 764	280 340

## WC024 Stellenbosch - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 22 January 2020

Description	Ref	Budget Year 2019/20							Budget Year +1	Budget Year
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	2 A1	3 B	4 C	5 D	6 E	7 F	2020/21	+2 2021/22
<b>R thousands</b>										
<b>Operating transfers and grants:</b>										
<b>National Government:</b>										
Balance unspent at beginning of the year		-	-			1 953	1 953	1 953	-	-
Current year receipts		144 704	144 704			(1 750)	(1 750)	142 954	153 354	168 626
<b>Conditions met - transferred to revenue</b>		<b>144 704</b>	<b>144 704</b>	-	-	<b>(1 503)</b>	<b>(1 503)</b>	<b>143 201</b>	<b>148 236</b>	<b>168 626</b>
Conditions still to be met - transferred to liabilities		-	-			1 706	1 706	1 706	5 118	-
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		-	-			5 563	5 563	5 563	-	-
Current year receipts		27 635	27 635		192	(9 738)	(9 546)	18 089	25 962	15 015
<b>Conditions met - transferred to revenue</b>		<b>27 635</b>	<b>27 635</b>	-	<b>192</b>	<b>(4 176)</b>	<b>(3 984)</b>	<b>23 652</b>	<b>25 962</b>	<b>15 015</b>
Conditions still to be met - transferred to liabilities		-	-					-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	-					-	-	-
Current year receipts		-	-					-	-	-
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-					-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		-	1 953			(1 953)	(1 953)	-	-	-
Current year receipts		-	-			2 035	2 035	2 035	-	-
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>1 953</b>	-	-	<b>82</b>	<b>82</b>	<b>2 035</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities		-	-					-	-	-
<b>Total operating transfers and grants revenue</b>		<b>172 339</b>	<b>174 293</b>	-	<b>192</b>	<b>(5 597)</b>	<b>(5 405)</b>	<b>168 888</b>	<b>174 198</b>	<b>183 641</b>
<b>Total operating transfers and grants - CTBM</b>	2	-	-	-	-	<b>1 706</b>	<b>1 706</b>	<b>1 706</b>	<b>5 118</b>	-
<b>Capital transfers and grants:</b>										
<b>National Government:</b>										
Balance unspent at beginning of the year		-	-					-	-	-
Current year receipts		62 526	62 526					62 526	45 636	49 309
<b>Conditions met - transferred to revenue</b>		<b>62 526</b>	<b>62 526</b>	-	-	-	-	<b>62 526</b>	<b>45 636</b>	<b>49 309</b>
Conditions still to be met - transferred to liabilities		-	-					-	-	-
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		-	-			3 003	3 003	3 003	-	-
Current year receipts		78 562	78 562		40 270	(42 762)	(2 492)	76 070	28 312	29 890
<b>Conditions met - transferred to revenue</b>		<b>78 562</b>	<b>78 562</b>	-	<b>40 270</b>	<b>(39 759)</b>	<b>511</b>	<b>79 073</b>	<b>28 312</b>	<b>29 890</b>
Conditions still to be met - transferred to liabilities		-	-					-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	-					-	-	-
Current year receipts		-	-					-	-	-
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-					-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		-	-					-	-	-
Current year receipts		-	-			50 000	50 000	50 000	-	-
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	-	-	<b>50 000</b>	<b>50 000</b>	<b>50 000</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities		-	-					-	-	-
<b>Total capital transfers and grants revenue</b>		<b>141 088</b>	<b>141 088</b>	-	<b>40 270</b>	<b>10 241</b>	<b>50 511</b>	<b>191 599</b>	<b>73 948</b>	<b>79 199</b>
<b>Total capital transfers and grants - CTBM</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		<b>313 427</b>	<b>315 380</b>	-	<b>40 462</b>	<b>4 645</b>	<b>45 107</b>	<b>360 487</b>	<b>248 146</b>	<b>262 840</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		-	-	-	-	<b>1 706</b>	<b>1 706</b>	<b>1 706</b>	<b>5 118</b>	-

## WC024 Stellenbosch - Supporting Table SB10 Adjustments Budget - transfers and grants made by the municipality - 22 January 2020

Description	Ref	Budget Year 2019/20									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H	+1 2020/21	+2 2021/22
<b>R thousands</b>												
<b>Cash transfers to other municipalities</b>												
Operational	1	-							-	-		
Capital		-							-	-		
<b>TOTAL ALLOCATIONS TO MUNICIPALITIES:</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Cash transfers to Entities/Other External Mechanisms</b>												
Operational	2	-							-	-		
Capital		-							-	-		
<b>TOTAL ALLOCATIONS TO ENTITIES/EMs'</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Cash transfers to other Organs of State</b>												
Operational	3	-							-	-		
Capital		-							-	-		
<b>TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Cash transfers to other Organisations</b>												
Grant-In-Aid: Sundry	4	4 336	4 336						-	4 336	4 666	4 946
Grant-In-Aid: External Bodies Performing Tourism Function		4 600	4 600						-	4 600	4 782	5 045
Grant-In-Aid: External Bodies Performing Animal Welfare Function		1 113	1 113						-	1 113	1 180	1 251
<b>TOTAL CASH TRANSFERS TO OTHER ORGANISATIONS:</b>		<b>10 049</b>	<b>10 049</b>	-	-	-	-	-	-	<b>10 049</b>	<b>10 628</b>	<b>11 242</b>
<b>TOTAL CASH TRANSFERS</b>	5	<b>10 049</b>	<b>10 049</b>	-	-	-	-	-	-	<b>10 049</b>	<b>10 628</b>	<b>11 242</b>
<b>Non-cash transfers to other municipalities</b>												
Operational	1	-							-	-		
Capital		-							-	-		
<b>TOTAL ALLOCATIONS TO MUNICIPALITIES:</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Non-cash transfers to Entities/Other External Mechanisms</b>												
Operational	2	-							-	-		
Capital		-							-	-		
<b>TOTAL ALLOCATIONS TO ENTITIES/EMs'</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Non-cash transfers to other Organs of State</b>												
Operational	3	-							-	-		
Capital		-							-	-		
<b>TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Non-cash transfers to other Organisations</b>												
Operational	4	-							-	-		
Capital		-							-	-		
<b>TOTAL NON-CASH TRANSFERS TO OTHER ORGANISATIONS:</b>		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL NON-CASH TRANSFERS</b>	5	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS</b>		<b>10 049</b>	<b>10 049</b>	-	-	-	-	-	-	<b>10 049</b>	<b>10 628</b>	<b>11 242</b>

## WC024 Stellenbosch - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 22 January 2020

Summary of remuneration	Ref	Budget Year 2019/20									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
<b>R thousands</b>											
<b>Councillors (Political Office Bearers plus Other)</b>											
Basic Salaries and Wages		12 934	12 934						-	12 934	0.0%
Pension and UIF Contributions		800	800						-	800	0.0%
Medical Aid Contributions		87	87						-	87	0.0%
Motor Vehicle Allowance		4 667	4 667						-	4 667	0.0%
Cellphone Allowance		1 263	1 263						-	1 263	
Housing Allowances		-	-						-	-	
Other benefits and allowances		186	186						-	186	
<b>Sub Total - Councillors</b>		<b>19 936</b>	<b>19 936</b>						<b>-</b>	<b>19 936</b>	<b>0.0%</b>
<b>% increase</b>			-							-	
<b>Senior Managers of the Municipality</b>											
Basic Salaries and Wages		4 445	4 445						-	4 445	0.0%
Pension and UIF Contributions		852	852						-	852	0.0%
Medical Aid Contributions		78	78						-	78	0.0%
Overtime		-	-						-	-	
Performance Bonus		-	-						-	-	
Motor Vehicle Allowance		1 006	1 006						-	1 006	0.0%
Cellphone Allowance		134	134						-	134	0.0%
Housing Allowances		-	-						-	-	
Other benefits and allowances		34	34						-	34	
Payments in lieu of leave		-	-						-	-	
Long service awards		-	-						-	-	
Post-retirement benefit obligations	5	46 247	46 247						-	46 247	0.0%
<b>Sub Total - Senior Managers of Municipality</b>		<b>52 796</b>	<b>52 796</b>						<b>-</b>	<b>52 796</b>	<b>0.0%</b>
<b>% increase</b>			-							-	
<b>Other Municipal Staff</b>											
Basic Salaries and Wages		354 828	354 828					(45 920)	(45 920)	308 908	-12.9%
Pension and UIF Contributions		59 439	59 439						-	59 439	0.0%
Medical Aid Contributions		26 328	26 328						-	26 328	0.0%
Overtime		51 545	51 545						-	51 545	0.0%
Performance Bonus		-	-						-	-	
Motor Vehicle Allowance		13 074	13 074						-	13 074	0.0%
Cellphone Allowance		869	869						-	869	0.0%
Housing Allowances		2 875	2 875						-	2 875	
Other benefits and allowances		39 440	39 440						-	39 440	
Payments in lieu of leave		2 007	2 007						-	2 007	0.0%
Long service awards		66	66						-	66	0.0%
Post-retirement benefit obligations	5	-	-						-	-	
<b>Sub Total - Other Municipal Staff</b>		<b>550 472</b>	<b>550 472</b>					<b>(45 920)</b>	<b>(45 920)</b>	<b>504 552</b>	<b>-8.3%</b>
<b>% increase</b>			-							-	
<b>Total Parent Municipality</b>		<b>623 204</b>	<b>623 204</b>					<b>(45 920)</b>	<b>(45 920)</b>	<b>577 284</b>	<b>-7.4%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>623 204</b>	<b>623 204</b>					<b>(45 920)</b>	<b>(45 920)</b>	<b>577 284</b>	<b>-7.4%</b>
<b>% increase</b>			-							-	
<b>TOTAL MANAGERS AND STAFF</b>		<b>603 268</b>	<b>603 268</b>					<b>(45 920)</b>	<b>(45 920)</b>	<b>557 348</b>	<b>-7.6%</b>



## WC024 Stellenbosch - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) - 22 January 2020

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Revenue by Vote</b>																
Vote 1 - Office of the Municipal Manager		0	0	0	0	0	0	0	387	0	0	0	387	417	448	
Vote 2 - Planning and Development Services		78 437	34 307	38 173	63 279	33 463	35 266	32 918	47 204	65 857	48 264	37 163	(415 914)	98 418	103 344	111 198
Vote 3 - Infrastructure Services		92 309	70 337	43 440	47 258	72 644	126 181	52 718	66 993	130 434	76 385	30 374	410 158	1 219 230	1 200 828	1 283 093
Vote 4 - Community and Protection Services		3 123	3 085	920	917	3 103	2 574	1 447	4 173	2 096	1 018	1 649	133 958	158 062	158 927	171 006
Vote 5 - Corporate Services		7 356	6 603	6 724	6 639	6 804	5 702	5 888	5 620	6 424	5 304	5 378	(54 731)	13 710	11 186	12 037
Vote 6 - Financial Services		92 909	(3 515)	31 139	23 504	9 157	(14 666)	14 858	31 263	(1 624)	(29 880)	54 853	255 122	463 120	498 452	526 942
<b>Total Revenue by Vote</b>		<b>274 134</b>	<b>110 817</b>	<b>120 396</b>	<b>141 597</b>	<b>125 170</b>	<b>155 056</b>	<b>107 829</b>	<b>155 253</b>	<b>203 573</b>	<b>101 091</b>	<b>129 418</b>	<b>328 592</b>	<b>1 952 927</b>	<b>1 973 154</b>	<b>2 104 724</b>
<b>Expenditure by Vote</b>																
Vote 1 - Office of the Municipal Manager		3 149	3 233	3 560	3 829	5 466	4 892	4 258	4 198	4 676	4 640	4 698	(6 227)	40 371	53 489	55 780
Vote 2 - Planning and Development Services		7 868	5 758	13 121	6 999	10 346	9 570	7 756	7 712	10 921	8 670	9 112	9 699	107 533	112 577	120 939
Vote 3 - Infrastructure Services		14 354	60 422	67 707	55 014	61 597	164 955	52 266	56 454	67 446	77 904	84 712	265 627	1 028 458	1 046 404	1 115 437
Vote 4 - Community and Protection Services		16 376	16 796	20 385	22 900	35 245	37 126	24 788	24 847	54 345	28 379	32 821	53 812	367 819	379 805	404 176
Vote 5 - Corporate Services		10 294	10 845	11 758	13 065	16 941	21 685	14 016	14 137	16 982	14 954	15 350	3 549	163 577	195 930	209 548
Vote 6 - Financial Services		8 019	8 249	9 075	9 789	14 082	11 812	10 873	10 715	12 822	11 857	12 137	14 823	134 254	137 057	142 472
<b>Total Expenditure by Vote</b>		<b>60 061</b>	<b>105 302</b>	<b>125 605</b>	<b>111 597</b>	<b>143 678</b>	<b>250 041</b>	<b>113 957</b>	<b>118 064</b>	<b>167 191</b>	<b>146 404</b>	<b>158 829</b>	<b>341 282</b>	<b>1 842 012</b>	<b>1 925 262</b>	<b>2 048 352</b>
<b>Surplus/ (Deficit)</b>		<b>214 073</b>	<b>5 514</b>	<b>(5 209)</b>	<b>30 000</b>	<b>(18 508)</b>	<b>(94 985)</b>	<b>(6 127)</b>	<b>37 189</b>	<b>36 381</b>	<b>(45 313)</b>	<b>(29 411)</b>	<b>(12 690)</b>	<b>110 915</b>	<b>47 893</b>	<b>56 372</b>

WC024 Stellenbosch - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) - 22 January 2020

Description - Standard classification	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
<b>Revenue - Functional</b>																
<i>Governance and administration</i>		177 029	36 452	71 956	55 131	46 905	21 686	46 373	81 041	38 475	(9 621)	103 019	(215 886)	452 561	469 641	484 223
Executive and council		73	193	112	123	149	267	142	182	612	213	53	1 446	3 566	3 837	4 128
Finance and administration		176 956	36 259	71 844	55 007	46 756	21 419	46 231	80 859	37 863	(9 833)	102 965	(217 331)	448 995	465 804	480 094
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		4 706	3 205	848	35 218	2 874	2 023	5 224	3 124	31 893	31 745	405	12 485	133 751	134 251	144 454
Community and social services		4 226	1 938	114	4 276	1 894	271	4 295	1 928	236	216	54	(172)	19 276	22 507	24 217
Sport and recreation		46	120	70	77	93	166	88	114	145	133	33	1 301	2 386	2 137	2 299
Public safety		88	232	135	148	180	321	170	219	279	256	64	1 738	3 830	4 122	4 435
Housing		347	914	530	30 717	708	1 265	670	863	31 233	31 140	253	9 619	108 259	105 485	113 502
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		4 433	7 738	4 489	4 939	5 990	11 305	5 673	7 308	9 695	8 525	2 144	76 857	149 095	140 083	150 729
Planning and development		1 650	396	229	252	306	547	290	374	476	436	110	10 268	15 333	8 638	9 294
Road transport		2 783	7 341	4 258	4 685	5 682	10 756	5 381	6 933	9 217	8 087	2 034	64 623	131 781	131 415	141 402
Environmental protection		1	2	1	1	1	2	1	2	2	2	0	1 966	1 981	31	33
<i>Trading services</i>		87 964	63 417	43 101	46 307	69 398	120 034	50 557	63 775	123 498	70 437	23 849	455 109	1 217 446	1 229 101	1 325 234
Energy sources		39 236	40 668	23 592	25 958	31 480	64 441	29 814	38 413	57 112	44 803	11 271	359 560	766 349	700 680	756 653
Water management		12 464	13 074	14 596	14 767	15 217	23 399	13 920	16 105	20 718	14 544	10 736	12 708	182 248	239 139	257 313
Waste water management		26 511	5 625	2 564	2 998	19 566	18 372	3 854	5 432	32 576	6 628	719	52 511	177 357	190 836	205 339
Waste management		9 754	4 050	2 349	2 585	3 135	13 821	2 969	3 825	13 091	4 462	1 122	30 330	91 493	98 447	105 929
<i>Other</i>		2	4	3	3	3	6	3	4	5	5	1	33	74	79	85
<b>Total Revenue - Functional</b>		<b>274 134</b>	<b>110 817</b>	<b>120 396</b>	<b>141 597</b>	<b>125 170</b>	<b>155 056</b>	<b>107 829</b>	<b>155 253</b>	<b>203 566</b>	<b>101 091</b>	<b>129 418</b>	<b>328 599</b>	<b>1 952 927</b>	<b>1 973 154</b>	<b>2 104 724</b>
<b>Expenditure - Functional</b>																
<i>Governance and administration</i>		21 463	22 327	24 393	26 683	36 490	38 390	29 146	29 050	34 479	31 451	32 184	12 871	338 928	394 976	417 300
Executive and council		4 863	4 957	5 285	5 534	7 298	6 873	6 032	6 198	6 843	6 671	6 711	(2 110)	65 155	80 751	85 608
Finance and administration		15 862	16 563	18 209	20 070	27 828	30 337	21 971	21 721	26 208	23 600	24 239	14 803	261 412	299 431	316 195
Internal audit		738	807	899	1 080	1 363	1 180	1 142	1 132	1 428	1 179	1 235	179	12 362	14 793	15 497
<i>Community and public safety</i>		12 809	12 892	15 970	17 560	24 417	25 279	19 175	19 225	23 931	21 476	22 273	39 754	254 761	287 297	304 949
Community and social services		2 968	2 984	3 321	3 405	4 937	4 891	3 779	3 831	4 493	4 286	4 320	3 042	46 257	52 525	55 643
Sport and recreation		1 816	1 974	2 600	3 595	4 361	6 128	3 752	3 816	4 544	4 147	4 358	7 417	48 508	51 514	54 671
Public safety		6 188	6 022	7 818	7 933	11 167	9 838	8 787	8 730	9 398	9 804	9 947	22 136	117 769	140 967	149 890
Housing		1 837	1 912	2 231	2 626	3 952	4 422	2 856	2 848	5 497	3 239	3 648	7 159	42 226	42 291	44 745
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		13 094	11 484	20 256	16 705	26 385	73 004	17 871	17 823	45 974	20 579	24 913	81 014	369 102	351 488	370 624
Planning and development		6 034	3 849	10 893	4 377	6 398	5 152	4 903	4 869	5 433	5 435	5 469	7 977	70 788	70 345	76 257
Road transport		5 667	6 206	7 648	10 282	17 183	65 457	10 723	10 717	38 134	12 633	16 882	68 108	269 641	251 711	262 843
Environmental protection		1 393	1 429	1 715	2 045	2 804	2 396	2 244	2 244	2 407	2 511	2 563	4 929	2 674	3 524	31 624
<i>Trading services</i>		12 695	58 600	64 987	50 649	56 387	113 367	47 765	51 966	62 806	72 898	79 458	207 643	879 221	891 501	955 479
Energy sources		2 364	44 242	47 013	29 494	29 482	40 345	26 042	29 558	30 277	46 765	50 898	122 795	499 275	481 311	517 980
Water management		2 911	6 365	7 168	6 015	7 933	43 061	5 866	6 272	11 160	8 285	9 474	36 885	151 396	179 996	194 090
Waste water management		4 599	4 820	6 168	7 963	10 371	21 196	8 437	8 610	11 294	9 582	10 122	25 738	128 899	142 741	150 768
Waste management		2 821	3 173	4 636	7 177	8 602	8 766	7 420	7 525	10 076	8 267	8 964	22 225	99 651	87 454	92 640
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>		<b>60 061</b>	<b>105 302</b>	<b>125 605</b>	<b>111 597</b>	<b>143 678</b>	<b>250 041</b>	<b>113 957</b>	<b>118 064</b>	<b>167 191</b>	<b>146 404</b>	<b>158 829</b>	<b>341 282</b>	<b>1 842 012</b>	<b>1 925 262</b>	<b>2 048 352</b>
<b>Surplus/ (Deficit) 1.</b>		<b>214 073</b>	<b>5 514</b>	<b>(5 209)</b>	<b>30 000</b>	<b>(18 508)</b>	<b>(94 985)</b>	<b>(6 127)</b>	<b>37 189</b>	<b>36 375</b>	<b>(45 313)</b>	<b>(29 411)</b>	<b>(12 683)</b>	<b>110 915</b>	<b>47 893</b>	<b>56 372</b>

## WC024 Stellenbosch - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure - 22 January 2020

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Revenue By Source</b>																
Property rates		106 289	22 246	22 659	20 676	22 511	23 063	23 674	23 117	24 533	(2 050)	23 654	45 750	356 122	382 456	408 452
Service charges - electricity revenue		47 452	52 094	51 993	40 053	38 974	41 125	37 775	80 535	45 179	38 921	52 484	113 301	639 886	692 917	749 031
Service charges - water revenue		11 152	12 828	19 942	19 636	19 016	20 121	17 133	18 813	17 230	14 383	16 236	(24 516)	161 975	217 103	231 085
Service charges - sanitation revenue		11 350	10 215	10 685	10 560	10 746	9 080	9 327	8 841	10 037	8 322	8 552	5 789	113 503	122 278	130 586
Service charges - refuse		6 922	5 538	6 230	5 538	5 538	5 538	5 538	6 230	5 538	5 538	5 538	5 538	69 225	77 147	84 762
Rental of facilities and equipment		1 359	355	943	876	933	806	838	817	859	814	9 416	816	18 831	19 961	21 159
Interest earned - external investments		4 330	436	3 961	3 483	3 888	4 027	4 713	8 033	303	162	8 362	2 472	44 171	36 730	36 330
Interest earned - outstanding debtors		910	955	947	887	960	842	1 030	1 000	1 021	957	923	839	11 270	12 096	12 983
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		674	748	1 759	4 203	1 719	844	1 571	2 008	2 519	1 468	3 501	87 246	108 260	113 673	119 357
Licences and permits		-	-	54	54	586	498	54	1 403	1 080	-	-	1 669	5 398	5 722	6 065
Agency services		-	-	1	-	713	200	-	719	228	119	168	705	2 852	3 023	3 204
Transfers and subsidies		51 627	3 292	-	8 297	2 325	45 392	4 630	1 743	50 886	4 146	-	8 736	181 075	179 316	183 641
Other revenue		800	2 109	1 224	1 346	1 633	2 918	1 546	1 992	2 538	2 324	585	21 475	40 491	36 784	38 871
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>		<b>242 866</b>	<b>110 817</b>	<b>120 396</b>	<b>115 610</b>	<b>109 542</b>	<b>154 456</b>	<b>107 829</b>	<b>155 253</b>	<b>161 950</b>	<b>75 104</b>	<b>129 418</b>	<b>269 819</b>	<b>1 753 060</b>	<b>1 899 207</b>	<b>2 025 525</b>
<b>Expenditure By Type</b>																
Employee related costs		43 618	43 120	45 638	43 237	68 949	44 374	50 404	49 211	49 892	56 403	55 516	6 986	557 348	628 564	665 252
Remuneration of councillors		1 527	1 527	1 526	1 526	1 606	1 644	1 595	1 801	1 808	1 837	1 808	1 732	19 936	21 115	22 363
Debt impairment		-	-	1	0	6 486	10 810	-	-	36 033	1 626	6 843	10 267	72 067	76 391	80 975
Depreciation & asset impairment		39	32	21	216	131	103 478	-	-	-	-	-	103 040	206 956	215 430	224 255
Finance charges		-	2	148	128	-	19 939	-	-	(285)	-	156	9 789	29 877	54 668	66 655
Bulk purchases		-	45 003	47 171	26 686	25 507	29 214	22 728	26 536	25 814	44 710	48 775	111 815	453 958	441 586	479 627
Other materials		1 130	1 011	1 936	1 873	1 302	884	1 299	2 586	7 162	2 717	3 041	10 847	35 790	36 919	39 020
Contracted services		634	2 239	9 295	23 796	23 796	23 796	23 796	23 796	23 796	26 175	28 555	62 001	271 674	251 947	254 544
Grants and subsidies		2 512	-	7 502	-	-	-	-	-	-	-	-	34	10 049	10 628	11 242
Other expenditure		10 601	12 368	12 368	14 135	15 902	15 902	14 135	14 135	22 970	12 935	14 135	24 770	184 357	188 014	204 417
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>60 061</b>	<b>105 302</b>	<b>125 605</b>	<b>111 597</b>	<b>143 678</b>	<b>250 041</b>	<b>113 957</b>	<b>118 064</b>	<b>167 191</b>	<b>146 404</b>	<b>158 829</b>	<b>341 282</b>	<b>1 842 012</b>	<b>1 925 262</b>	<b>2 048 352</b>
<b>Surplus/(Deficit)</b>		<b>182 805</b>	<b>5 514</b>	<b>(5 209)</b>	<b>4 013</b>	<b>(34 137)</b>	<b>(95 585)</b>	<b>(6 127)</b>	<b>37 189</b>	<b>(5 241)</b>	<b>(71 300)</b>	<b>(29 411)</b>	<b>(71 463)</b>	<b>(88 952)</b>	<b>(26 055)</b>	<b>(22 827)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		31 269	-	-	25 987	15 629	600	-	-	41 616	25 987	-	3 780	144 868	73 948	79 199
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>214 073</b>	<b>5 514</b>	<b>(5 209)</b>	<b>30 000</b>	<b>(18 508)</b>	<b>(94 985)</b>	<b>(6 127)</b>	<b>37 189</b>	<b>36 375</b>	<b>(45 313)</b>	<b>(29 411)</b>	<b>(67 683)</b>	<b>55 915</b>	<b>47 893</b>	<b>56 372</b>

## WC024 Stellenbosch - Supporting Table SB15 Adjustments Budget - monthly cash flow - 22 January 2020

Monthly cash flows	Ref	Budget Year 2019/20											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Cash Receipts By Source</b>	###															
Property rates		32 005	44 503	21 679	46 082	26 580	(69 890)	15 643	22 710	20 308	23 861	30 559	127 837	341 877	370 982	396 199
Service charges - electricity revenue		34 561	0	0	45 757	33 803	184 582	28 693	41 656	37 250	43 766	56 052	174 319	680 439	679 059	734 050
Service charges - water revenue		9 487	10 091	4 655	8 609	8 092	37 250	8 872	12 880	11 518	13 533	17 331	12 778	155 096	210 590	224 152
Service charges - sanitation revenue		6 275	7 596	4 819	7 967	5 929	22 606	4 986	7 238	6 473	7 605	9 740	17 730	108 963	118 610	126 668
Service charges - refuse		4 194	5 490	3 857	6 795	4 349	14 243	3 041	4 414	3 948	4 638	5 940	5 547	66 456	74 833	82 219
Rental of facilities and equipment		662	635	716	594	729	350	827	1 201	1 074	1 262	1 616	8 412	18 078	19 163	20 313
Interest earned - external investments		3 060	3 060	3 060	887	2 636	2 993	2 021	2 934	2 624	3 083	3 948	13 866	44 171	36 730	36 330
Interest earned - outstanding debtors		-	-	-	4 128		(4 128)	495	719	643	755	967	7 241	10 819	11 613	12 464
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		3	1 245	567	897	4 231	1 547	1 486	2 157	1 929	2 267	2 903	13 246	32 478	34 102	35 807
Licences and permits		216	21	586	648	639	162	247	359	377	483	537	1 340	5 398	5 722	6 065
Agency services		123		412	427	295	97	130	189	169	199	255	554	2 852	3 023	3 204
Transfer receipts - operational		56 740	7 008	-	4 406	4 186	45 392	4 630	1 743	50 886	4 146	-	1 937	181 075	179 316	183 641
Other revenue		1 416	1 308	1 766	1 691	1 919	1 944	1 593	2 313	2 068	2 430	3 112	18 931	40 491	36 784	38 871
<b>Cash Receipts by Source</b>		<b>148 742</b>	<b>80 958</b>	<b>42 117</b>	<b>128 889</b>	<b>93 389</b>	<b>237 148</b>	<b>72 664</b>	<b>100 513</b>	<b>139 209</b>	<b>107 921</b>	<b>132 906</b>	<b>403 738</b>	<b>1 688 193</b>	<b>1 780 525</b>	<b>1 899 983</b>
<b>Other Cash Flows by Source</b>																
Transfers receipts - capital		12 640	-	1 500		8 000	-	-	-	41 616	25 987	-	55 125	144 868	73 948	79 199
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	120 000	120 000	120 000	100 000
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		(73 984)	23 012	78 178	31 798	210 219	(269 223)	-	-	-	-	-	0	-	-	-
<b>Total Cash Receipts by Source</b>		<b>87 397</b>	<b>103 970</b>	<b>121 794</b>	<b>160 687</b>	<b>311 608</b>	<b>(32 074)</b>	<b>72 664</b>	<b>100 513</b>	<b>180 825</b>	<b>133 908</b>	<b>132 906</b>	<b>578 862</b>	<b>1 953 060</b>	<b>1 974 473</b>	<b>2 079 182</b>
<b>Cash Payments by Type</b>																
Employee related costs		37 136	41 271	41 899	40 240	220 558	(121 479)	50 404	49 211	49 892	56 403	55 516	(9 949)	511 101	579 002	612 798
Remuneration of councillors		1 468	1 468	1 468	1 468	7 360	(4 380)	1 595	1 801	1 808	1 837	1 808	2 234	19 936	21 115	22 363
Finance charges		-	-	-	-	-	15 973	-	-	-	-	-	13 904	29 877	54 668	66 655
Bulk purchases - Electricity		-	55 140	54 506	32 426	31 743	30 840	21 016	24 537	23 870	41 343	45 101	64 322	424 842	405 909	438 382
Bulk purchases - Water & Sewer		-	120	2 056	4 708		2 314	1 712	1 999	1 944	3 368	3 674	7 221	29 116	35 678	41 245
Other materials		327	381	1 163	1 654	1 711	1 439	1 299	2 586	7 162	2 717	3 041	12 309	35 790	36 919	39 020
Contracted services		446	6 510	8 834	14 507	17 467	13 465	23 796	23 796	23 796	26 175	28 555	84 329	271 674	251 947	254 544
Transfers and grants - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other		4 985	2 203	82	1 209	158	74	-	-	-	-	-	1 337	10 049	10 628	11 242
Other expenditure		4 345	8 504	10 330	17 090	(599)	11 103	14 135	14 135	7 970	9 935	14 135	34 699	145 783	147 385	160 247
<b>Cash Payments by Type</b>		<b>48 706</b>	<b>115 596</b>	<b>120 338</b>	<b>113 304</b>	<b>278 400</b>	<b>(50 652)</b>	<b>113 957</b>	<b>118 064</b>	<b>116 442</b>	<b>141 778</b>	<b>151 830</b>	<b>210 405</b>	<b>1 478 168</b>	<b>1 543 249</b>	<b>1 646 497</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		17 791	57 542	18 708	36 800	27 936	44 201	18 602	31 369	69 215	66 473	104 412	119 448	612 498	414 613	426 338
Repayment of borrowing		-	-	-	-	-	12 487	-	-	-	-	-	8 396	20 883	26 311	31 078
Other Cash Flows/Payments		-	-	-	-	-	5 733	-	-	-	-	-	(5 733)	-	-	-
<b>Total Cash Payments by Type</b>		<b>66 498</b>	<b>173 138</b>	<b>139 046</b>	<b>150 104</b>	<b>306 335</b>	<b>11 770</b>	<b>132 559</b>	<b>149 433</b>	<b>185 657</b>	<b>208 251</b>	<b>256 243</b>	<b>332 516</b>	<b>2 111 550</b>	<b>1 984 173</b>	<b>2 103 912</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>20 900</b>	<b>(69 168)</b>	<b>(17 251)</b>	<b>10 583</b>	<b>5 273</b>	<b>(43 845)</b>	<b>(59 895)</b>	<b>(48 920)</b>	<b>(4 833)</b>	<b>(74 343)</b>	<b>(123 337)</b>	<b>246 346</b>	<b>(158 490)</b>	<b>(9 700)</b>	<b>(24 730)</b>
Cash/cash equivalents at the month/year beginning:		566 719	587 618	518 450	501 199	511 782	517 056	473 211	413 316	364 395	359 563	285 219	161 883	566 719	408 229	398 529
Cash/cash equivalents at the month/year end:		587 618	518 450	501 199	511 782	517 056	473 211	413 316	364 395	359 563	285 219	161 883	408 229	408 229	398 529	373 798

## WC024 Stellenbosch - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) - 22 January 2020

Description - Municipal Vote	Ref	Budget Year 2019/20											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Multi-year expenditure appropriation</b>	1															
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Planning and Development Services		-	29	360	546	600	721	325	548	1 209	1 161	1 824	11 875	19 199	4 750	-
Vote 3 - Infrastructure Services		-	953	12 035	18 254	20 062	24 108	10 859	18 312	40 404	38 804	60 951	86 042	330 783	318 961	330 171
Vote 4 - Community and Protection Services		-	53	675	1 024	1 125	1 352	609	1 027	2 266	2 177	3 419	3 736	17 464	13 250	12 400
Vote 5 - Corporate Services		-	287	3 628	5 503	6 048	7 268	3 274	5 521	12 181	11 698	18 375	61 200	134 984	21 000	22 100
Vote 6 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital Multi-year expenditure sub-total</b>	3	-	1 322	16 698	25 327	27 836	33 449	15 067	25 408	56 061	53 840	84 569	162 853	502 429	357 961	364 671
<b>Single-year expenditure appropriation</b>																
Vote 1 - Office of the Municipal Manager		-	0	1	2	2	3	1	2	4	4	7	8	35	40	40
Vote 2 - Planning and Development Services		-	1	10	16	17	21	9	16	35	34	53	68	280	252	184
Vote 3 - Infrastructure Services		-	164	2 075	3 147	3 459	4 157	1 872	3 157	6 966	6 690	10 509	13 518	55 715	34 665	39 068
Vote 4 - Community and Protection Services		-	136	1 720	2 609	2 868	3 446	1 552	2 617	5 775	5 547	8 712	11 207	46 190	14 995	15 275
Vote 5 - Corporate Services		-	22	281	426	469	563	254	428	944	907	1 424	1 832	7 550	6 550	6 950
Vote 6 - Financial Services		-	0	6	8	9	11	5	9	19	18	28	186	300	150	150
<b>Capital single-year expenditure sub-total</b>	3	-	324	4 094	6 209	6 824	8 200	3 694	6 229	13 744	13 199	20 733	26 819	110 070	56 652	61 667
<b>Total Capital Expenditure</b>	2	-	1 646	20 792	31 536	34 660	41 650	18 761	31 636	69 804	67 039	105 302	189 672	612 499	414 613	426 338

WC024 Stellenbosch - Supporting Table SB17 Adjustments Budget - monthly capital expenditure (functional classification) - 22 January 2020

Description	Ref	Budget Year 2019/20											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Capital Expenditure - Functional</b>																
<b>Governance and administration</b>		–	310	3 916	5 940	6 528	7 845	3 534	5 959	13 148	12 627	19 834	63 227	142 869	27 740	29 240
Executive and council		–	0	1	2	2	3	1	2	4	4	7	8	35	40	40
Finance and administration		–	310	3 915	5 938	6 526	7 842	3 533	5 957	13 144	12 623	19 828	63 218	142 834	27 700	29 200
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Community and public safety</b>		–	181	2 288	3 471	3 815	4 584	2 065	3 482	7 683	7 378	11 590	16 804	63 341	26 447	27 334
Community and social services		–	8	106	161	177	212	96	161	356	342	537	2 817	4 971	1 490	1 155
Sport and recreation		–	86	1 080	1 638	1 800	2 164	975	1 643	3 626	3 482	5 470	7 435	29 399	17 955	20 770
Public safety		–	87	1 101	1 669	1 835	2 205	993	1 675	3 695	3 548	5 574	3 841	26 221	6 950	5 350
Housing		–	0	2	3	3	4	2	3	6	6	9	2 712	2 750	52	59
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>		–	385	4 858	7 369	8 099	9 732	4 384	7 392	16 311	15 665	24 606	34 122	132 923	73 847	65 369
Planning and development		–	148	1 874	2 843	3 125	3 755	1 691	2 852	6 293	6 044	9 493	12 688	50 808	42 747	44 519
Road transport		–	236	2 984	4 526	4 974	5 977	2 692	4 540	10 018	9 621	15 112	21 434	82 115	31 100	20 850
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Trading services</b>		–	770	9 729	14 756	16 218	19 489	8 778	14 803	32 662	31 369	49 272	75 519	273 365	286 579	304 395
Energy sources		–	103	1 307	1 982	2 179	2 618	1 179	1 988	4 387	4 214	6 619	23 140	49 717	30 900	38 950
Water management		–	236	2 979	4 519	4 967	5 968	2 688	4 533	10 003	9 607	15 090	4 693	65 283	113 500	132 750
Waste water management		–	337	4 261	6 462	7 102	8 535	3 844	6 483	14 304	13 737	21 578	32 509	119 153	113 234	98 350
Waste management		–	94	1 182	1 793	1 970	2 368	1 066	1 798	3 968	3 811	5 986	15 177	39 212	28 945	34 345
<b>Other</b>		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure - Functional</b>		–	1 646	20 792	31 536	34 660	41 650	18 761	31 636	69 804	67 039	105 302	189 672	612 498	414 613	426 338







Description	Ref	Budget Year 2019/20									Budget Year +1	Budget Year +2		
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget		
			7	8	9	10	11	12	13	14				
Zoo's, Marine and Non-biological Animals		-												
<b>Total Capital Expenditure on new assets <i>to be adjusted</i></b>	1	339 862	372 707	-	-	-	-	28 774	28 774	401 481	222 058	194 063		



Description	Ref	Budget Year 2019/20									Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			7	8	9	10	11	12	13	14		
<i>Theatres</i>		-	-						-	-	-	-
<i>Libraries</i>		-	-						-	-	-	-
<i>Cemeteries/Crematoria</i>		-	-						-	-	-	-
<i>Police</i>		-	-						-	-	-	-
<i>Purls</i>		-	-						-	-	-	-
<i>Public Open Space</i>		-	-						-	-	-	-
<i>Nature Reserves</i>		-	-						-	-	-	-
<i>Public Ablution Facilities</i>		-	-						-	-	-	-
<i>Markets</i>		-	-						-	-	-	-
<i>Stalls</i>		-	-						-	-	-	-
<i>Abattoirs</i>		-	-						-	-	-	-
<i>Airports</i>		-	-						-	-	-	-
<i>Taxi Ranks/Bus Terminals</i>		-	-						-	-	-	-
<i>Capital Spares</i>		-	-						-	-	-	-
<b>Sport and Recreation Facilities</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Indoor Facilities</i>		-	-						-	-	-	-
<i>Outdoor Facilities</i>		-	-						-	-	-	-
<i>Capital Spares</i>		-	-						-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Monuments</i>		-	-						-	-	-	-
<i>Historic Buildings</i>		-	-						-	-	-	-
<i>Works of Art</i>		-	-						-	-	-	-
<i>Conservation Areas</i>		-	-						-	-	-	-
<i>Other Heritage</i>		-	-						-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>		-	-						-	-	-	-
<i>Unimproved Property</i>		-	-						-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Improved Property</i>		-	-						-	-	-	-
<i>Unimproved Property</i>		-	-						-	-	-	-
<b>Other assets</b>		100	100	-	-	-	-	-	-	100	100	-
<b>Operational Buildings</b>		100	100	-	-	-	-	-	-	100	100	-
<i>Municipal Offices</i>		100	100						-	100	100	-
<i>Pay/Enquiry Points</i>		-	-						-	-	-	-
<i>Building Plan Offices</i>		-	-						-	-	-	-
<i>Workshops</i>		-	-						-	-	-	-
<i>Yards</i>		-	-						-	-	-	-
<i>Stores</i>		-	-						-	-	-	-
<i>Laboratories</i>		-	-						-	-	-	-
<i>Training Centres</i>		-	-						-	-	-	-
<i>Manufacturing Plant</i>		-	-						-	-	-	-
<i>Depots</i>		-	-						-	-	-	-
<i>Capital Spares</i>		-	-						-	-	-	-
<b>Housing</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>		-	-						-	-	-	-
<i>Social Housing</i>		-	-						-	-	-	-
<i>Capital Spares</i>		-	-						-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Biological or Cultivated Assets</i>		-	-						-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-						-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Water Rights</i>		-	-						-	-	-	-
<i>Effluent Licenses</i>		-	-						-	-	-	-
<i>Solid Waste Licenses</i>		-	-						-	-	-	-
<i>Computer Software and Applications</i>		-	-						-	-	-	-
<i>Load Settlement Software Applications</i>		-	-						-	-	-	-
<i>Unspecified</i>		-	-						-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Computer Equipment</i>		-	-						-	-	-	-
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Furniture and Office Equipment</i>		-	-						-	-	-	-
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Machinery and Equipment</i>		-	-						-	-	-	-
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-	-	400
<i>Transport Assets</i>		-	-						-	-	-	400
<b>Land</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Land</i>		-	-						-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>		-	-						-	-	-	-
<b>Total Capital Expenditure on renewal of existing assets to be adjusted</b>	1	34 316	35 107	-	-	-	-	(5 000)	(5 000)	30 107	33 520	48 900



Description	Ref	Budget Year 2019/20									Budget Year +1	Budget Year +2	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
			7	8	9	10	11	12	13	14			
Galleries		-	-							-	-	-	-
Theatres		-	-							-	-	-	-
Libraries		39	39							39	41	44	
Cemeteries/Crematoria		-	-							-	-	-	-
Police		-	-							-	-	-	-
Parks		-	-							-	-	-	-
Public Open Space		-	-							-	-	-	-
Nature Reserves		-	-							-	-	-	-
Public Ablution Facilities		-	-							-	-	-	-
Markets		-	-							-	-	-	-
Stalls		-	-							-	-	-	-
Abattoirs		-	-							-	-	-	-
Airports		-	-							-	-	-	-
Taxi Ranks/Bus Terminals		-	-							-	-	-	-
Capital Spares		25 818	25 818							25 818	27 806	28 945	
Sport and Recreation Facilities		-	-							-	-	-	-
Indoor Facilities		-	-							-	-	-	-
Outdoor Facilities		-	-							-	-	-	-
Capital Spares		-	-							-	-	-	-
<b>Heritage assets</b>		-	-							-	-	-	-
Monuments		-	-							-	-	-	-
Historic Buildings		-	-							-	-	-	-
Works of Art		-	-							-	-	-	-
Conservation Areas		-	-							-	-	-	-
Other Heritage		-	-							-	-	-	-
<b>Investment properties</b>		-	-							-	-	-	-
Revenue Generating		-	-							-	-	-	-
Improved Property		-	-							-	-	-	-
Unimproved Property		-	-							-	-	-	-
Non-revenue Generating		-	-							-	-	-	-
Improved Property		-	-							-	-	-	-
Unimproved Property		-	-							-	-	-	-
<b>Other assets</b>		587	587							587	622	659	
Operational Buildings		587	587							587	622	659	
Municipal Offices		587	587							587	622	659	
Pay/Enquiry Points		-	-							-	-	-	-
Building Plan Offices		-	-							-	-	-	-
Workshops		-	-							-	-	-	-
Yards		-	-							-	-	-	-
Stores		-	-							-	-	-	-
Laboratories		-	-							-	-	-	-
Training Centres		-	-							-	-	-	-
Manufacturing Plant		-	-							-	-	-	-
Depots		-	-							-	-	-	-
Capital Spares		-	-							-	-	-	-
Housing		-	-							-	-	-	-
Staff Housing		-	-							-	-	-	-
Social Housing		-	-							-	-	-	-
Capital Spares		-	-							-	-	-	-
<b>Biological or Cultivated Assets</b>		42	42							42	45	48	
Biological or Cultivated Assets		42	42							42	45	48	
<b>Intangible Assets</b>		503	503							503	533	565	
Servitudes		-	-							-	-	-	-
Licences and Rights		503	503							503	533	565	
Water Rights		-	-							-	-	-	-
Effluent Licenses		-	-							-	-	-	-
Solid Waste Licenses		-	-							-	-	-	-
Computer Software and Applications		503	503							503	533	565	
Load Settlement Software Applications		-	-							-	-	-	-
Unspecified		-	-							-	-	-	-
<b>Computer Equipment</b>		-	-							-	-	-	-
Computer Equipment		-	-							-	-	-	-
<b>Furniture and Office Equipment</b>		17 268	17 268							17 268	18 346	19 487	
Furniture and Office Equipment		17 268	17 268							17 268	18 346	19 487	
<b>Machinery and Equipment</b>		-	-							-	11 333	11 987	
Machinery and Equipment		-	-							-	11 333	11 987	
<b>Transport Assets</b>		10 671	10 671							10 671	-	-	
Transport Assets		10 671	10 671							10 671	-	-	
<b>Land</b>		-	-							-	-	-	
Land		-	-							-	-	-	
<b>Zoo's, Marine and Non-biological Animals</b>		-	-							-	-	-	
Zoo's, Marine and Non-biological Animals		-	-							-	-	-	
<b>Total Repairs and Maintenance Expenditure to be adjusted</b>	1	91 240	91 240							91 240	97 216	102 533	

Description	Ref	Budget Year 2019/20									Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>												
<b>Depreciation by Asset Class/Sub-class</b>												
<b>Infrastructure</b>		155 265	155 265	-	-	-	-	-	-	155 265	161 476	167 935
Roads Infrastructure		63 815	63 815	-	-	-	-	-	-	63 815	66 367	69 022
Roads		62 789	62 789	-	-	-	-	-	-	62 789	65 301	67 913
Road Structures		6	6	-	-	-	-	-	-	6	6	7
Road Furniture		1 019	1 019	-	-	-	-	-	-	1 019	1 060	1 102
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		1 619	1 619	-	-	-	-	-	-	1 619	1 684	1 751
Drainage Collection		1 494	1 494	-	-	-	-	-	-	1 494	1 554	1 616
Storm water Conveyance		125	125	-	-	-	-	-	-	125	130	135
Attenuation		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		28 531	28 531	-	-	-	-	-	-	28 531	29 672	30 859
Power Plants		856	856	-	-	-	-	-	-	856	890	926
HV Substations		27 675	27 675	-	-	-	-	-	-	27 675	28 782	29 933
HV Switching Station		-	-	-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		43 560	43 560	-	-	-	-	-	-	43 560	45 303	47 115
Dams and Weirs		-	-	-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-	-	-
Reservoirs		24 998	24 998	-	-	-	-	-	-	24 998	25 997	27 037
Pump Stations		7	7	-	-	-	-	-	-	7	7	8
Water Treatment Works		18 465	18 465	-	-	-	-	-	-	18 465	19 204	19 972
Bulk Mains		-	-	-	-	-	-	-	-	-	-	-
Distribution		91	91	-	-	-	-	-	-	91	94	98
Distribution Points		-	-	-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		15 170	15 170	-	-	-	-	-	-	15 170	15 776	16 408
Pump Station		-	-	-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		4 739	4 739	-	-	-	-	-	-	4 739	4 929	5 126
Outfall Sewers		10 430	10 430	-	-	-	-	-	-	10 430	10 847	11 281
Toilet Facilities		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		2 571	2 571	-	-	-	-	-	-	2 571	2 674	2 780
Landfill Sites		-	-	-	-	-	-	-	-	-	-	-
Waste Transfer Stations		16	16	-	-	-	-	-	-	16	16	17
Waste Processing Facilities		1 319	1 319	-	-	-	-	-	-	1 319	1 372	1 427
Waste Drop-off Points		-	-	-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		1 236	1 236	-	-	-	-	-	-	1 236	1 285	1 337
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		10 390	10 390	-	-	-	-	-	-	10 390	10 805	11 238
Community Facilities		7 327	7 327	-	-	-	-	-	-	7 327	7 620	7 925
Halls		210	210	-	-	-	-	-	-	210	219	228
Centres		-	-	-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		126	126	-	-	-	-	-	-	126	131	136
Testing Stations		-	-	-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-	-	-
Libraries		228	228	-	-	-	-	-	-	228	237	247

Description	Ref	Budget Year 2019/20											Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	
			7	8	9	10	11	12	13	14	2020/21	2021/22		
Cemeteries/Crematoria		540	540							540	562	584		
Police		1 686	1 686							1 686	1 754	1 824		
Purls		-	-							-	-	-		
Public Open Space		1 645	1 645							1 645	1 711	1 780		
Nature Reserves		187	187							187	195	202		
Public Ablution Facilities		757	757							757	788	819		
Markets		-	-							-	-	-		
Stalls		-	-							-	-	-		
Abattoirs		-	-							-	-	-		
Airports		-	-							-	-	-		
Taxi Ranks/Bus Terminals		-	-							-	-	-		
Capital Spares		1 947	1 947							1 947	2 024	2 105		
Sport and Recreation Facilities		3 063	3 063	-	-	-	-	-	-	3 063	3 185	3 312		
Indoor Facilities		-	-							-	-	-		
Outdoor Facilities		3 063	3 063							3 063	3 185	3 312		
Capital Spares		-	-							-	-	-		
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-	-	-		
Monuments		-	-							-	-	-		
Historic Buildings		-	-							-	-	-		
Works of Art		-	-							-	-	-		
Conservation Areas		-	-							-	-	-		
Other Heritage		-	-							-	-	-		
<b>Investment properties</b>		452	452	-	-	-	-	-	-	452	470	489		
Revenue Generating		452	452							452	470	489		
Improved Property		452	452							452	470	489		
Unimproved Property		-	-							-	-	-		
Non-revenue Generating		-	-							-	-	-		
Improved Property		-	-							-	-	-		
Unimproved Property		-	-							-	-	-		
<b>Other assets</b>		6 396	6 396	-	-	-	-	-	-	6 396	6 652	6 918		
Operational Buildings		3 281	3 281	-	-	-	-	-	-	3 281	3 412	3 548		
Municipal Offices		3 239	3 239							3 239	3 368	3 503		
Pay/Enquiry Points		-	-							-	-	-		
Building Plan Offices		-	-							-	-	-		
Workshops		42	42							42	43	45		
Yards		-	-							-	-	-		
Stores		-	-							-	-	-		
Laboratories		-	-							-	-	-		
Training Centres		-	-							-	-	-		
Manufacturing Plant		-	-							-	-	-		
Depots		-	-							-	-	-		
Capital Spares		-	-							-	-	-		
Housing		3 116	3 116	-	-	-	-	-	-	3 116	3 240	3 370		
Staff Housing		-	-							-	-	-		
Social Housing		-	-							-	-	-		
Capital Spares		3 116	3 116							3 116	3 240	3 370		
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-	-	-		
Biological or Cultivated Assets		-	-							-	-	-		
<b>Intangible Assets</b>		2 383	2 383	-	-	-	-	-	-	2 383	2 478	2 577		
Servitudes		-	-							-	-	-		
Licences and Rights		2 383	2 383	-	-	-	-	-	-	2 383	2 478	2 577		
Water Rights		20	20							20	20	21		
Effluent Licenses		-	-							-	-	-		
Solid Waste Licenses		-	-							-	-	-		
Computer Software and Applications		2 363	2 363							2 363	2 458	2 556		
Load Settlement Software Applications		-	-							-	-	-		
Unspecified		-	-							-	-	-		
<b>Computer Equipment</b>		5 589	5 589	-	-	-	-	-	-	5 589	5 813	6 045		
Computer Equipment		5 589	5 589							5 589	5 813	6 045		
<b>Furniture and Office Equipment</b>		3 017	3 017	-	-	-	-	-	-	3 017	3 138	3 263		
Furniture and Office Equipment		3 017	3 017							3 017	3 138	3 263		
<b>Machinery and Equipment</b>		4 844	4 844	-	-	-	-	-	-	4 844	5 037	5 239		
Machinery and Equipment		4 844	4 844							4 844	5 037	5 239		
<b>Transport Assets</b>		8 849	8 849	-	-	-	-	-	-	8 849	9 203	9 571		
Transport Assets		8 849	8 849							8 849	9 203	9 571		
<b>Land</b>		-	-	-	-	-	-	-	-	-	-	-		
Land		-	-							-	-	-		
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-	-	-		
Zoo's, Marine and Non-biological Animals		-	-							-	-	-		
<b>Total Depreciation to be adjusted</b>	1	197 184	197 184	-	-	-	-	-	-	197 184	205 072	213 274		





Description	Ref	Budget Year 2019/20										Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
			7	8	9	10	11	12	13	14			
<i>Theatres</i>		-	-										
<i>Libraries</i>		1 000	2 357							2 357	250		
<i>Cemeteries/Crematoria</i>		1 500	2 171							2 171	1 500	3 000	
<i>Police</i>		500	500							500			
<i>Parks</i>		-	-							-	-		
<i>Public Open Space</i>		-	-							-	-		
<i>Nature Reserves</i>		1 500	1 747							1 747			
<i>Public Ablution Facilities</i>		500	539							539	500		
<i>Markets</i>		-	-							-	-		
<i>Stalls</i>		-	-							-	-		
<i>Abattoirs</i>		-	-							-	-		
<i>Airports</i>		-	-							-	-		
<i>Taxi Ranks/Bus Terminals</i>		-	-							-	-		
<i>Capital Spares</i>		800	800					(2 712)	(2 712)	(1 912)	2 000	100	
<b>Sport and Recreation Facilities</b>		<b>6 500</b>	<b>7 507</b>	-	-	-	-	-	-	<b>7 507</b>	<b>5 550</b>	<b>6 050</b>	
<i>Indoor Facilities</i>		-	-							-	-		
<i>Outdoor Facilities</i>		6 500	7 507							7 507	5 550	6 050	
<i>Capital Spares</i>		-	-							-	-		
<b>Heritage assets</b>		<b>500</b>	<b>500</b>	-	-	-	-	-	-	<b>500</b>	<b>500</b>	<b>200</b>	
<i>Monuments</i>		-	-							-	-		
<i>Historic Buildings</i>		500	500							500	500	200	
<i>Works of Art</i>		-	-							-	-		
<i>Conservation Areas</i>		-	-							-	-		
<i>Other Heritage</i>		-	-							-	-		
<b>Investment properties</b>		<b>10 900</b>	<b>11 235</b>	-	-	-	-	(3 000)	(3 000)	<b>8 235</b>	<b>9 250</b>	<b>13 000</b>	
<i>Revenue Generating</i>		5 200	5 277	-	-	-	-	(1 000)	(1 000)	4 277	4 000	11 000	
<i>Improved Property</i>		5 200	5 277					(1 000)	(1 000)	4 277	4 000	11 000	
<i>Unimproved Property</i>		-	-							-	-		
<i>Non-revenue Generating</i>		5 700	5 957	-	-	-	-	(2 000)	(2 000)	3 957	5 250	2 000	
<i>Improved Property</i>		5 700	5 957					(2 000)	(2 000)	3 957	5 250	2 000	
<i>Unimproved Property</i>		-	-							-	-		
<b>Other assets</b>		<b>11 200</b>	<b>12 271</b>	-	-	-	-	(6 060)	(6 060)	<b>6 211</b>	<b>250</b>	<b>250</b>	
<i>Operational Buildings</i>		5 700	6 771	-	-	-	-	-	-	6 771	250	250	
<i>Municipal Offices</i>		500	500							500			
<i>Pay/Enquiry Points</i>		-	-							-	-		
<i>Building Plan Offices</i>		-	-							-	-		
<i>Workshops</i>		-	-							-	-		
<i>Yards</i>		200	200							200	250	250	
<i>Stores</i>		-	-							-	-		
<i>Laboratories</i>		-	-							-	-		
<i>Training Centres</i>		-	-							-	-		
<i>Manufacturing Plant</i>		-	-							-	-		
<i>Depots</i>		5 000	6 071							6 071			
<i>Capital Spares</i>		-	-							-	-		
<b>Housing</b>		<b>5 500</b>	<b>5 500</b>	-	-	-	-	(6 060)	(6 060)	<b>(560)</b>			
<i>Staff Housing</i>		-	-							-	-		
<i>Social Housing</i>		5 500	5 500					(6 060)	(6 060)	(560)			
<i>Capital Spares</i>		-	-							-	-		
<b>Biological or Cultivated Assets</b>												<b>250</b>	
<i>Biological or Cultivated Assets</i>		-	-							-	-	250	
<b>Intangible Assets</b>		<b>200</b>	<b>200</b>	-	-	-	-	-	-	<b>200</b>	<b>300</b>	<b>150</b>	
<i>Servitudes</i>		-	-							-	-		
<i>Licences and Rights</i>		200	200	-	-	-	-	-	-	200	300	150	
<i>Water Rights</i>		-	-							-	-		
<i>Effluent Licenses</i>		-	-							-	-		
<i>Solid Waste Licenses</i>		-	-							-	-		
<i>Computer Software and Applications</i>		200	200							200	300		
<i>Load Settlement Software Applications</i>		-	-							-	-		
<i>Unspecified</i>		-	-							-	-	150	
<b>Computer Equipment</b>		<b>5 100</b>	<b>5 419</b>	-	-	-	-	3 900	3 900	<b>9 319</b>	<b>4 600</b>	<b>4 600</b>	
<i>Computer Equipment</i>		5 100	5 419					3 900	3 900	9 319	4 600	4 600	
<b>Furniture and Office Equipment</b>		<b>200</b>	<b>200</b>	-	-	-	-	-	-	<b>200</b>	<b>200</b>	<b>500</b>	
<i>Furniture and Office Equipment</i>		200	200					-	-	200	200	500	
<b>Machinery and Equipment</b>		<b>100</b>	<b>100</b>	-	-	-	-	-	-	<b>100</b>	<b>100</b>	<b>150</b>	
<i>Machinery and Equipment</i>		100	100					-	-	100	100	150	
<b>Transport Assets</b>													
<i>Transport Assets</i>		-	-							-	-		
<b>Land</b>													
<i>Land</i>		-	-							-	-		
<b>Zoo's, Marine and Non-biological Animals</b>													
<i>Zoo's, Marine and Non-biological Animals</i>		-	-							-	-		
<b>Total Capital Expenditure on upgrading of existing assets to be adjusted</b>	1	<b>184 100</b>	<b>205 462</b>	-	-	-	-	<b>(24 551)</b>	<b>(24 551)</b>	<b>180 911</b>	<b>159 034</b>	<b>195 100</b>	

## WC024 Stellenbosch - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget - 22 January 2020

Function	Project Description	Project Number	Medium Term Revenue and Expenditure Framework						
			Budget Year 2019/20		Budget Year +1 2020/21		Budget Year +2 2021/22		
			Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	
<b>R thousands</b>									
<b>Parent municipality:</b>									
<i>List all capital projects grouped by Function</i>									
Corporate Wide Strategic Planning (IDPs, LEDs)	Establishment of Informal Trading Sites: Kayamandi	2973272	5 233	5 110					
Corporate Wide Strategic Planning (IDPs, LEDs)	Establishment of Informal Trading Sites: Kayamandi	2973272	–	1 100					
Project Management Unit	Cloetesville IRDP Planning	2972276	–	260					
Project Management Unit	Computer - Hardware/Equipment: Human Settlements & Property	2972271	–	175					
Project Management Unit	Enkanini subdivision, consolidation and rezoning	2973342	–	180					
Project Management Unit	Furniture, Tools and Equipment: Human Settlements and Property	2972569	–	5					
Project Management Unit	Jamestown: Housing	2973470	–	600					
Project Management Unit	Kayamandi Town Centre - Civil Infrastructure	2975696	–	1 960					
Project Management Unit	Langrug Dam	2976915	–	1 500					
Project Management Unit	Northern Extension: Feasibility	2972277	–	600					
Waste Management: Solid Waste Management	Stellenbosch WC024 Material Recovery Facility	2973454	1 269	4 669					
Waste Management: Solid Waste Management	Upgrade Refuse disposal site (Existing Cell)- Rehab	2972579	1 500	1 000					
Waste Management: Solid Waste Management	Waste Minimization Projects	2972367	1 158	658					
Infrastructure Planning, Development and Implementati	Access to Basic Services	2972568	250	400					
Infrastructure Planning, Development and Implementati	Basic Services Improvements: Langrug	2972572	4 300	1 579					
Infrastructure Planning, Development and Implementati	Cloetesville IRDP Planning	2972276	260	–					
Infrastructure Planning, Development and Implementati	Computer - Hardware/Equipment: Human Settlements & Property	2972271	65	–					
Infrastructure Planning, Development and Implementati	Enkanini subdivision, consolidation and rezoning	2973342	180	–					
Infrastructure Planning, Development and Implementati	Furniture, Tools and Equipment: Human Settlements and Property	2972569	5	–					
Infrastructure Planning, Development and Implementati	Housing Projects	2972278	500	350					
Infrastructure Planning, Development and Implementati	Housing Projects	2972278	–	2 320					
Infrastructure Planning, Development and Implementati	Idas Valley IRDP / FLISP	2972280	8 500	8 018					
Infrastructure Planning, Development and Implementati	Jamestown: Housing	2973470	600	–					
Infrastructure Planning, Development and Implementati	Kayamandi Town Centre - Civil Infrastructure	2975696	2 000	–					
Infrastructure Planning, Development and Implementati	Langrug Dam	2976915	3 500	–					
Infrastructure Planning, Development and Implementati	Northern Extension: Feasibility	2972277	500	–					
Infrastructure Planning, Development and Implementati	Smartie town, Cloetesville	2972267	5 500	4 440					
Waste Water Treatment	Extention Of WWTW: Stellenbosch	2972390	3 168	5 593					
Waste Water Treatment	Sewerpipe Replacement: Dorp Straat	2973372	9 000	6 000					
Waste Water Treatment	Upgrade of WWTW: Pniel & Decommissioning Of Franschhoek	2972388	30 188	20 188					

Function	Project Description	Project Number	Medium Term Revenue and Expenditure Framework						
			Budget Year 2019/20		Budget Year +1 2020/21		Budget Year +2 2021/22		
			Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	
<b>R thousands</b>									
Water Distribution	Bulk water supply pipe and Reservoir: Kayamandi	2972594	15 000	3 000					
Water Distribution	New Reservoir: Polkadraai	2973442	20 000	17 000					
Water Distribution	Relocation/Upgrading main water supply line	2972594	4 028	6 694					
Water Distribution	Reservoirs and Dam Safety	2972485	1 908	4 784					
Water Distribution	Water Conservation & Demand Management	2972484	10 000	5 000					
Water Distribution	Waterpipe Replacement	2972477	5 000	3 000					
Water Distribution	WSDP (tri-annually)	2973530	400	-					
Roads and Stormwater	Structural Rehabilitation - Bridges	2979128	3 700	1 700					
Roads and Stormwater	Upgrade Gravel Roads - Devon Valley	2979134	1 500	1 000					
Roads and Stormwater	Upgrade Gravel Roads - Lamotte & Franschoek	2973375	2 700	4 700					
Roads and Stormwater	Upgrade Stormwater Water Conveyance System	2972395	835	685					
Traffic Engineering	Accident Information System	2976948	750	-					
Traffic Engineering	Directional Information Signage	2972392	200	50					
Traffic Engineering	Main Road Intersection Improvements: Stellenbosch	2972453	11 700	6 700					
Traffic Engineering	Traffic Calming Projects: Implementation	2972433	1 500	500					
Traffic Engineering	Traffic Management Improvement Programme	2972460	500	2 900					
Transport Planning	Bus and Taxi Shelters	2972417	200	300					
Transport Planning	Khayamandi Pedestrian Crossing (R304, River and Railway Line)	2972431	2 000	500					
Transport Planning	NMT Asset Management & NMT Public Transport	2973405	1 800	2 300					
Transport Planning	Non Motorised Transportation (NMT) Implementation	2977014	3 700	4 700					
Transport Planning	Taxi Rank: Franschoek	2972415	1 064	4 064					
Transport Planning	Taxi Rank: Kayamandi	2972414	700	2 200					
Transport Planning	Taxi Rank: Klapmuts	2980354	1 500	2 500					
Transport Planning	Update Roads Master Plan for WC024	2973412	1 000	-					
Information and Communications Technology (ICT)	Public WI-FI Network	2973438	548	848					
Information and Communications Technology (ICT)	Upgrade and Expansion of IT Infrastructure Platforms	2972509	4 819	8 419					
Property Services	La Motte Clubhouse	2972361	3 700	3 200					
Property Services	Public Ablution Facilities: Franschoek	2976912	539	1 039					
Property Services	Purchasing of land	2975621	31 790	67 040					
Property Services	Rebuild: Kleine Libertas Theatre	2972365	4 329	1 329					
Property Services	Structural Improvement: General	2972195	1 000	2 292					
Property Services	Upgrading of Stellenbosch Town Hall	2977020	2 077	1 077					

Function	Project Description	Project Number	Medium Term Revenue and Expenditure Framework						
			Budget Year 2019/20		Budget Year +1 2020/21		Budget Year +2 2021/22		
			Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	
<b>R thousands</b>									
Property Services	Upgrading of Traffic Offices: Stellenbosch	2977017	2 257	257					
Community Parks (including Nurseries)	Enlarge Office Space (Jan Marais Reserve)	2975733	1 500	3 246					
Community Parks (including Nurseries)	Implementation of Ward Priorities	2978036	2 522	2 492					
Community Parks (including Nurseries)	Spray/Water Parks	2980282	1 000	500					
Community Parks (including Nurseries)	Integrated Parks	2975618	5 000	4 600					
Community Parks (including Nurseries)	Integrated Parks	2975618	-	400					
Population Development	Furniture Tools and Equipment	2972188	35	134					
Fire Fighting and Protection	Furniture, Tools and Equipment	2973297	100	200					
Fire Fighting and Protection	Rescue equipment	2973300	300	800					
Fire Fighting and Protection	Upgrading of Stellenbosch Fire Station	2973306	6 071	1 071					
Environmental Management: Nature Conservation	Mont Rochelle Nature Reserve: Upgrade of Facilities.	2975734	1 719	719					
Environmental Management: Nature Conservation	New Cemetery: Klappmuts	2979093	500	-					
Environmental Management: Nature Conservation	Workshop : FTE	2979091	100	200					
Recreation, Sports Grounds & Halls	Borehole: Rural Sportsgrounds	2972221	550	-					
Recreation, Sports Grounds & Halls	Building of Clubhouse & Ablution Facilities: Lanquedoc Sports grounds	2972230	599	1 146					
Recreation, Sports Grounds & Halls	Upgrade of Sport Facilities	2972227	4 000	1 000					
Recreation, Sports Grounds & Halls	Upgrade of swimming pool	2973304	2 000	1 500					
Recreation, Sports Grounds & Halls	Vehicle Fleet	2972241	752	1 752					
Financial Services General	Furniture, Tools and Equipment	2972505	150	300					



**8. Municipal Manager's quality certification**

The quality certificate signed by the Accounting Officer is attached on Appendix 3.

# **APPENDIX 3**

## QUALITY CERTIFICATE

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

Name: Geraldine Mettler

Municipal Manager of Stellenbosch Municipality

Signature



\_\_\_\_\_

Date: 21 January 2020



8.4	<b>REVISED TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2019/20</b>
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Collaborator No: 674961  
 IDP KPA Ref No: *Good Governance and Compliance*  
 Meeting Date: 22 January 2020

**1. SUBJECT: REVISED TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2019/20**

**2. PURPOSE**

To obtain Council's approval for the revisions made to the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) 2019/20.

**3. DELEGATED AUTHORITY**

In terms of the Local Government: Municipal Finance Management Act, No. 56 of 2003, section 54(1)(c) *"the mayor must, consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget..."*

**4. EXECUTIVE SUMMARY**

The TL SDBIP 2019/20 was approved by the Executive Mayor on 26 June 2019.

It is common practice for a municipality, as provided for in the Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA), to review its performance indicators and targets after approving the adjustments budget.

The TL SDBIP 2019/20 (as approved by the Executive Mayor) is attached hereto as **ANNEXURE A**. All changes (for ease of reference) which should be deleted and or amended are indicated with a strikethrough and an underline respectively.

It must also be noted that the TL SDBIP 2019/20 is the in-year plan of the municipality and amendments made to the TL SDBIP 2019/20 must also be read in conjunction with the Integrated Development Plan (IDP). Therefore changes made to the TL SDBIP 2019/20 are considered to be made in the IDP as well.

These changes will be effected with the review process of the IDP 2017-2022 to be submitted to Council for final approval during May 2020.

The reasons for the amendments to the following KPIs are as follows:

- a) KPI007- The target for the 2019/20 was increased due to more job opportunities created through the Municipality's EPWP programme;
- b) KPI018- The SMART (specific, measurable, attainable, realistic and time bound) principle is applied;
- c) KPI079- The target date was moved in terms of the meeting schedule of the portfolio committees;
- d) KPI026- The target date was moved to bring the indicator in line with the IDP submission to Council in May 2020;
- e) KPI027- The target date was moved in terms of the meeting schedule of the portfolio committees;
- f) KPI059- Target revised to bring it in line with budget;
- g) KPI039- The SMART principle is applied;
- h) KPI043- The SMART principle is applied;

- i) KPI044- The SMART principle is applied;
- j) KPI045- The SMART principle is applied;
- k) KPI074- The SMART principle is applied;
- l) KPI075- The SMART principle is applied;
- m) KPI076- The SMART principle is applied;
- n) KPI077- The SMART principle is applied; and
- o) KPI064- The SMART principle is applied;

The spelling and grammar in the document were also corrected where needed.

## 5. RECOMMENDATIONS

- (a) that the Revised TL SDBIP 2019/20 be approved;
- (b) that the Revised TL SDBIP 2019/20 be published on the Municipal Website; and
- (c) that the Revised TL SDBIP 2019/20 be submitted to:
  - i. Internal Audit Unit (for notification);
  - ii. Department of Local Government: Western Cape;
  - iii. Provincial Treasury: Western Cape;
  - iv. Auditor General of South Africa; and
  - v. National Treasury.

### RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.10.2

- (a) that the Revised TL SDBIP 2019/20 be approved;
- (b) that the Revised TL SDBIP 2019/20 be published on the Municipal Website; and
- (c) that the Revised TL SDBIP 2019/20 be submitted to:
  - i. Internal Audit Unit (for notification);
  - ii. Department of Local Government: Western Cape;
  - iii. Provincial Treasury: Western Cape;
  - iv. Auditor General of South Africa; and
  - v. National Treasury.

## ANNEXURES

**Annexure A:** Revised Top Layer Service Delivery and Budget Implementation Plan 2019/20

### FOR FURTHER DETAILS CONTACT:

<b>NAME</b>	Ms Shireen De Visser
<b>POSITION</b>	Senior Manager: Governance
<b>DIRECTORATE</b>	Office of the Municipal Manager
<b>CONTACT NUMBERS</b>	021 – 808 8035
<b>E-MAIL ADDRESS</b>	<a href="mailto:Shireen.devisser@ Stellenbosch.gov.za">Shireen.devisser@ Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	14 January 2020

# **ANNEXURE A**



**FINAL REVISED  
TOP LAYER SERVICE DELIVERY  
AND BUDGET IMPLEMENTATION  
PLAN 2019/20**

**(29 January 2020)**

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**1. MUNICIPAL MANAGER'S QUALITY CERTIFICATE**

I, Geraldine Mettler, the Municipal Manager of the Stellenbosch Municipality, submit the Final Revised Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) for the 2019/20 financial year for approval by the Executive Mayor. This Revised TL SDBIP 2019/20 has been prepared in terms of the stipulated requirements as documented in the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and regulations made under this Act.

\_\_\_\_\_  
**MUNICIPAL MANAGER  
MS GERALDINE METTLER**

**DATE: .....**

**2. EXECUTIVE MAYOR'S CERTIFICATE OF APPROVAL**

I, Gesie Van Deventer, in my capacity as the Executive Mayor of the Stellenbosch Municipality, hereby approves the Final Revised Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) for the 2019/20 financial year as required in terms of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and regulations made under this Act.

\_\_\_\_\_  
**EXECUTIVE MAYOR**  
**CLLR ADV GESIE VAN DEVENTER**

**DATE:** .....

### 3. IMPLEMENTATION, MONITORING AND REVIEW – ONE YEAR

The Municipal Finance Management Act No 56 of 2003 (MFMA) requires that municipalities prepare a Service Delivery and Budget Implementation Plan (SDBIP) as a strategic financial management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their strategic planning tool, the Integrated Development Plan (IDP). The SDBIP is a contract between Council, administration and the community. It gives effect to the IDP and budget of the municipality.

The municipal budget shall give effect to the Strategic Focus Areas as contained in the IDP. The Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) shall contain details on the execution of the budget and information on programmes and projects. Quarterly, half-yearly and annual performance reports must also be submitted to Council as a means to monitor the implementation of the predetermined objectives as contained in the IDP.

The SDBIP is a one – year detailed implementation plan which gives effect to the IDP and Budget of the Municipality. It is a contract between the administration, Council and community expressing the goals and objectives set by Council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis of measuring the performance in service delivery against end year targets and implementing budget.

Indicators developed for the Stellenbosch Municipality addresses the Strategic Focus Areas of the Municipality. The Municipality utilises the one-year TL SDBIP to ensure that it delivers of its service delivery mandate by indicating clear indicators and targets. These indicators also forms the basis of the performance plans of the Directors, hence, the Directors are being evaluated on the approved TL SDBIP indicators.

The five necessary components are:

1. Monthly projections of revenue to be collected for each month;
2. Monthly projections of expenditure (operating and capital) and revenue for each vote;
3. Quarterly projections of service delivery targets and performance indicators;
4. Ward information for expenditure and service delivery; and
5. Detailed capital works plan broken down by ward over three years.



## 4. FINAL TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2019/20: PER STRATEGIC FOCUS AREA (SFA)

### 4.1 SFA 1 - VALLEY OF POSSIBILITY

SFA 1 – Valley of Possibility														
IDP Ref No	Directorate	Indicator (Activity/ Project/ Programme/ Key Initiative)	Unit of Measurement	Indicator Type	Wards	5 year target	Baseline (Actual result 2017/18)	Annual Target 2019/20	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2019/20)				POE	Delivery Indicator
									Q1	Q2	Q3	Q4		
KPI007	Planning and Economic Development	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	Programme	All	500 per annum	695	1_300 job opportunities created through the Municipality's local economic development initiatives including capital projects by 30 June	400 <del>(400)</del> 50 <del>(50)</del>	900 <del>(900)</del> 100 <del>(100)</del>	1_100 <del>(1_100)</del> 200 <del>(200)</del>	1_300 <del>(1_300)</del>	EPWP reporting system	Outcome
KPI008	Planning and Economic Development	Land-use applications <del>approved submitted by to</del> the Municipal Planning Tribunal within 120 days	Percentage of land-use applications <del>approved submitted by to</del> the Municipal Planning Tribunal within 120 days after date of <u>first submission receipt</u> of application	Programme	All	90% per annum	4 reports submitted	90% of land-use applications <del>approved submitted by to</del> the Municipal Planning Tribunal within 120 days after date of <u>first submission receipt</u> of application	90%	90%	90%	90%	<u>Minutes of the MPT Meeting</u> Proof of submission to the Municipal Planning Tribunal	Outcome
KPI009	Planning and Economic Development	Training opportunities provided for entrepreneurs and Small, Medium and Micro Enterprises (SMMEs)	Number of quarterly training opportunities provided for entrepreneurs and SMMEs	Programme	All	4 per annum	4	4 quarterly training opportunities provided for entrepreneurs and SMMEs	1 (1)	1 (2)	1 (3)	1 (4)	Attendance Registers	Output
KPI012	Planning and Economic Development	Revised Housing Pipeline (document) submitted to the Mayoral Committee (MayCo)	Number of Revised Housing Pipelines (documents) submitted to the MayCo by 31 March	Programme	All	1 per annum	1	1 Revised Housing Pipeline (document) submitted to the MayCo by 31 March	N/A	N/A	1	N/A	Proof of submission of the Revised Housing Pipeline (document) to the MayCo	Output

## 4.2 SFA 2 - GREEN AND SUSTAINABLE VALLEY

SFA 2 - Green and Sustainable Valley														
IDP Ref No	Directorate	Indicator (Activity/ Project/ Programme/ Key Initiative)	Unit of Measurement	Indicator Type	Wards	5 year target	Baseline (Actual result 2017/18)	Annual Target 2019/20	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2019/20)				POE	Delivery Indicator
									Q1	Q2	Q3	Q4		
KPI016	Infrastructure Services	Conduct an external audit of the Stellenbosch Municipality Waste Disposal Facilities	Number of external audits of the Stellenbosch Municipality Waste Disposal Facilities conducted by 30 June	Programme	All	1 per annum	2	1 external audit of the Stellenbosch Municipality Waste Disposal Facilities conducted by 30 June	N/A	N/A	N/A	1	Audit report	Output
KPI073	Infrastructure Services	Implementation of identified waste minimisation projects	Number of identified waste minimisation projects implemented by 30 June	Key Initiative	All	2 per annum	New KPI	2 identified waste minimisation projects implemented by 30 June	N/A	N/A	1 (1)	1 (2)	Waste minimisation report submitted to the Municipal Manager	Output
KPI018	Planning and Economic Development	Building plan applications processed within 30 days the prescribed/ legislated period	<u>Percentage of building plan applications of &lt;500sqm processed within 30 days after date of receipt</u> Percentage of building plans processed within the prescribed/ legislated period	Programme	All	90% per annum	4 reports submitted	<u>90% of building plan applications of &lt;500sqm processed within 30 days after date of receipt</u> 90% of building plans processed within the prescribed/ legislated period	90%	90%	90%	90%	Building plan application register	Outcome
KPI019	Infrastructure Services	Waste water quality managed and measured ito the SANS Accreditation physical and micro parameters	Percentage waste water quality compliance as per analysis certificate measured by 30 June	Programme	All	80% per annum	73%	75% waste water quality compliance as per analysis certificate measured by 30 June	N/A	N/A	N/A	75%	Report submitted by the service provider and report from GDS system	Outcome

SFA 2 - Green and Sustainable Valley														
IDP Ref No	Directorate	Indicator (Activity/ Project/ Programme/ Key Initiative)	Unit of Measurement	Indicator Type	Wards	5 year target	Baseline (Actual result 2017/18)	Annual Target 2019/20	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2019/20)				POE	Delivery Indicator
									Q1	Q2	Q3	Q4		
KPI078	Community and Protection Services	Submission of the Revised Facility Management Plan to the MayCo	Number of Revised Facility Management Plans submitted to the MayCo by 31 May	Programme	All	1 per annum	New KPI	1 Revised Facility Management Plan submitted to the MayCo by 31 May	N/A	N/A	N/A	1	Proof of submission of the Revised Facility Management Plan to the MayCo	Output
KPI079	Community and Protection Services	Submission of a Tree Management Policy to the MayCo	Number of Tree Management Policies submitted to the MayCo by <u>31 October 30 September</u>	Key Initiative	All	1 per annum	New KPI	1 Tree Management Policy submitted to the MayCo by <u>31 October 30 September</u>	<u>N/A</u> +	<u>1</u> N/A	N/A	N/A	Proof of submission of the Tree Management Policy to the MayCo	Output

## 4.3 SFA 3 - SAFE VALLEY

SFA 3 - Safe Valley														
IDP Ref No	Directorate	Indicator (Activity/ Project/ Programme/ Key Initiative)	Unit of Measurement	Indicator Type	Wards	5 year target	Baseline (Actual result 2017/18)	Annual Target 2019/20	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2019/20)				POE	Delivery Indicator
									Q1	Q2	Q3	Q4		
KPI025	Community and Protection Services	Revised Disaster Management Plan submitted to the MayCo	Number of Revised Disaster Management Plans submitted to the MayCo by 31 May	Programme	All	1 per annum	1	1 Revised Disaster Management Plan submitted to the MayCo by 31 May	N/A	N/A	N/A	1	Proof of submission of the Disaster Management Plan to the MayCo	Output
KPI026	Community and Protection Services	Revised Safety and Security Strategy submitted to the MayCo	Number of Revised Safety and Security Strategies submitted to the MayCo by <del>31 May</del> <u>30 June</u>	Programme	All	1 per annum	1	1 Revised Safety and Security Strategy submitted to the MayCo by <del>31 May</del> <u>30 June</u>	N/A	N/A	N/A	1	Proof of submission of the Revised Safety and Security Strategy to the MayCo	Output
KPI027	Community and Protection Services	Revised Traffic Management Plan submitted to the MayCo	Number of Revised Traffic Management Plans submitted to the MayCo by <del>31 October</del> <u>30 September</u>	Programme	All	1 per annum	N/A	1 Revised Traffic Management Plan submitted to the MayCo by <del>31 October</del> <u>30 September</u>	<del>N/A</del> <u>+</u>	<del>1</del> <u>N/A</u>	N/A	N/A	Proof of submission of the Revised Traffic Management Plan to the MayCo	Output

## 4.4 SFA 4 - DIGNIFIED LIVING

SFA 4 - Dignified Living														
IDP Ref No	Directorate	Indicator (Activity/ Project/ Programme/ Key Initiative)	Unit of Measurement	Indicator Type	Wards	5 year target	Baseline (Actual result 2017/18)	Annual Target 2019/20	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2019/20)				POE	Delivery Indicator
									Q1	Q2	Q3	Q4		
KPI037	Infrastructure Services	Provision of waterborne toilet facilities	Number of waterborne toilet facilities provided by 30 June	Programme	All	50 per annum	50	25 waterborne toilet facilities provided by 30 June	N/A	10 (10)}	N/A	25 (25)	Completion certificates	Output
KPI039	Financial Services	Provision of free basic water to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households <u>with access to receiving</u> free basic water, measured quarterly	Programme	All	100% per annum	N/A	100% of registered indigent households <u>with access to receiving</u> free basic water, measured quarterly	100%	100%	100%	100%	Indigent Register	Outcome
KPI040	Infrastructure Services	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 average electricity losses measured by 30 June	Programme	All	<9% per annum	5.70%	<9% average electricity losses measured by 30 June	N/A	N/A	N/A	<9%	Monthly Eskom Accounts and Vending Reports from service provider and Notes to the AFS and monthly and annual Consumption reports generated by the Finance Department	Outcome
KPI041	Infrastructure Services	Water quality managed and measured quarterly into the SANS 241 physical and micro parameters	Percentage water quality level as per analysis certificate measured quarterly	Programme	All	90% per annum	95.80%	90% water quality level as per analysis certificate measured quarterly	90%	90%	90%	90%	Quarterly Supply System Drinking Water Quality Report - DWA Blue Drop System (BDS)	Outcome

## SFA 4 - Dignified Living

IDP Ref No	Directorate	Indicator (Activity/ Project/ Programme/ Key Initiative)	Unit of Measurement	Indicator Type	Wards	5 year target	Baseline (Actual result 2017/18)	Annual Target 2019/20	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2019/20)				POE	Delivery Indicator
									Q1	Q2	Q3	Q4		
KPI042	Infrastructure Services	Limit unaccounted water to less than 25%	Average percentage water losses measured by 30 June	Programme	All	<25% per annum	21.60%	<25% average percentage water losses measured by 30 June	N/A	N/A	N/A	<25%	Quarterly water balance sheet and Monthly Consumption Report	Outcome
KPI043	Financial Services	Provision of free basic electricity to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households <u>with access to receiving</u> free basic electricity, measured quarterly	Programme	All	100% per annum	New KPI	<del>65%</del> 100% of registered indigent households <u>with access to receiving</u> free basic electricity, measured quarterly	<del>65%</del> 100%	<del>65%</del> 100%	<del>65%</del> 100%	<del>65%</del> 100%	<u>Prepaid Electricity Service Provider Report</u> Indigent Register	Output
KPI044	Financial Services	Provision of free basic refuse removal to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households <u>with access to receiving</u> free basic refuse removal, measured quarterly	Programme	All	100% per annum	New KPI	100% of registered indigent households <u>with access to receiving</u> free basic refuse removal, measured quarterly	100%	100%	100%	100%	Indigent Register	Output
KPI045	Financial Services	Provision of free basic sanitation to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households <u>with access to receiving</u> free basic sanitation, measured quarterly	Programme	All	100% per annum	New KPI	100% of registered indigent households <u>with access to receiving</u> free basic sanitation, measured quarterly	100%	100%	100%	100%	Indigent Register	Output
KPI074	Financial Services	Formal households provided with access to water (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households provided with access to water, measured quarterly	Programme	All	26 000 per annum	New KPI	26 000 formal households provided with access to water, measured quarterly	26 000	26 000	26 000	26 000	ValuProp report	Output
KPI075	Financial Services	Formal households provided with access to electricity (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households provided with access to electricity, measured quarterly	Programme	All	24 000 per annum	New KPI	24 000 formal households provided with access to electricity, measured quarterly	24 000	24 000	24 000	24 000	ltron management report	Output

SFA 4 - Dignified Living														
IDP Ref No	Directorate	Indicator (Activity/ Project/ Programme/ Key Initiative)	Unit of Measurement	Indicator Type	Wards	5 year target	Baseline (Actual result 2017/18)	Annual Target 2019/20	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2019/20)				POE	Delivery Indicator
									Q1	Q2	Q3	Q4		
KPI076	Financial Services	Formal households provided with access to refuse removal (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households provided with access to refuse removal, measured quarterly	Programme	All	26 000 per annum	New KPI	26 000 formal households provided with access to refuse removal, measured quarterly	26 000	26 000	26 000	26 000	ValuProp report	Output
KPI077	Financial Services	Formal households provided with access to sanitation (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households provided with access to sanitation, measured quarterly	Programme	All	26 000 per annum	New KPI	26 000 formal households provided with access to sanitation, measured quarterly	26 000	26 000	26 000	26 000	ValuProp report	Output

## 4.5 SFA 5 - GOOD GOVERNANCE AND COMPLIANCE

SFA 5 - Good Governance and Compliance														
IDP Ref No	Directorate	Indicator (Activity/ Project/ Programme/ Key Initiative)	Unit of Measurement	Indicator Type	Wards	5 year target	Baseline (Actual result 2017/18)	Annual Target 2019/20	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2019/20)				POE	Delivery Indicator
									Q1	Q2	Q3	Q4		
KPI055	Financial Services	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)	Programme	All	4 per annum	7.61	4 (months)	N/A	N/A	N/A	4 (months)	Financial Statements	Outcome
KPI056	Financial Services	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	Programme	All	96% per annum	98.08%	96%	N/A	N/A	N/A	96%	Debtors transaction summary: BS-Q909E extract generated from the Samras Financial System	Outcome
KPI057	Financial Services	Actual expenditure on the approved Capital Budget for the Municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of approved Capital Budget for the Municipality actually spent by 30 June	Programme	All	90% per annum	86.6%	90% of approved Capital Budget for the Municipality actually spent by 30 June	10%	30%	60%	90%	Report from the financial system	Input



## SFA 5 - Good Governance and Compliance

IDP Ref No	Directorate	Indicator (Activity/ Project/ Programme/ Key Initiative)	Unit of Measurement	Indicator Type	Wards	5 year target	Baseline (Actual result 2017/18)	Annual Target 2019/20	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2019/20)				POE	Delivery Indicator
									Q1	Q2	Q3	Q4		
KPI058	Office of the Municipal Manager	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	Programme	All	75% per annum	50%	75% of employment equity appointments made within the financial year in the three highest levels of management, measured by 30 June	N/A	N/A	N/A	75%	Employment Equity Report	Outcome
KPI059	Corporate Services	The percentage of actual payroll budget spent on implementing the Municipal Workplace Skills Plan (NKPI Proxy-MSA, Reg. S10(f))	Percentage of 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	Programme	All	0.85% per annum	0.72%	<del>0.58%</del> 0.85% of Municipality's payroll budget actually spent on implementing its workplace skills plan, measured by 30 June	N/A	N/A	N/A	<del>0.58%</del> 0.85%	Report from the financial system	Input
KPI060	Financial Services	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	Programme	All	15% per annum	14%	15%	N/A	N/A	N/A	15%	Annual Financial Statements, supported by figures as per the SAMRAS financial system	Outcome
KPI061	Financial Services	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	Programme	All	27% per annum	10.9%	27%	N/A	N/A	N/A	27%	Annual Financial Statements, supported by figures as per the SAMRAS financial system	Outcome

## SFA 5 - Good Governance and Compliance

IDP Ref No	Directorate	Indicator (Activity/ Project/ Programme/ Key Initiative)	Unit of Measurement	Indicator Type	Wards	5 year target	Baseline (Actual result 2017/18)	Annual Target 2019/20	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2019/20)				POE	Delivery Indicator
									Q1	Q2	Q3	Q4		
KPI062	Office of the Municipal Manager	Revised Risk-Based Audit Plan (RBAP) submitted to the Audit Committee	Number of Revised RBAPs submitted to the Audit Committee by 30 June	Programme	All	1 per annum	1	1 Revised RBAP submitted to the Audit Committee by 30 June	N/A	N/A	N/A	1	Proof of submission of the RBAP to the Audit Committee	Output
KPI063	Office of the Municipal Manager	Audit Action Plan (AAP) submitted to the Audit Committee	Number of Audit Action Plans submitted to the Audit Committee by 28 February	Programme	All	1 per annum	1	1 Audit Action Plan submitted to the Audit Committee by 28 February	N/A	N/A	1	N/A	Proof of submission of the AAP to the Audit Committee	Output
KPI064	Office of the Municipal Manager	Revised <u>Strategic</u> Risk Register (SRR) submitted to the Risk Management Committee	Number of Revised <u>Strategic</u> Risk Registers submitted to the Risk Management Committee by 30 June	Programme	All	1 per annum	1	1 Revised <u>Strategic</u> Risk Register submitted to the Risk Management Committee by 30 June	N/A	N/A	N/A	1	Proof of submission of the SRR to the Risk Management Committee	Output
KPI065	Corporate Services	Revised Information and Communication Technology (ICT) Backup Disaster Recovery Plan submitted to the ICT Steering Committee	Number of Revised ICT Backup Disaster Recovery Plans submitted to the ICT Steering Committee by 31 March	Programme	All	1 per annum	1	1 Revised ICT Backup Disaster Recovery Plan submitted to the ICT Steering Committee by 31 March	N/A	N/A	1	N/A	Proof of submission of the Revised ICT Backup Disaster Recovery Plan to the ICT Steering Committee	Output
KPI066	Corporate Services	Revised Strategic ICT Plan submitted to the ICT Steering Committee	Number of Revised Strategic ICT Plans submitted to the ICT Steering Committee by 31 March	Programme	All	1 per annum	1	1 Revised Strategic ICT Plan submitted to the ICT Steering Committee by 31 March	N/A	N/A	1	N/A	Proof of submission of the Revised Strategic ICT Plan to the ICT Steering Committee	Output
KPI067	Office of the Municipal Manager	Draft Integrated Development Plan (IDP) submitted to Council	Number of Draft IDPs submitted to Council by 31 March	Programme	All	1 per annum	1	1 Draft IDP submitted to Council by 31 March	N/A	N/A	1	N/A	Proof of submission of the Draft IDP to Council	Output

## SFA 5 - Good Governance and Compliance

IDP Ref No	Directorate	Indicator (Activity/ Project/ Programme/ Key Initiative)	Unit of Measurement	Indicator Type	Wards	5 year target	Baseline (Actual result 2017/18)	Annual Target 2019/20	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2019/20)				POE	Delivery Indicator
									Q1	Q2	Q3	Q4		
KPI068	Financial Services	Submission of the Revised Asset Management Policy Council	Number of Revised Asset Management Policies submitted to Council by 30 June	Programme	All	1 per annum	1	1 Revised Asset Management Policy submitted to Council by 30 June	N/A	N/A	N/A	1	Proof of submission of the Revised Asset Management Policy to Council	Output
KPI070	Office of the Municipal Manager	IDP / Budget / SDF time schedule (process plan) submitted to Council	Number of IDP / Budget / SDF time schedules (process plan) submitted to Council by 31 August	Programme	All	1 per annum	1	1 IDP / Budget / SDF time schedule (process plan) submitted to Council by 31 August	1	N/A	N/A	N/A	Proof of submission of the IDP / Budget / SDF time schedule (process plan) to Council	Output
KPI071	Infrastructure Services	Revised Electrical Master Plan submitted to Council	Number of Revised Electrical Master Plans submitted to Council by 30 June	Programme	All	1 per annum	N/A	1 Revised Electrical Master Plan submitted to Council by 30 June	N/A	N/A	N/A	1	Proof of submission of the Revised Electrical Master Plan to Council	Output
KPI072	Corporate Services	Submission of a Draft Smart City Framework to the MayCo	Number of Draft Smart City Frameworks submitted to the MayCo by 31 <u>May</u> <u>December</u>	Key Initiative	All	1 per annum	New KPI	1 Draft Smart City Framework submitted to the MayCo by 31 December	N/A	$\frac{N/A}{1}$	N/A	$\frac{1}{N/A}$	Proof of submission of the Draft Smart City Framework to the MayCo	Output

<b>8.5</b>	<b>MFMA SECTION 52 REPORTING UP TO DECEMBER 2019</b>
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Collaborator No: 675033  
IDP KPA Ref No: Good Governance and Compliance  
Meeting Date: 22 January 2020

**1. SUBJECT: MFMA SECTION 52 REPORTING UP TO DECEMBER 2019**

**2. PURPOSE**

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 by the Municipality for quarter 2 of the 2019/20 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 as well as the non-financial performance 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 October 2019 to 31 December 2019.

**5. RECOMMENDATION**

that Council notes Section 52 Report (including quarterly performance report) – The second 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 2<sup>nd</sup> 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 2.

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

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.3.5**

that Council notes the Section 52 Report (including quarterly performance report) – The second Quarter

**ANNEXURES**

Appendix 1: - Section 52 Report – 2<sup>nd</sup> Quarter

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Kevin Carolus
<b>POSITION</b>	Director Financial Services
<b>DIRECTORATE</b>	Financial Services
<b>CONTACT NUMBERS</b>	021 – 807 8528
<b>E-MAIL ADDRESS</b>	Kevin.Carolus@stellenbosch.gov.za
<b>REPORT DATE</b>	31 January 2020

# APPENDIX 1



**STELLENBOSCH**

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

# QUARTERLY BUDGET MONITORING REPORT

**2<sup>nd</sup> Quarter 2019/20**



**QUALITY CERTIFICATE**

I, Geraldine Mettler, the Municipal Manager of Stellenbosch Municipality, hereby certify that the quarterly report the period ending December 2019 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 December 2019.

Name: Geraldine Mettler

Municipal Manager of Stellenbosch Municipality- WC024

Signature \_\_\_\_\_



Date: 17 January 2020



**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 state of affairs of Stellenbosch Municipality reflecting the particulars of the second quarter of the financial year 2019/20.

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 M van Deventer

Executive Mayor

Date: 17 January 2020

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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.

### 2.2 Summary of 2019/20 budget progress / implementation

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

<b>Detail</b>	<b>Capital Expenditure</b>	<b>Operating Expenditure</b>	<b>Operating Revenue</b> (excluding capital transfers and contributions)
Original Budget	558 276 528	1 808 247 224	1 778 647 259
Adjustment Budget	613 274 958	1 810 200 255	1 780 600 290
Plan to Date (SDBIP)	301 451 197	796 285 249	853 686 211
<b>Actual</b>	<b>202 978 608</b>	<b>625 798 519</b>	<b>844 797 616</b>
Variance to SDBIP	-98 472 589	-170 486 729	-8 888 595
Year to date % Variance to SDBIP	<b>-32.67%</b>	<b>-21.41%</b>	<b>-1.04%</b>

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

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

### 3. Operating Revenue

The following table shows the actual operating revenue per National Treasury Reporting regulations against that planned in the SDBIP for the 2<sup>nd</sup> Quarter of 2019/20:

#### Operating Revenue by Source

Description	ORIGINAL BUDGET	ADJUSTMENT BUDGET
<b>Revenue by Source</b>		
Property rates	356 121 877	356 121 877
Service charges - electricity revenue	639 886 270	639 886 270
Service charges - water revenue	201 974 611	201 974 611
Service charges - sanitation revenue	113 503 000	113 503 000
Service charges - refuse revenue	69 224 664	69 224 664
Service charges - other	-	-
Rental of facilities and equipment	18 831 474	18 831 474
Interest earned - external investments	44 171 310	44 171 310
Interest earned - outstanding debtors	11 270 156	11 270 156
Fines	108 260 389	108 260 389
Licences and permits	5 398 023	5 398 023
Agency services	2 851 504	2 851 504
Transfers recognised - operational	172 339 472	174 292 503
Other revenue	34 814 509	34 814 509
Gains on disposal of PPE	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 778 647 259</b>	<b>1 780 600 290</b>

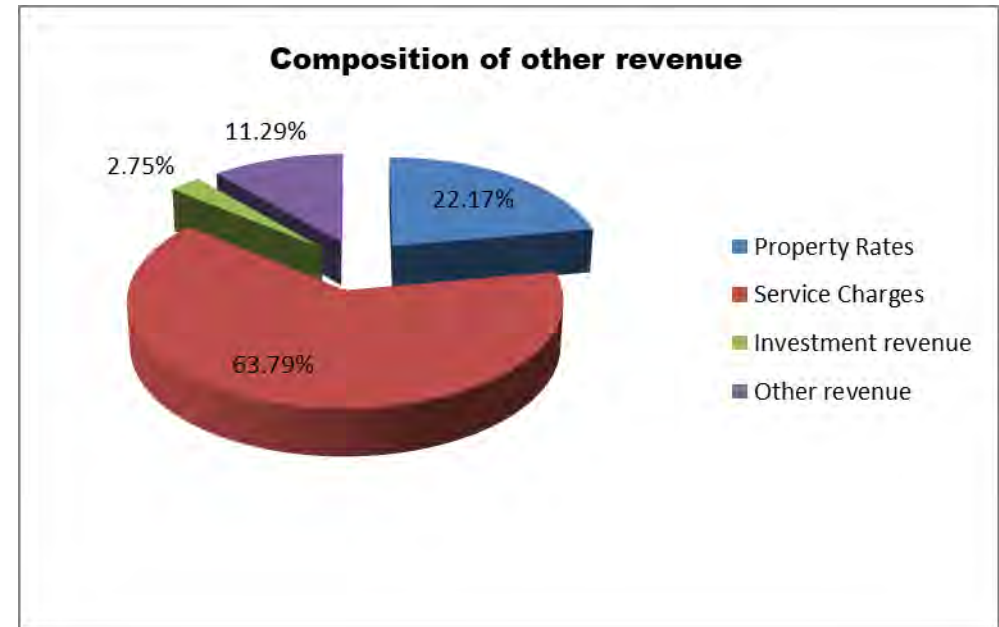
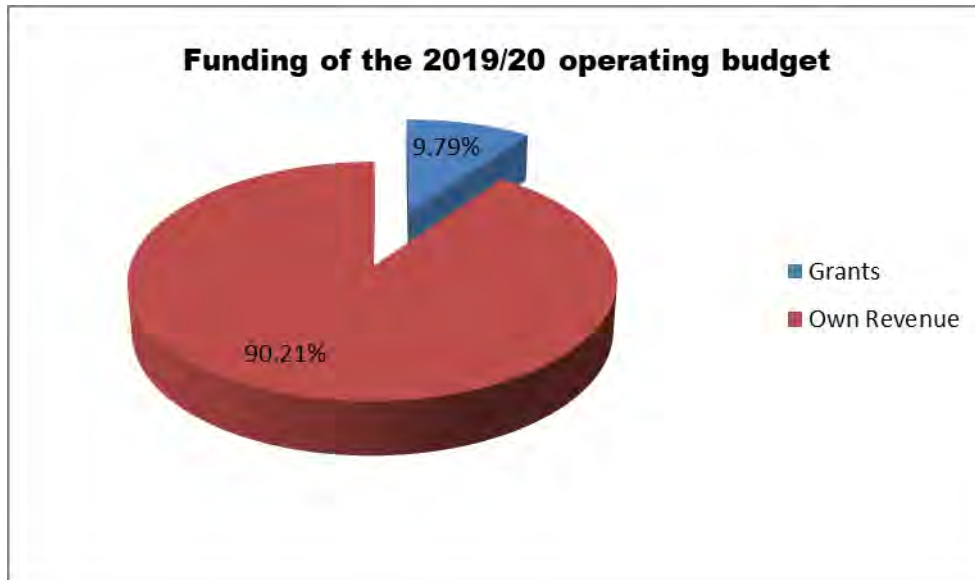
QUARTER 2 2019/20		
PLANNED	ACTUAL	VAR
66 250 044	72 855 330	10%
120 152 229	143 088 784	19%
58 773 340	39 320 948	-33%
30 385 707	18 414 115	-39%
16 613 919	12 296 332	-26%
-	-	-
2 615 184	2 100 319	-20%
11 398 729	8 300 133	-27%
2 688 250	3 343 721	24%
6 766 191	7 174 930	6%
1 138 418	1 449 402	27%
912 481	819 652	-10%
56 015 157	48 810 617	-13%
5 897 782	5 554 487	-6%
-	-	-
<b>379 607 432</b>	<b>363 528 770</b>	<b>-4%</b>

QUARTER 2 2018/19		
PLANNED	ACTUAL	VAR
79 749 014	66 582 070	100%
132 948 773	132 938 117	0%
54 620 047	37 816 529	-31%
25 931 358	19 321 561	100%
13 602 309	12 560 144	100%
-	-	-100%
4 302 322	2 074 403	-52%
10 526 364	11 656 236	11%
2 561 232	2 674 353	4%
24 733 650	5 881 195	-76%
1 233 256	1 270 285	100%
651 467	670 644	3%
62 940 712	48 396 000	-23%
8 236 102	4 348 026	-47%
-	-	100%
<b>422 036 608</b>	<b>346 189 563</b>	<b>-18%</b>

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

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 63.79 per cent of the R1 780 600 290 billion revenue budget.



## **Operating Revenue Variance Report**

The variances between actual operating revenue and the planned operating revenue contained in the SDBIP are explained per revenue source and are as follow:

### **Revenue by Source**

#### **3.1 Property Rates and Service charges - refuse**

Property rates and service charges refuse are billed monthly. However some consumers applied to have their property rates and service charges billed annually.

#### **3.2 Service charges - water revenue**

The municipality has billed R30 281 211 less water than initially anticipated. The average billing for the year amounted to R12 068 976 per month which indicates that the decline in consumption equates to more than two month's billings. The largest variances billed relates to the agricultural and rural water services (R24 888 or 8% of the R298 801 adjusted budget) as well as the low billings for the connection and disconnection of water (R39 753 or 14% of the R274 212 adjusted budget). The water usage fluctuates according to seasonal trends and an increase is anticipated over the summer months. The municipality has re-assessed the water revenue budget and anticipates that a downward adjustment of R40 000 000 will be necessitated during the Mid-year adjustment budget process.

#### **3.3 Service charges - sanitation revenue**

An under performance is noted for sanitation revenue due to the noticeable decline in billed revenue. The municipality has re-assessed the sanitation revenue budget as the decline in the industrial effluent charges has negatively affected the revenue stream. However, it is projected that the industrial effluent charges will increase towards the end of the financial year, therefor the sanitation revenue will not be adjusted.

#### **3.4 Rental of facilities and equipment**

An under performance was noted for the rental of facilities and equipment to the amount of R980 738. The largest variances relates to the market related rental for housing units which amounts to R4 140 143 of the R18 357 804 adjusted budget amount. The annual levies will be processed during March 2020.

#### **3.5 Interest earned – external investments**

An under performance was noted for the interest earned – external investments to the amount of R3 816 056. The journal to account for the monthly interest of R2 992 925 has not been processed and will be captured on the financial system during January 2020. An improvement will therefore be reflected during January 2020.

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

#### 4. Operating Expenditure

The following table illustrates the actual operating expenditure for each Directorate against planned expenditure in the SDBIP for the 2<sup>nd</sup> Quarter of 2019/20.

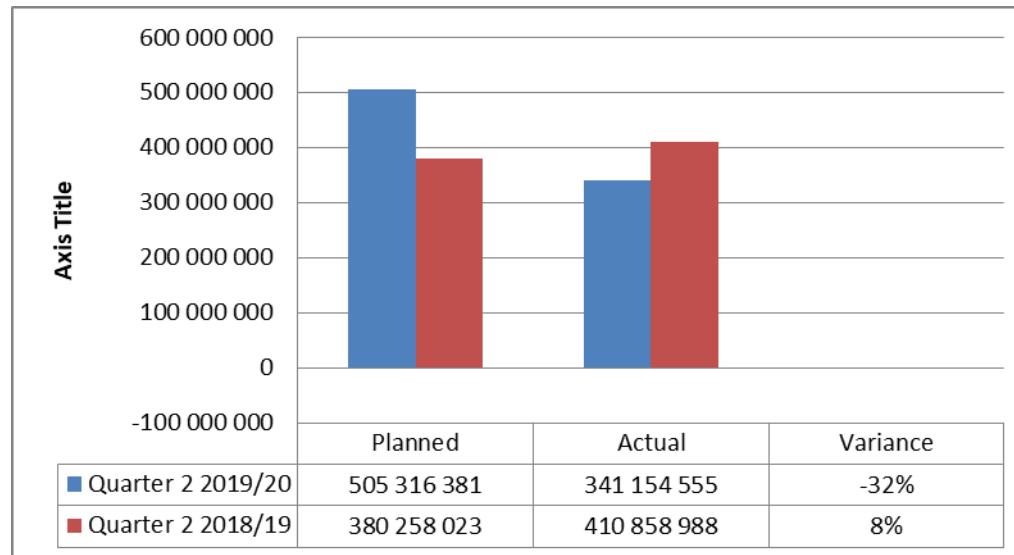
##### Operating Expenditure (Per Directorate):

DIRECTORATE	ORIGINAL BUDGET	AMENDED BUDGET	QUARTER 2 2019/20		QUARTER 2 2018/19	
			PLANNED	ACTUALS	PLANNED	ACTUALS
Municipal Manager	52 257 775	52 257 775	14 187 334	11 005 826	6 712 155	5 032 399
Planning & Development	109 278 726	109 278 726	26 915 395	15 101 980	23 202 874	30 450 583
Community and Protection Services	972 005 815	359 478 808	6 344 929	61 901 924	81 575 019	53 291 565
Infrastructure Services	357 525 777	972 005 815	370 493 228	196 356 119	208 638 829	249 471 481
Corporate Services	184 054 859	184 054 859	51 691 959	32 520 741	38 737 191	51 263 431
Financial Services	133 124 272	133 124 272	35 683 536	24 267 965	21 391 954	21 349 530
<b>TOTALS</b>	<b>1 808 247 224</b>	<b>1 810 200 255</b>	<b>505 316 381</b>	<b>341 154 555</b>	<b>380 258 023</b>	<b>410 858 988</b>

During the second quarter of the financial year the directorates spent R164 161 826, 32% less than the planned expenditure. At the same period last year the directorate spent R30 600 965, 8% more than the planned expenditure.



QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019



The year on year comparison for the second quarter is 68% actual spending rate of the planned operating budget for the financial year 2019/20, compared to a 108% actual spending rate for the same period in the previous financial year.

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

**Operating Expenditure Variance Report**

The variances between actual operating expenditure and planned operating expenditure contained in the SDBIP are explained per item and are as follows:

**4.1 Planning and Development Services**

The Planning and Development Services directorate planned to spend R53 662 736 of the adjusted budget. The year to date actual expenditure incurred amounted to R32 339 746 which resulted in an underspending of R21 322 990. The items that attributed to the underspending are as follows:

**4.1.1 Operational Cost: Supplier Development Programme**

The user department planned to spend R750 000. The year to date actual expenditure incurred amounted R165 526. The department indicated that the following projects will be funded from this item:

- Tourism Strategy of approximately R240 000;
- Job Seekers Database of approximately R450 000 for the next 3 years;
- Klapmuts Feasibility Study of approximately R200 000;
- LED Hubs of approximately R100 000; and
- Idas Valley (ideas how to improve structure) of approximately R200 000

The user department indicated that there are several formal quotations for the above mentioned projects. All funds will be utilised.

**4.1.2 Contractors: Management of Informal Settlements**

The user department planned to spend R702 272. The year to date actual expenditure incurred amounted R122 871. Invoices to the amount of R319 486 have been submitted for payment.

**4.1.3 Business and Advisory: Project Management**

The user department planned to spend R351 136. No spending has been incurred to date. The user department indicated that the budget will be decreased during the Mid-year adjustment budget process.

#### **4.1.4 Operating leases: Furniture and Office Equipment**

The user department planned to spend R951 504. The year to date actual expenditure incurred amounted R12 520. The user department indicated that the budget will be reduced by R800 000 during the Mid-year adjustment budget process.

#### **4.1.5 Contractors: Catering Services**

The user department planned to spend R357 522. The year to date actual expenditure incurred amounted R21 750. The user department indicated that a saving of R500 000 will be transferred to the Cleaning Services: Informal Trading Sites ukey. This saving was due to the implementation of the cost containment policy.

### **4.2 Community and Protection Services**

The Community and Protection Services directorate planned to spend R148 828 087 of the adjusted budget. The year to date actual expenditure incurred amounted to R111 676 177 which resulted in an underspending of R37 151 910. The items that attributed to the under spending are as follows:

#### **4.2.1 Contractors: Maintenance of buildings and facilities**

The user department planned to spend R3 505 094 of the adjusted budget. The year to date actual expenditure incurred amounted R1 719 327. The user department indicated that a saving is envisaged.

#### **4.2.2 Outsourced Services: Clearing and Grass Cutting Services**

The user department planned to spend R2 602 537 of the adjusted budget. The year to date actual expenditure incurred amounted R583 855. The user department indicated that the funds will be used in conjunction with the funds allocated for forestry earmarked for the rehabilitation of the rivers. The user department further indicated that the current costs incurred are lower than expected due to the low tender price awarded.

#### **4.2.3 Contractors: Preservation/Restoration/Dismantling**

The user department planned to spend R14 331 348 of the adjusted budget. The year to date actual expenditure incurred amounted R6 834. The user department indicated that slow spending was experienced due to the Techno

park dam being closed. Some of the funds will be utilised for the procurement of trees in the Techno park areas.

### **4.3 Corporate Services**

The Corporate Services directorate planned to spend R84 589 421 of the adjusted budget. The year to date actual expenditure incurred amounted to R60 055 339 which resulted in an underspending of R24 534 083. The items that attributed to the under spending are as follows:

#### **4.3.1 Contractors: Maintenance of Buildings and Facilities**

The user department planned to spend R3 706 986 of the adjusted budget. The year to date actual expenditure incurred amounted to R1 865 560. Orders to the amount of R3 188 305 have been loaded on the financial system.

#### **4.3.2 Training**

The user department planned to spend R1 496 204 of the adjusted budget. The year to date actual expenditure incurred amounted R836 083. The user department indicated that a service provider has been appointed and that the funds will be spent during the remainder of the financial year.

#### **4.3.3 Operational Cost: Bargaining Council**

The user department planned to spend R1 932 000 of the adjusted budget. No spending has been incurred to date. The payment will be made during the last quarter of the financial year.

### **4.4 Infrastructure Services**

The Infrastructure Services directorate planned to spend R424 049 219 of the adjusted budget. The year to date actual expenditure incurred amounted to R363 046 203 which resulted in an under spending of R61 003 017. The items that attributed to the over spending are as follows:

#### **4.4.1 Bulk Purchases: Water**

The user department planned to spend R14 378 778 of the adjusted budget. The year to date actual expenditure incurred amounted to R9 198 415. The usage is demand driven and originates from the low water consumption which is depicted on page 10 (service charges – water revenue). The budget will be decreased during the Mid-year adjustment budget process.

**4.4.2 Contractors: Maintenance of unspecified assets**

The user department planned to spend R11 957 950 of the adjusted budget. The year to date actual expenditure incurred amounted to R1 802 245. The budget will be decreased by R1 500 000 during the Mid-year adjustment budget process.

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

## 5. Capital Expenditure

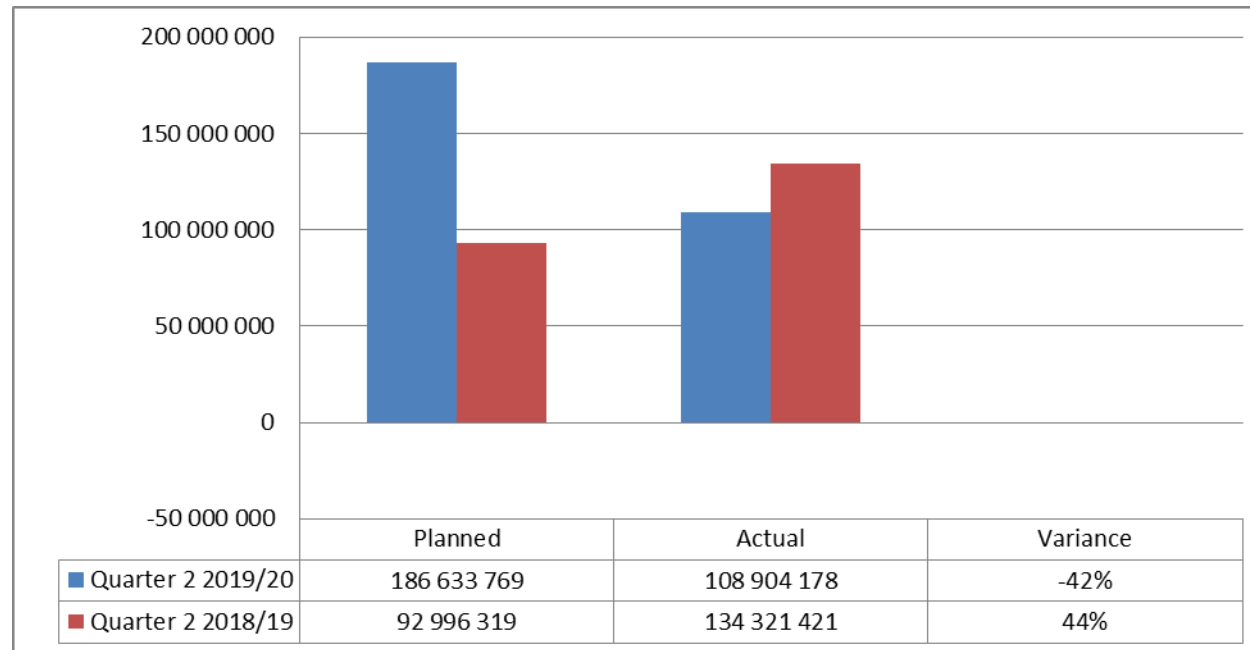
The following table illustrates the actual capital expenditure per directorate against the planned in the SDBIP for the 2<sup>nd</sup> Quarter of 2019/20.

DIRECTOR	ORIGINAL BUDGET	AMENDED BUDGET
Municipal Manager	35 000	35 000
Planning & Development	9 950 000	13 222 038
Community and Protection Services	64 315 000	70 642 597
Infrastructure Services	378 856 528	421 133 115
Corporate Services	104 970 000	108 092 208
Financial Services	150 000	150 000
<b>TOTALS</b>	<b>558 276 528</b>	<b>613 274 958</b>

QUARTER 2 2019/20		
PLANNED	ACTUAL EXPENDITURE	VAR %
7 500	3 485	100
4 011 702	3 209 452	-20%
22 100 138	2 710 752	-14%
108 347 583	93 458 457	-82%
52 156 846	9 520 495	100%
10 000	1 536	-
<b>186 633 769</b>	<b>108 904 178</b>	<b>-42%</b>

QUARTER 2 2018/19		
PLANNED	ACTUAL EXPENDITURE	VAR %
802 648	8 527	-99%
2 310 409	2 365 535	100%
10 755 284	6 250 171	-42%
74 251 244	121 880 726	64%
4 796 201	3 538 236	100%
80 534	278 227	100%
<b>92 996 319</b>	<b>134 321 421</b>	<b>44%</b>

QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019



The year on year comparison for the end of the second quarter is [202 978 608/ R613 274 958] 33% of the total capital budget of R613 274 958 for the 2019/20 financial year compared to a [R147 499 939/ R587 748 280] 25% spending rate for the same period in the previous financial year measured against a budget of R587 748 280.

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

**Capital Expenditure Variance Report**

The variances between actual capital expenditure and the planned capital expenditure contained in the SDBIP are explained per directorate and are as follows:

**5.1 Planning and Development**

The Directorate planned to spend R7 749 026 of the adjusted budget. The year to date actual expenditure incurred amounted to R4 744 130. This resulted in an under spending of R3 004 896. The projects that attributed to the under spending are as follows:

**5.1.1 Establishment of Informal Trading Sites: Groendal**

The user department planned to spend R2 360 140 of the adjusted budget. The year to date actual expenditure incurred amounted to R1 527 729. The user department has transferred R1 650 632 from the Establishment of Informal Trading Sites: Klapmuts.

**5.1.2 Establishment of Informal Trading Sites: Kayamandi**

The user department planned to spend R1 800 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R942 183. There has been challenges with this project resulting in the dismissal of the architect. The user department indicated that they are currently busy with the bill of quantities as well as the building plans. The professional fees have been fully committed. The tender will be advertised during January 2020.

**5.1.3 Establishment of Informal Trading Sites: Klapmuts**

The user department planned to spend R1 521 514 of the adjusted budget. The year to date actual expenditure incurred amounted to R816 611. Invoices to the amount of R210 870 have been submitted for payment. An improvement will therefore be reflected in the next reporting period.

**5.2 Community and Protection Services**

The Directorate planned to spend R42 081 926 of the adjusted budget. The year to date actual expenditure incurred amounted to R14 144 103. This resulted in an under spending of R27 937 823. The projects that attributed to the under spending are as follows:



### **5.2.1 Integrated parks**

The user department planned to spend R2 416 666 of the adjusted budget. The year to date actual expenditure incurred amounted to R1 077 027. The user department indicated that the tender for the different play items will be advertised in January 2020. Orders for the parkways have been loaded on the financial system. The construction of fencing will commence as soon as the fencing tender has been concluded.

### **5.2.2 Hydraulic Ladder Fire Truck**

The user department planned to spend R12 000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R10 743 380. The user department indicated that the saving of R1 256 420 will be utilised for the purchase of specialized equipment.

### **5.2.3 Upgrading of Stellenbosch Fire Station**

The user department planned to spend R3 487 776 of the adjusted budget. No spending has been incurred to date. The tender has closed on 21 September 2019. The user department indicated that the technical evaluation has been concluded. The tender has not served before the Bid Evaluation Committee and no Bid Adjudication date has been scheduled yet. R3 000 000 will be rolled over to the 2020/21 financial year.

### **5.2.4 Install and Upgrade CCTV Cameras in WC024**

The user department planned to spend R683 333 of the adjusted budget. The year to date actual expenditure incurred amounted to R136 151. The tender has closed on 6 December 2019. The user department indicated that spending is anticipated to commence in March 2020.

### **5.2.5 Law Enforcement: Vehicle Fleet**

The user department planned to spend R2 135 000. No spending has been incurred to date. The user department indicated that requisitions to the amount of R2 025 642 have been loaded on the financial system.

### **5.2.6 Purchase of Specialised Vehicles**

The user department planned to spend R1 166 666 of the adjusted budget. No spending has been incurred to date. The user department

indicated that requisitions to the amount of R1 781 124 have been loaded on the financial system.

#### **5.2.7 Upgrading of the Cloetesville Library**

The user department planned to spend R1 083 333 of the adjusted budget. No spending has been incurred to date. The user department indicated that technical evaluations are being done as a large number of bids have been received which is pro-longing the evaluation process. The bid prices are higher than initially anticipated.

#### **5.2.8 Upgrade of the Sport Facilities**

The user department planned to spend R1 048 545 of the adjusted budget. The year to date actual expenditure incurred amounted to R4 748. The user department indicated that the tender has been advertised and will close on 14 February 2019. A site-meeting has been scheduled for January 2020.

#### **5.2.9 Upgrade of the swimming pool**

The user department planned to spend the entire budget allocation of R2000 000. No spending has been incurred to date. The user department indicated that a consultant has been appointed.

#### **5.2.10 Mont Rochelle Nature Reserve: Upgrade of Facilities**

The user department planned to spend R844 446 of the adjusted budget. The year to date actual expenditure incurred amounted to R106 799. The user department indicated that the project manager has been appointed. Phase 1 and 2 will be completed during the current financial year. R1 000 000 will be rolled over to the 2020/21 financial year.

#### **5.2.11 Replacement of Patrol Vehicles**

The user department planned to spend R1 062 293 of the adjusted budget. No spending has been incurred to date. The user department indicated that requisitions to the amount of R813 267 have been loaded on the financial system.

### **5.3 Infrastructure Services**

The Directorate planned to spend an amount of R194 493 300 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R110 322 876. This resulted in an under spending of R84 170 424. The projects that attributed to the under spending are as follows:

#### **5.3.1 Stellenbosch WC024 Material Recovery Facility**

The user department planned to spend R17 469 337 of the adjusted budget. The year to date actual expenditure incurred amounted to R8 528 006. The user department indicated that the project is on par with the implementation of the project milestones. The delivery of the weigh bridge will take approximately 6 weeks. The user department has indicated that additional funds will be required to complete the construction of the Materials Recovery Facility. A budget increase of R11 500 000 has been requested.

#### **5.3.2 Vehicles**

The user department planned to spend R4 000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R2 986 743. The user department has loaded requisitions of R2 649 157 on the financial system.

#### **5.3.3 Energy Efficiency and Demand Side Management**

The user department planned to spend R1000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R6 781. The user department indicated that they are awaiting the delivery of some materials. The majority of the materials are available at the stores.

#### **5.3.4 Network Cable Replace 11Kv**

The user department planned to spend R2000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R33 039. The user department indicated that all materials are available at the stores. An order has been generated for the labour portion of the tender. It should be noted that the projects will only commence towards the end of January 2020 as the construction industry will be closing for the December holidays. All funds will be spent.

**5.3.5 Basic Services Improvements: Langrug**

The user department planned to spend R2 500 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that a consultant has been appointed for the construction of the road. The bill of quantities are being compiled. The tender will be finalized by end of January 2020. The budget will be adjusted downwards during the Mid-year adjustments budget process.

**5.3.6 Idas Valley IRDP/FLISP**

The user department planned to spend R6 500 000 of the adjusted budget. No spending has been incurred to date. The project has been fully committed. The user department indicated that invoices have been received and are being processed.

**5.3.7 Langrug Dam**

The user department planned to spend R1 500 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that the feasibility report for Erf 3229 was compiled and received. The forecasted program received from the consultant suggests a multi-year project. The budget will be decreased by R1 000 000 during the Mid-year adjustments budget process. Funds will be rolled over to the 2020/21 financial year.

**5.3.8 Longlands Vlotenburg: Housing Internal Services**

The user department planned to spend R1 000 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that the site handover meeting was held during December 2019 in order to finalise the tender documents and prices that were received from the contractor. The user department indicated that the installation of services will commence in January 2020 and will amount to approximately R8 000 000.

**5.3.9 Upgrading of the Steps/Orlean Lounge**

The user department planned to spend R2 000 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that the appeal period came to an end at 31 December 2019.

**5.3.10 Bulk Sewer Outfall: Jamestown**

The user department planned to spend R19 401 142 of the adjusted budget. The year to date actual expenditure incurred amounted to R9 967 474. The user department indicated that the project is progressing well and will be closely monitored to ensure full utilisation of the allocated adjustment budget. Orders to the amount of R21 493 896 has been loaded on the financial system.

**5.3.11 Upgrade of WWTW: Pniel & Decommissioning Of Franschoek**

The user department planned to spend R24 907 278 of the adjusted budget. The year to date actual expenditure incurred amounted to R6 192 697. Order to the amount of R28 558 535 have been loaded on the financial system.

**5.3.12 Water Conservation & Demand Management**

The user department planned to spend R4 000 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that a consultant has been appointed to manage the project.

**5.3.13 Main Road Intersection Improvements: Stellenbosch**

The user department planned to spend R4 000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R1 250 266. The user department indicated that they are in the process of appointing consultants. Construction will commence during the current financial year. The budget will be decreased by R5 000 000 during the Mid-year adjustment budget process.

**5.3.14 Khayamandi Pedestrian Crossing (R304, River and Railway Line)**

The user department planned to spend R1 000 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that they are awaiting approvals from the Provincial department and PRASA before the tender can be advertised. Construction will commence during the 2020/21 financial year. The budget will be decreased by R1 500 000 during the Mid-year adjustment budget process.

### **5.3.15 Non-Motorised Transportation (NMT) Implementation**

The user department planned to spend R1 700 000 of the adjusted budget. No spending has been incurred to date. The user department indicated that a contractor has been appointed. The budget will be decreased by R2 000 000 during the Mid-year adjustment budget process due to an increase in the requests for sidewalks.

## **5.4 Corporate Services**

The Directorate planned to spend R57 104 445 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R73 757 414. This resulted in an over spending of R16 652 969. The projects that attributed to the over spending are as follows:

### **5.4.1 Purchasing of land**

The user department planned to spend R45 000 000 of the adjusted budget. The year to date actual expenditure incurred amounted to R63 196 263. The user department indicated that the sales agreement for the second land purchase has been concluded and the transfer of the property is in progress. A request for additional funding of R35 000 000 has been submitted to the Financial Services Directorate for the purchase of a building to be utilised for office space. The R35 000 000 will be funded by the investment portfolio.

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

## 6. Investments and Borrowings

## 6.1 Investments

ACC. NR	BANK	Type/ Period	INTEREST RATE	MATURITY DATE	OPENING BALANCE AS AT 1 NOVEMBER 2019	Quarter 2 Oct - Dec 2019		TOTAL INVESTMENTS/ WITHDRAWALS FOR THE QUARTER	INTEREST CAPITALISED FOR QUARTER 2	CLOSING BALANCE YTD
						INVEST	WITHDRAW			
'9313956927	<b>ABSA BANK</b>	CALL	6.700%	CALL		50 000 000.00	(30 000 000.00)	20 000 000.00	401 124.69	20 401 124.69
					-	<b>50 000 000.00</b>	<b>(30 000 000.00)</b>	<b>20 000 000.00</b>	<b>401 124.69</b>	<b>20 401 124.69</b>
	<b><u>NEDBANK</u></b>									
03/7881123974/...014	N#014	FIXED / 12 Mths	9.050%	06-Sep-19	0.03			-	-	0.03
03/7881123974/...015	N#015	FIXED / 12 Mths	9.050%	11-Oct-19	119 682 260.22		(119 955 000.00)	(119 955 000.00)	272 739.72	(0.06)
03/7881123974/...016	N#016	FIXED / 3 MTHS	8.050%	09-Jul-19	0.55			-	-	0.55
03/7881123974/...017	N#017	FIXED / 5 MTHS	7.900%	24-Feb-20	136 910 117.01			-	2 722 663.53	139 632 780.54
03/7881123974/...018	N#018	FIXED / 7 MTHS	8.000%	15-Jun-20	-	100 000 000.00		100 000 000.00	1 052 054.79	101 052 054.79
					<b>256 592 377.82</b>	<b>100 000 000.00</b>	<b>(119 955 000.00)</b>	<b>(19 955 000.00)</b>	<b>4 047 458.04</b>	<b>240 684 835.86</b>
	<b><u>STANDARD BANK</u></b>									
258489367-025	S#025	CALL ACCOUNT	6.750%	CALL ACCOUNT	50 718 068.58		(30 000 000.00)	(30 000 000.00)	680 557.76	21 398 626.34
258489367-026	S#026	FIXED DEPOSIT	7.550%	14-Aug-19	(0.00)			-	-	(0.00)
258489367-027	S#027	FIXED DEPOSIT	7.900%	11-Nov-19	101 731 506.84		(102 640 547.95)	(102 640 547.95)	909 041.10	(0.01)
258489367-028	S#028	FIXED DEPOSIT	7.825%	24-Feb-20	53 335 965.99			-	1 050 609.20	54 386 575.19
258489367-029	S#029	FIXED 5 MNTHS	7.875%	14-Apr-20	-	100 000 000.00		100 000 000.00	1 035 616.44	101 035 616.44
					<b>205 785 541.41</b>	<b>100 000 000.00</b>	<b>(132 640 547.95)</b>	<b>(32 640 547.95)</b>	<b>3 675 824.50</b>	<b>176 820 817.96</b>
<b>INVESTMENT TOTAL</b>					<b>462 377 919.23</b>	<b>250 000 000.00</b>	<b>(282 595 547.95)</b>	<b>(32 595 547.95)</b>	<b>8 124 407.23</b>	<b>437 906 778.51</b>

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

**6.2 Borrowings**

Lending Institution	Balance 1/12/2019	Received December 2019	Interest Capitalised December 2019	Capital Repayments December 2019	Balance 31/12/2019	Percentage	Sinking Funds (R'000)
DBSA @ 9.25%	5 298 958	-		1 685 528	3 613 430	9.25%	
DBSA@ 11.1%	18 247 653	-		1 102 916	17 144 737	11.10%	
DBSA@ 10.25%	51 570 033	-		2 588 281	48 981 753	10.25%	
DBSA @ 9.74%	83 683 504	-		2 369 448	81 314 056	9.74%	
NEBANK @ 9.70%	160 000 000	-		4 740 800	155 259 200	9.70%	
	318 800 148	-	-	12 486 973	306 313 175		



## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

**7. Allocations and grant receipts and expenditure for the 2<sup>nd</sup> Quarter of 2018/19**

	TOTAL 2018/19 INCLUSIVE OF ROLL OVER AMOUNTS	EXPECTED ALLOCATION	OPENING BALANCE 1 JULY 2019	ACCUMULATED RECEIPTS	ACCUMULATED ACTUAL EXPENDITURE	QUARTER 2 RECEIPTS	QUARTER 2 ACTUAL EXPENDITURE	UNSPENT CONDITIONAL GRANTS - QUARTER 2
<b>OPERATING &amp; CAPITAL GRANTS</b>								
Municipal Systems Improvement	1 750 000	1 750 000		-	-	-	-	-
EPWP Integrated Grant for Municipalities	5 227 000	5 227 000		1 307 000	1 800 626	-	931 829	(493 626)
Local Government Financial Management Grant	1 550 000	1 550 000		1 550 000	1 069 676	-	970 579	480 324
Integrated National Electrification Programme (Municipal) Grant	15 640 000	15 640 000		15 640 000	2 790 410	8 000 000	2 513 304	12 849 590
Shared Economic infrastructure facility	-	-		35 000	-	35 000	-	35 000
Integrated Urban Development Grant	46 886 000	46 886 000		5 000 000	29 552 750	-	27 762 007	(24 552 750)
Library Services: Conditional Grant	12 454 000	12 454 000		8 302 667	3 691 363	4 151 333	2 376 003	4 611 304
Community Development Workers Operational Support Grant	-	-		-	-	-	-	-
Human Settlements Development Grant	83 610 000	37 900 000	45 710 000	-	50 187 575	-	5 121 020	(4 477 575)
LG Graduate Internship Grant	-	-		-	-	-	-	-
WC Financial Management Support Grant	255 000	255 000		255 000	6 210	255 000	758	248 790
Financial Management Capacity Building Grant	380 000	380 000		-	-	-	-	-
Maintenance and Construction of Transport Infrastructure	384 000	384 000		-	-	-	-	-
Municipal Accreditation and Capacity Building Grant	448 000	224 000	224 000	-	-	-	-	224 000
Regional Socio-Economic Project/violence through urban upgradi	1 500 000	1 500 000		1 500 000	-	-	-	1 500 000
Integrated Transport Planning	600 000	600 000		-	87 033	-	87 033	(87 033)
Natural Resources Management	9 418 031	7 465 000	1 953 031	-	247 007	-	17 052	1 706 024
<b>TOTAL</b>	<b>180 102 031</b>	<b>132 215 000</b>	<b>47 887 031</b>	<b>33 589 667</b>	<b>89 432 650</b>	<b>12 441 333</b>	<b>39 779 586</b>	<b>(7 955 952)</b>

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

**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	Year-to-date Budget	Year-to-date Actual	YTD %
Basic Salary and Wages	349 070 959	349 070 959	168 960 904	160 085 288	46%
Bonus	27 014 271	27 014 271	12 938 527	21 669 356	80%
Acting and Post Related Allowances	1 364 023	1 364 023	653 296	376 590	28%
Non Structured	33 943 753	33 943 753	16 257 409	14 034 814	41%
Standby Allowance	14 289 607	14 289 607	6 844 023	6 921 654	48%
Travel or Motor Vehicle	13 968 860	13 968 860	6 721 291	4 743 514	34%
Accommodation, Travel and Incidental	325 230	325 230	155 766	73 494	23%
Bargaining Council	216 706	216 706	103 799	142 893	66%
Cellular and Telephone	1 003 201	1 003 201	480 483	819 463	82%
Current Service Cost	29 859 746	29 859 746	14 929 872	3 501 992	12%
Essential User	623 520	623 520	298 634	455 990	73%
Entertainment	-	-	56 314	-	0%
Fire Brigade	2 630 594	2 630 594	1 259 928	1 313 906	50%
Group Life Insurance	3 833 697	3 833 697	1 836 152	1 764 218	46%
Housing Benefits	2 874 701	2 874 701	1 376 844	1 489 287	52%
Interest Cost	20 905 100	20 905 100	-	-	0%
Leave Gratuity	-	-	-	-	0%
Leave Pay	2 006 574	2 006 574	961 050	1 159 397	58%
Long Service Award	5 979 839	5 979 839	2 864 052	6 030	0%
Medical	26 405 991	26 405 991	20 171 169	11 298 527	43%
Non-pensionable	839 301	839 301	401 985	70 702	8%
Pension	57 394 074	57 394 074	27 488 971	24 582 825	43%
Scarcity Allowance	2 509 444	2 509 444	1 201 903	831 923	33%
Shift Additional Remuneration	1 860 670	1 860 670	891 171	2 093 597	113%
Structured	1 451 296	1 451 296	695 101	968 217	67%
Unemployment Insurance	2 896 734	2 896 734	1 387 396	1 220 835	42%
<b>Totals</b>	<b>603 267 891</b>	<b>603 267 891</b>	<b>288 936 040</b>	<b>259 624 513</b>	<b>43%</b>

During the second quarter of the financial year the directorates spent R17 240 932, 11% less than the planned expenditure of R156 560 432.

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

**9. Withdrawals**

<i>Consolidated Quarterly Report for period 01/10/2019 to 31/12/2019</i>				
<b>Date</b>	<b>Payee</b>	<b>Amount in R'000</b>	<b>Description and Purpose (including section reference e.g. sec 11(f))</b>	<b>Authorised by (name)</b>
Monthly	Provincial Government Western Cape	7 170 616	The Municipality acts as an agent for PAWC for collection of licencing fees. S 11(e)(i)	Acting Director: Community and Protection Services
Monthly	WECLOGO Group Insurance and Sanlam Group Insurance	991 334	Group Insurance. S11(e) (ii)	Council
Ad Hoc	Investment Management	250 000 000	Investment in accordance with the Cash Management and Investment Policy. S11(h)	Accounting Officer (Municipal Manager)

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

**10. Quarterly Budget Statements****Table C1: Quarterly Budget Statement Summary**

WC024 Stellenbosch - Table C1 Monthly Budget Statement Summary - Q2 Second Quarter									
Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>Financial Performance</b>									
Property rates	332 958	356 122	356 122	24 659	217 666	217 445	222	0%	356 122
Service charges	817 760	1 024 589	1 024 589	65 364	469 623	472 326	(2 703)	-1%	1 024 589
Investment revenue	44 272	44 171	44 171	614	16 310	20 126	(3 816)	-19%	44 171
Transfers and subsidies	145 981	172 339	174 293	45 698	108 069	110 934	(2 865)	-3%	174 293
Other own revenue	183 015	181 426	181 426	6 335	33 129	32 855	274	1%	181 426
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 523 986</b>	<b>1 778 647</b>	<b>1 780 600</b>	<b>142 670</b>	<b>844 798</b>	<b>853 686</b>	<b>(8 889)</b>	<b>-1%</b>	<b>1 780 600</b>
Employee costs	461 114	603 268	603 268	39 066	259 625	288 936	(29 312)	-10%	603 268
Remuneration of Councillors	18 272	19 936	19 936	1 494	8 853	9 355	(502)	-5%	19 936
Depreciation & asset impairment	176 665	206 956	206 956	-	4	103 916	(103 912)	-100%	206 956
Finance charges	23 207	39 877	39 877	15 973	15 973	20 217	(4 244)	-21%	39 877
Materials and bulk purchases	412 264	441 448	441 448	34 559	220 527	181 717	38 810	21%	441 448
Transfers and subsidies	8 990	10 049	10 049	74	8 711	10 014	(1 303)	-13%	10 049
Other expenditure	387 065	486 713	488 666	24 691	112 105	182 130	(70 025)	-38%	488 666
<b>Total Expenditure</b>	<b>1 487 578</b>	<b>1 808 247</b>	<b>1 810 200</b>	<b>115 856</b>	<b>625 799</b>	<b>796 285</b>	<b>(170 487)</b>	<b>-21%</b>	<b>1 810 200</b>
<b>Surplus/(Deficit)</b>	<b>36 409</b>	<b>(29 600)</b>	<b>(29 600)</b>	<b>26 814</b>	<b>218 999</b>	<b>57 401</b>	<b>161 598</b>	<b>282%</b>	<b>(29 600)</b>
Transfers and subsidies - capital (monetary allocations)	88 153	141 088	141 088	2 030	67 672	73 485	(5 812)	-8%	141 088
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>	<b>155 786</b>	<b>119%</b>	<b>111 488</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>	<b>155 786</b>	<b>119%</b>	<b>111 488</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>493 304</b>	<b>558 277</b>	<b>613 275</b>	<b>44 201</b>	<b>202 979</b>	<b>301 451</b>	<b>(98 473)</b>	<b>-33%</b>	<b>613 275</b>
Capital transfers recognised	93 849	141 088	141 088	10 101	82 618	61 879	20 738	34%	141 088
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	120 561	160 000	178 611	14 415	22 028	62 995	(40 967)	-65%	178 611
Internally generated funds	278 894	257 189	293 577	19 686	98 333	176 577	(78 244)	-44%	293 577
<b>Total sources of capital funds</b>	<b>493 304</b>	<b>558 277</b>	<b>613 275</b>	<b>44 201</b>	<b>202 979</b>	<b>301 451</b>	<b>(98 473)</b>	<b>-33%</b>	<b>613 275</b>
<b>Financial position</b>									
Total current assets	906 539	780 320	847 178		768 326				847 178
Total non current assets	5 494 494	5 907 057	5 962 055		5 696 360				5 962 055
Total current liabilities	517 416	352 300	352 300		165 966				352 300
Total non current liabilities	596 463	743 814	743 814		596 463				743 814
<b>Community wealth/Equity</b>	<b>5 287 154</b>	<b>5 591 263</b>	<b>5 713 119</b>		<b>5 702 257</b>				<b>5 713 119</b>
<b>Cash flows</b>									
Net cash from (used) operating	388 531	355 914	355 914	282 067	121 958	119 126	(2 831)	-2%	1 343 156
Net cash from (used) investing	(387 553)	(558 277)	(613 275)	(313 424)	(202 979)	(129 183)	73 795	-57%	612 548
Net cash from (used) financing	145 498	139 117	139 117	(12 487)	(12 487)	(10 442)	2 045	-20%	(176 202)
<b>Cash/cash equivalents at the month/year end</b>	<b>169 538</b>	<b>370 118</b>	<b>448 475</b>	<b>-</b>	<b>473 211</b>	<b>546 220</b>	<b>73 010</b>	<b>13%</b>	<b>2 346 220</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Aqe Analysis</b>									
Total By Income Source	72 601	5 284	4 930	3 806	164 615	-	-	-	251 236
<b>Creditors Aqe Analysis</b>									
Total Creditors	78 292	-	-	-	-	-	-	-	78 292

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

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

WC024 Stellenbosch - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q2 Second Quarter

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		440 981	454 808	454 808	41 488	272 284	409 160	(136 876)	-33%	454 808
Executive and council		639	3 566	3 566	50	338	918	(580)	-63%	3 566
Finance and administration		440 342	451 242	451 242	41 437	271 946	408 242	(136 296)	-33%	451 242
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		72 223	132 219	132 219	6 541	69 185	48 874	20 310	42%	132 219
Community and social services		19 239	20 917	20 917	102	3 982	12 719	(8 737)	-69%	20 917
Sport and recreation		352	1 986	1 986	158	293	572	(279)	-49%	1 986
Public safety		353	3 830	3 830	3 687	13 826	1 104	12 722	1153%	3 830
Housing		52 279	105 485	105 485	2 594	51 084	34 480	16 605	48%	105 485
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		146 244	130 189	132 142	427	4 951	38 894	(33 943)	-87%	132 142
Planning and development		12 050	8 028	8 028	417	4 425	3 381	1 045	31%	8 028
Road transport		133 707	122 133	122 133	6	221	35 505	(35 284)	-99%	122 133
Environmental protection		486	28	1 981	4	304	8	296	3624%	1 981
<i>Trading services</i>		952 624	1 202 446	1 202 446	96 235	566 000	430 222	135 779	32%	1 202 446
Energy sources		561 723	711 349	711 349	47 714	338 069	225 375	112 694	50%	711 349
Water management		164 175	222 248	222 248	20 460	87 447	93 516	(6 069)	-6%	222 248
Waste water management		147 926	177 357	177 357	14 570	85 045	75 637	9 408	12%	177 357
Waste management		78 801	91 493	91 493	13 491	55 439	35 694	19 745	55%	91 493
<i>Other</i>	4	68	74	74	8	50	21	29	137%	74
<b>Total Revenue - Functional</b>	2	<b>1 612 139</b>	<b>1 919 735</b>	<b>1 921 688</b>	<b>144 700</b>	<b>912 470</b>	<b>927 171</b>	<b>(14 701)</b>	<b>-2%</b>	<b>1 921 688</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		242 254	377 706	369 437	19 705	120 215	169 745	(49 530)	-29%	369 437
Executive and council		59 846	68 658	75 155	4 973	25 575	34 809	(9 234)	-27%	75 155
Finance and administration		172 181	290 203	280 760	12 575	86 487	128 869	(42 382)	-33%	280 760
Internal audit		10 227	18 845	13 522	2 157	8 152	6 067	2 085	34%	13 522
<i>Community and public safety</i>		197 337	395 031	245 839	17 718	105 147	108 926	(3 779)	-3%	245 839
Community and social services		29 242	52 793	49 583	2 331	15 743	22 506	(6 763)	-30%	49 583
Sport and recreation		46 041	49 716	48 508	3 920	17 200	20 474	(3 274)	-16%	48 508
Public safety		91 508	257 239	107 603	9 655	61 410	48 966	12 444	25%	107 603
Housing		30 546	35 283	40 144	1 812	10 794	16 980	(6 186)	-36%	40 144
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		291 812	199 541	366 571	8 558	55 672	160 928	(105 256)	-65%	366 571
Planning and development		61 016	72 499	69 190	4 020	32 218	36 702	(4 484)	-12%	69 190
Road transport		214 299	100 339	268 707	3 456	16 371	112 444	(96 073)	-85%	268 707
Environmental protection		16 498	26 703	28 674	1 082	7 082	11 782	(4 700)	-40%	28 674
<i>Trading services</i>		756 174	835 832	828 354	69 875	344 765	356 686	(11 921)	-3%	828 354
Energy sources		440 699	454 852	450 275	35 806	228 268	192 941	35 328	18%	450 275
Water management		126 735	165 258	161 896	21 828	44 748	73 454	(28 705)	-39%	161 896
Waste water management		109 181	133 677	127 649	7 001	39 583	55 117	(15 534)	-28%	127 649
Waste management		79 559	82 044	88 534	5 240	32 165	35 174	(3 010)	-9%	88 534
<i>Other</i>		-	137	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	<b>1 487 578</b>	<b>1 808 247</b>	<b>1 810 200</b>	<b>115 856</b>	<b>625 799</b>	<b>796 285</b>	<b>(170 487)</b>	<b>-21%</b>	<b>1 810 200</b>
<b>Surplus/ (Deficit) for the year</b>		<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>	<b>155 786</b>	<b>119%</b>	<b>111 488</b>

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 DECEMBER 2019

**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) - Q2 Second

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue by Vote</b>	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		4 061	387	387	-	-	0	(0)	-100.0%	387
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		67 415	96 045	96 045	3 077	56 032	282 926	(226 894)	-80.2%	96 045
Vote 3 - INFRASTRUCTURE SERVICES		153 113	1 196 525	1 196 525	96 269	566 114	452 169	113 945	25.2%	1 196 525
Vote 4 - COMMUNITY AND PROTECTION SERVICES		953 834	147 702	149 655	3 951	18 603	13 721	4 881	35.6%	149 655
Vote 5 - CORPORATE SERVICES		4 728	10 396	10 396	305	1 915	39 828	(37 913)	-95.2%	10 396
Vote 6 - FINANCIAL SERVICES		428 989	468 680	468 680	41 097	269 807	138 527	131 279	94.8%	468 680
<b>Total Revenue by Vote</b>	2	<b>1 612 139</b>	<b>1 919 735</b>	<b>1 921 688</b>	<b>144 700</b>	<b>912 470</b>	<b>927 171</b>	<b>(14 701)</b>	<b>-1.6%</b>	<b>1 921 688</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		26 726	52 258	52 258	3 412	16 576	24 129	(7 553)	-31.3%	52 258
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		74 263	109 279	109 279	4 555	32 340	53 663	(21 323)	-39.7%	109 279
Vote 3 - INFRASTRUCTURE SERVICES		844 635	972 006	972 006	73 644	363 046	424 049	(61 003)	-14.4%	972 006
Vote 4 - COMMUNITY AND PROTECTION SERVICES		336 045	357 526	359 479	18 208	111 676	148 828	(37 152)	-25.0%	359 479
Vote 5 - CORPORATE SERVICES		150 522	184 055	184 055	12 746	60 055	84 589	(24 534)	-29.0%	184 055
Vote 6 - FINANCIAL SERVICES		55 386	133 124	133 124	3 291	42 105	61 027	(18 922)	-31.0%	133 124
<b>Total Expenditure by Vote</b>	2	<b>1 487 578</b>	<b>1 808 247</b>	<b>1 810 200</b>	<b>115 856</b>	<b>625 799</b>	<b>796 285</b>	<b>(170 487)</b>	<b>-21.4%</b>	<b>1 810 200</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>	<b>155 786</b>	<b>119.0%</b>	<b>111 488</b>

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 DECEMBER 2019

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

WC024 Stellenbosch - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q2 Second Quarter

Description	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue By Source</b>										
Property rates		332 958	356 122	356 122	24 659	217 666	217 445	222	0%	356 122
Service charges - electricity revenue		531 494	639 886	639 886	38 978	316 971	271 691	45 280	17%	639 886
Service charges - water revenue		147 276	201 975	201 975	15 162	72 414	102 695	(30 281)	-29%	201 975
Service charges - sanitation revenue		83 862	113 503	113 503	6 531	44 503	62 636	(18 133)	-29%	113 503
Service charges - refuse revenue		55 128	69 225	69 225	4 693	35 735	35 305	431	1%	69 225
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		14 524	18 831	18 831	683	4 168	5 272	(1 104)	-21%	18 831
Interest earned - external investments		44 272	44 171	44 171	614	16 310	20 126	(3 816)	-19%	44 171
Interest earned - outstanding debtors		8 025	11 270	11 270	1 047	6 300	5 500	800	15%	11 270
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		118 046	108 260	108 260	2 047	8 990	9 947	(957)	-10%	108 260
Licences and permits		6 611	5 398	5 398	162	2 272	1 192	1 080	91%	5 398
Agency services		2 833	2 852	2 852	97	1 355	914	441	48%	2 852
Transfers and subsidies		145 981	172 339	174 293	45 698	108 069	110 934	(2 865)	-3%	174 293
Other revenue		32 924	34 815	34 815	2 298	10 045	10 031	14	0%	34 815
Gains on disposal of PPE		52	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 523 986</b>	<b>1 778 647</b>	<b>1 780 600</b>	<b>142 670</b>	<b>844 798</b>	<b>853 686</b>	<b>(8 889)</b>	<b>-1%</b>	<b>1 780 600</b>
<b>Expenditure By Type</b>										
Employee related costs		461 114	603 268	603 268	39 066	259 625	288 936	(29 312)	-10%	603 268
Remuneration of councillors		18 272	19 936	19 936	1 494	8 853	9 355	(502)	-5%	19 936
Debt impairment		105 207	72 067	72 067	89	102	17 297	(17 195)	-99%	72 067
Depreciation & asset impairment		176 665	206 956	206 956	-	4	103 916	(103 912)	-100%	206 956
Finance charges		23 207	39 877	39 877	15 973	15 973	20 217	(4 244)	-21%	39 877
Bulk purchases		380 671	406 458	406 458	33 154	213 853	173 580	40 273	23%	406 458
Other materials		31 593	34 990	34 990	1 405	6 675	8 137	(1 462)	-18%	34 990
Contracted services		151 818	237 957	237 957	13 498	61 228	83 555	(22 327)	-27%	237 957
Transfers and subsidies		8 990	10 049	10 049	74	8 711	10 014	(1 303)	-13%	10 049
Other expenditure		124 929	176 689	178 642	11 103	50 774	81 277	(30 503)	-38%	178 642
Loss on disposal of PPE		5 112	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 487 578</b>	<b>1 808 247</b>	<b>1 810 200</b>	<b>115 856</b>	<b>625 799</b>	<b>796 285</b>	<b>(170 487)</b>	<b>-21%</b>	<b>1 810 200</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National/ Provincial and District)		88 153	141 088	141 088	2 030	67 672	73 485	(5 812)	(0)	141 088
Transfers and subsidies - capital (monetary allocations) (National/ Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>			<b>111 488</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>			<b>111 488</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>			<b>111 488</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>124 562</b>	<b>111 488</b>	<b>111 488</b>	<b>28 843</b>	<b>286 671</b>	<b>130 885</b>			<b>111 488</b>

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

**Table C5: Monthly Budget Statement – Capital Expenditure**

WC024 Stellenbosch - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q2  
Second Quarter

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>Capital Expenditure - Functional Classification</b>									
<i>Governance and administration</i>	48 183	105 155	108 277	2 942	73 767	57 127	16 641	29%	108 277
Executive and council	87	35	35	3	9	8	1	14%	35
Finance and administration	48 096	105 120	108 242	2 939	73 759	57 119	16 640	29%	108 242
Internal audit	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	91 870	61 445	70 330	848	14 152	40 540	(26 387)	-65%	70 330
Community and social services	1 422	2 845	4 873	25	136	3 273	(3 137)	-96%	4 873
Sport and recreation	14 006	29 000	32 086	823	3 087	16 400	(13 314)	-81%	32 086
Public safety	8 685	29 550	30 621	-	10 919	20 846	(9 927)	-48%	30 621
Housing	67 757	50	2 750	-	10	20	(10)	-48%	2 750
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	87 048	130 452	136 268	17 898	37 494	60 014	(22 519)	-38%	136 268
Planning and development	7 608	50 332	53 604	2 950	13 439	30 599	(17 160)	-56%	53 604
Road transport	79 441	80 120	82 665	14 948	24 055	29 415	(5 359)	-18%	82 665
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	260 825	261 225	298 399	22 513	77 564	143 771	(66 206)	-46%	298 399
Energy sources	66 094	35 090	49 717	1 761	19 255	24 029	(4 774)	-20%	49 717
Water management	67 730	80 000	82 142	3 639	8 318	16 084	(7 766)	-48%	82 142
Waste water management	119 852	114 400	129 728	14 848	37 151	78 890	(41 739)	-53%	129 728
Waste management	7 148	31 735	36 812	2 265	12 840	24 768	(11 928)	-48%	36 812
<i>Other</i>	5 378	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	<b>493 304</b>	<b>558 277</b>	<b>613 275</b>	<b>44 201</b>	<b>202 979</b>	<b>301 451</b>	<b>(98 473)</b>	<b>-33%</b>	<b>613 275</b>
<b>Funded by:</b>									
National Government	41 486	62 526	62 526	6 877	32 343	49 779	(17 436)	-35%	62 526
Provincial Government	52 363	78 562	78 562	3 224	50 275	12 100	38 175	315%	78 562
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	93 849	141 088	141 088	10 101	82 618	61 879	20 738	34%	141 088
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	120 561	160 000	178 611	14 415	22 028	62 995	(40 967)	-65%	178 611
Internally generated funds	278 894	257 189	293 577	19 686	98 333	176 577	(78 244)	-44%	293 577
<b>Total Capital Funding</b>	<b>493 304</b>	<b>558 277</b>	<b>613 275</b>	<b>44 201</b>	<b>202 979</b>	<b>301 451</b>	<b>(98 473)</b>	<b>-33%</b>	<b>613 275</b>

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



## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

**Table C6: Monthly Budget Statement – Financial Position**

WC024 Stellenbosch - Table C6 Monthly Budget Statement - Financial Position - Q2 Second Quarter						
Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		169 491	46 864	46 864	35 304	46 864
Call investment deposits		398 164	323 254	390 111	437 907	390 111
Consumer debtors		227 370	148 796	148 796	240 258	148 796
Other debtors		57 576	204 059	204 059	10 979	204 059
Current portion of long-term receivables		1 631	2 511	2 511	1 631	2 511
Inventory		52 308	54 836	54 836	42 248	54 836
<b>Total current assets</b>		<b>906 539</b>	<b>780 320</b>	<b>847 178</b>	<b>768 326</b>	<b>847 178</b>
<b>Non current assets</b>						
Long-term receivables		3 025	3 876	3 876	3 025	3 876
Investments		-	-	-	-	-
Investment property		420 777	416 637	417 348	423 142	417 348
Investments in Associate						
Property, plant and equipment		5 057 061	5 468 573	5 522 697	5 256 562	5 522 697
Agricultural						
Biological assets		6 321	9 938	9 938	6 321	9 938
Intangible assets		6 535	5 414	5 577	6 535	5 577
Other non-current assets		774	2 618	2 618	774	2 618
<b>Total non current assets</b>		<b>5 494 494</b>	<b>5 907 057</b>	<b>5 962 055</b>	<b>5 696 360</b>	<b>5 962 055</b>
<b>TOTAL ASSETS</b>		<b>6 401 033</b>	<b>6 687 377</b>	<b>6 809 233</b>	<b>6 464 686</b>	<b>6 809 233</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft			-	-		-
Borrowing		25 870	26 311	26 311	13 383	26 311
Consumer deposits		17 078	14 274	14 274	17 078	14 274
Trade and other payables		417 255	254 131	254 131	78 292	254 131
Provisions		57 214	57 584	57 584	57 214	57 584
<b>Total current liabilities</b>		<b>517 416</b>	<b>352 300</b>	<b>352 300</b>	<b>165 966</b>	<b>352 300</b>
<b>Non current liabilities</b>						
Borrowing		292 930	449 591	449 591	292 930	449 591
Provisions		303 532	294 223	294 223	303 532	294 223
<b>Total non current liabilities</b>		<b>596 463</b>	<b>743 814</b>	<b>743 814</b>	<b>596 463</b>	<b>743 814</b>
<b>TOTAL LIABILITIES</b>		<b>1 113 879</b>	<b>1 096 114</b>	<b>1 096 114</b>	<b>762 429</b>	<b>1 096 114</b>
<b>NET ASSETS</b>	2	<b>5 287 154</b>	<b>5 591 263</b>	<b>5 713 119</b>	<b>5 702 257</b>	<b>5 713 119</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		5 287 154	5 591 263	5 713 119	5 702 257	5 713 119
Reserves			-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>5 287 154</b>	<b>5 591 263</b>	<b>5 713 119</b>	<b>5 702 257</b>	<b>5 713 119</b>

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

**Table C7: Monthly Budget Statement – Cash Flow**

WC024 Stellenbosch - Table C7 Monthly Budget Statement - Cash Flow - Q2 Second Quarter										
Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		330 932	341 877	341 877	(69 890)	100 960	158 104	(57 144)	-36%	(442 508)
Service charges		789 964	996 403	996 403	258 681	471 006	469 156	1 850	0%	313 848
Other revenue		154 846	93 620	93 620	4 101	25 848	43 296	(17 448)	-40%	(18 382)
Government - operating		147 412	172 339	174 293	45 392	117 733	65 542	52 191	80%	59 060
Government - capital		122 759	141 088	141 088	-	22 140	72 885	(50 745)	-70%	(134 298)
Interest		52 297	54 991	54 991	(1 135)	15 696	20 427	(4 732)	-23%	49 846
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(1 183 655)	(1 394 478)	(1 396 431)	60 965	(606 741)	(684 041)	(77 300)	11%	1 466 719
Finance charges		(17 033)	(39 877)	(39 877)	(15 973)	(15 973)	(19 939)	(3 966)	20%	39 877
Transfers and Grants		(8 990)	(10 049)	(10 049)	(74)	(8 711)	(6 304)	2 408	-38%	8 993
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>388 531</b>	<b>355 914</b>	<b>355 914</b>	<b>282 067</b>	<b>121 958</b>	<b>119 126</b>	<b>(2 831)</b>	<b>-2%</b>	<b>1 343 156</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		217	-	-	-	-	-	-		(727)
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		(1 248)	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		107 454	-	-	(269 223)	(0)	-	(0)	#DIV/0!	-
<b>Payments</b>										
Capital assets		(493 976)	(558 277)	(613 275)	(44 201)	(202 979)	(129 183)	73 795	-57%	613 275
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(387 553)</b>	<b>(558 277)</b>	<b>(613 275)</b>	<b>(313 424)</b>	<b>(202 979)</b>	<b>(129 183)</b>	<b>73 795</b>	<b>-57%</b>	<b>612 548</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		160 000	160 000	160 000	-	-	-	-		(176 202)
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
<b>Payments</b>										
Repayment of borrowing		(14 502)	(20 883)	(20 883)	(12 487)	(12 487)	(10 442)	2 045	-20%	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>145 498</b>	<b>139 117</b>	<b>139 117</b>	<b>(12 487)</b>	<b>(12 487)</b>	<b>(10 442)</b>	<b>2 045</b>	<b>-20%</b>	<b>(176 202)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>146 476</b>	<b>(63 245)</b>	<b>(118 244)</b>	<b>(43 845)</b>	<b>(93 508)</b>	<b>(20 498)</b>			<b>1 779 501</b>
Cash/cash equivalents at beginning:		23 063	433 363	566 719		566 719	566 719			566 719
Cash/cash equivalents at month/year end:		169 538	370 118	448 475		473 211	546 220			2 346 220

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

## 11. Supporting Documentation

## Debtors Age Analysis

## Supporting Table SC3: Monthly Budget Statement - Aged Debtors

WC024 Stellenbosch - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q2 Second Quarter

Description	NT Code	Budget Year 2019/20									Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.L.o 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			Total over 90 days
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	15 537	2 276	2 147	1 534	74 730	-	-	-	96 225	76 265	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	33 171	876	1 022	526	6 590	-	-	-	42 186	7 116	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	14 840	859	658	574	24 483	-	-	-	41 414	25 057	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	4 571	427	366	353	18 485	-	-	-	24 203	18 838	-	-
Receivables from Exchange Transactions - Waste Management	1600	3 406	498	453	425	21 342	-	-	-	26 124	21 767	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	383	151	119	120	9 332	-	-	-	10 105	9 451	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	692	196	163	274	9 654	-	-	-	10 979	9 927	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>72 601</b>	<b>5 284</b>	<b>4 930</b>	<b>3 806</b>	<b>164 615</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>251 236</b>	<b>168 421</b>	<b>-</b>	<b>-</b>
2018/19 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 002	79	42	23	786	-	-	-	2 932	809	-	-
Commercial	2300	13 211	146	92	163	13 389	-	-	-	27 000	13 552	-	-
Households	2400	39 181	4 192	3 781	2 980	130 620	-	-	-	180 754	133 600	-	-
Other	2500	18 207	867	1 015	640	19 821	-	-	-	40 550	20 461	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>72 601</b>	<b>5 284</b>	<b>4 930</b>	<b>3 806</b>	<b>164 615</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>251 236</b>	<b>168 421</b>	<b>-</b>	<b>-</b>

## Creditors Age Analysis

## Supporting Table SC4: Monthly Budget Statement – Aged Creditors

WC024 Stellenbosch - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q2 Second Quarter

Description	NT Code	Budget Year 2019/20								
		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	Total
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	78 292	-	-	-	-	-	-	-	78 292
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>78 292</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78 292</b>

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

## Investments and Borrowings

## Supporting Table SC5: Monthly Budget Statement – Investment Portfolio

WC024 Stellenbosch - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q2 Second 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									
<b>Municipality</b>									
N#014-Nedbank		1Y	Deposits - Bank (03)	19/09/06		9.05%	0		0
N#015-Nedbank		1Y	Deposits - Bank (03)	19/10/11		9.05%	(0)	-	(0)
N#016-Nedbank		3M	Deposits - Bank (03)	19/07/09		8.05%	(0)		(0)
N#017-Nedbank		5M	Deposits - Bank (03)	20/02/24	917	7.90%	138 715	-	139 633
I#052- Investec		3M	Deposits - Bank (03)	19/07/09		7.70%	0		0
S#024- Standard Bank		3M	Deposits - Bank (03)	19/09/24		8.03%	0		0
S#025-Standard Bank		4M	Deposits - Bank (03)	CALL ACCOUNT	128	6.75%	51 271	(30 000)	21 399
S#026- Standard Bank		2M	Deposits - Bank (03)	19/08/14		7.55%	-		-
S#027- Standard Bank		5M	Deposits - Bank (03)	19/11/11		7.90%	(0)		(0)
S#028- Standard Bank			Deposits - Bank (03)	19/09/24	354	7.83%	54 033		54 387
A#6927 - ABSA			Deposits - Bank (03)	CALL ACCOUNT	245	6.70%	50 156	(30 000)	20 401
N#018-Nedbank		7M	Deposits - Bank (03)	15-06-2020	679	8.00%	100 373		101 052
S#029- Standard Bank		5M	Deposits - Bank (03)	14-04-2020	669	7.88%	100 367		101 036
		5M					-		-
Municipality sub-total					2 993		494 914	(60 000)	437 907
Entities sub-total					-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>				<b>2 993</b>		<b>494 914</b>	<b>(60 000)</b>	<b>437 907</b>

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

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

WC024 Stellenbosch - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q2 Second Quarter

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
National Government:		131 854	144 704	144 704	45 392	105 024	107 167	(2 178)	-2.0%	144 704
Operational Revenue:General Revenue:Equitable Share		124 176	136 177	136 177	45 392	102 132	102 132	-		136 177
Expanded Public Works Programme Integrated Grant for Municipalities (Schedule 5B)		5 722	5 227	5 227	-	1 307	3 485	(2 178)	-62.5%	5 227
Local Government Financial Management Grant (Schedule 5B)		1 550	1 550	1 550	-	1 550	1 550	-		1 550
Municipal Systems Improvement Grant		-	1 750	1 750	-	-	-	-		1 750
LGSETA Bursary Fund						35	-			
Provincial Government:		15 042	27 635	27 635	-	10 058	9 803	255	2.6%	27 635
WC Financial Management Support Grant		255	255	255	-	255	-	255	#DIV/0!	255
Financial Management Capacity Building Grant		-	380	380	-	-	-	-		380
Human Settlements Development Grant	4	1 455	12 438	12 438	-	-	-	-		12 438
Libraries, Archives and Museums	4	12 210	12 454	12 454	-	8 303	8 303	-		12 454
Municipal Accreditation and Capacity Building Grant	4	151	224	224	-	-	-	-		224
Maintenance and Construction of Transport Infrastructure	4	971	384	384	-	-	-	-		384
Regional Socio-Economic Project/violence through urban upgrading (RSEP/VPUU)			1 500	1 500	-	1 500	1 500	-		1 500
District Municipality:		-	-	-	-	-	-	-		-
All Grants		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
<b>Total Operating Transfers and Grants</b>	5	146 896	172 339	172 339	45 392	115 082	116 969	(1 923)	-1.6%	172 339
<b>Capital Transfers and Grants</b>										
National Government:		5 000	62 526	62 526	-	20 640	20 640	-		62 526
Integrated National Electrification Programme (Municipal Grant) (Schedule 5B)		5 000	15 640	15 640	-	15 640	15 640	-		15 640
Integrated Urban Development Grant		-	46 886	46 886	-	5 000	5 000	-		46 886
Provincial Government:		43 514	26 062	26 062	-	-	25 462	(25 462)	-100.0%	25 462
Human Settlements Development Grant		43 514	25 462	25 462	-	-	25 462	(25 462)	-100.0%	25 462
Integrated Transport Planning			600	600	-	-	-	-		
District Municipality:		-	-	-	-	-	-	-		-
All Grants		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
<b>Total Capital Transfers and Grants</b>	5	48 514	88 588	88 588	-	20 640	46 102	(25 462)	-55.2%	87 988
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	195 410	260 927	260 927	45 392	135 722	163 071	(27 384)	-16.8%	260 327

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

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

WC024 Stellenbosch - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q2 Second Quarter

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		97 266	144 704	144 704	6 098	53 938	109 149	(55 211)	-50.6%	144 704
Operational Revenue:General Revenue:Equitable Share		89 588	136 177	136 177	5 583	51 068	102 132	(51 064)	-50.0%	136 177
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		5 722	5 227	5 227	313	1 801	2 613	(813)	-31.1%	5 227
Natural Resources Management Grant		405	-	-	-	-	3 800	(3 800)	-100.0%	-
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	201	1 070	604	466	77.2%	1 550
Municipal Systems Improvement Grant		1 750	1 750	1 750	-	-	-	-	-	1 750
Provincial Government:		14 517	27 635	27 635	626	3 698	4 071	(374)	-9.2%	27 635
WC Financial Management Support Grant		255	255	255	-	6	-	6	#DIV/0!	255
Financial Management Capacity Building Grant		366	380	380	-	-	380	(380)	-100.0%	380
Human Settlements Development Grant		1 455	12 438	12 438	-	-	-	-	-	12 438
Libraries, Archives and Museums		12 070	12 454	12 454	626	3 691	3 691	-	-	12 454
Municipal Accreditation and Capacity Building Grant		-	224	224	-	-	-	-	-	224
Maintenance and Construction of Transport Infrastructure		371	384	384	-	-	-	-	-	384
Regional Socio-Economic Project/Violence through urban upgrading (RSEP/VPUU)		-	1 500	1 500	-	-	-	-	-	1 500
District Municipality:		-	-	-	-	-	-	-	-	-
All Grants		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>111 783</b>	<b>172 339</b>	<b>172 339</b>	<b>6 725</b>	<b>57 636</b>	<b>113 221</b>	<b>(55 585)</b>	<b>-49.1%</b>	<b>172 339</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		34 553	62 526	62 526	6 877	32 343	86 299	(53 956)	-62.5%	62 526
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		5 000	15 640	15 640	176	2 790	7 260	(4 470)	-61.6%	15 640
Integrated Urban Development Grant		-	46 886	46 886	6 701	29 553	36 519	(6 967)	-19.1%	46 886
Provincial Government:		43 514	26 062	26 062	3 224	50 275	657	49 618	7558.0%	26 062
Human Settlements Development Grant		43 514	25 462	25 462	3 137	50 188	57	50 131	-	25 462
Integrated Transport Planning		-	600	600	87	87	600	(513)	-	600
District Municipality:		-	-	-	-	-	-	-	-	-
All Grants		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>78 067</b>	<b>88 588</b>	<b>88 588</b>	<b>10 101</b>	<b>82 618</b>	<b>86 955</b>	<b>(4 337)</b>	<b>-5.0%</b>	<b>88 588</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>189 849</b>	<b>260 927</b>	<b>260 927</b>	<b>16 825</b>	<b>140 254</b>	<b>200 176</b>	<b>(59 922)</b>	<b>-29.9%</b>	<b>260 927</b>

**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 - Q2 Second Quarter

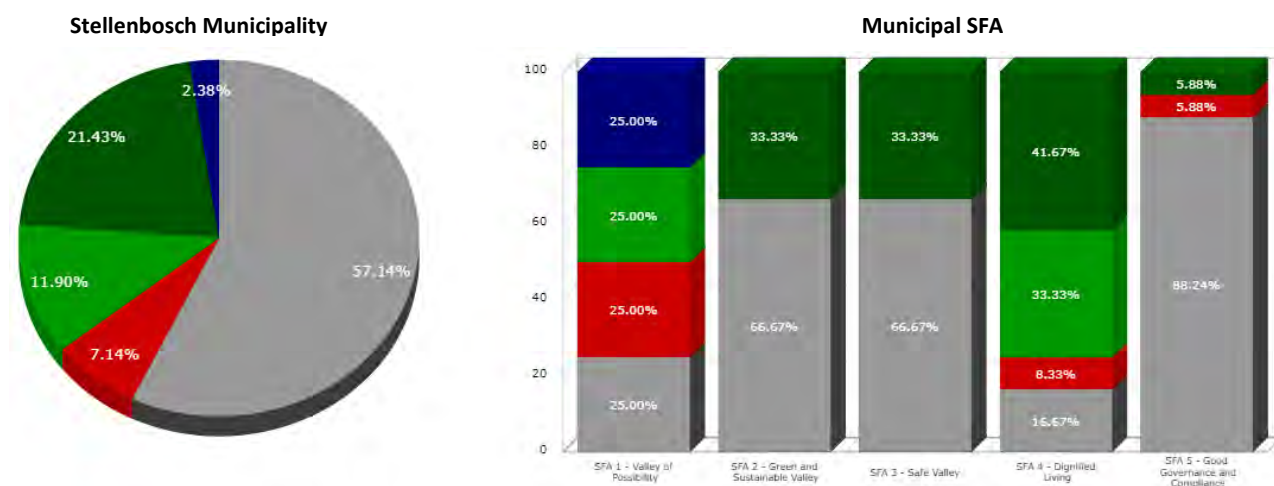
Description	Ref	Budget Year 2019/20				
		Approved Rollover 2018/19	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
<b>EXPENDITURE</b>						
<b>Operating expenditure of Approved Roll-overs</b>						
National Government:		1 951	-	247	1 704	87.3%
Natural Resource Management Project		1 951	-	247	1 704	87.3%
<b>Total operating expenditure of Approved Roll-overs</b>		<b>1 951</b>	<b>-</b>	<b>247</b>	<b>1 704</b>	<b>87.3%</b>
<b>Capital expenditure of Approved Roll-overs</b>						
National Government:		-	-	-	-	-
<b>Total capital expenditure of Approved Roll-overs</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURE OF APPROVED ROLL-OVERS</b>		<b>1 951</b>	<b>-</b>	<b>247</b>	<b>1 704</b>	<b>87.3%</b>

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

## 12. Quarterly Performance Assessment Report 2019/20, Q2 (01 October – 31 December 2019)

### 12.1 Overall performance of the municipality

(a) Dashboard summary per Municipal Strategic Focus Area (SFA) for the 2<sup>nd</sup> Quarter (01 October – 31 December 2019) of the 2019/20 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	24 (57.14%)	1 (25%)	4 (66.67%)	2 (66.67%)	2 (16.67%)	15 (88.24%)
KPI Not Met	3 (7.14%)	1 (25%)	-	-	1 (8.33%)	1 (5.88%)
KPI Almost Met	-	-	-	-	-	-
KPI Met	5 (11.90%)	1 (25%)	-	-	4 (33.33%)	-
KPI Well Met	9 (21.43%)	-	2 (33.33%)	1 (33.33%)	5 (41.67%)	1 (5.88%)
KPI Extremely Well Met	1 (2.38%)	1 (25%)	-	-	-	-
<b>Total:</b>	<b>42</b>	<b>4</b>	<b>6</b>	<b>3</b>	<b>12</b>	<b>17</b>
	100%	9.52%	14.29%	7.14%	28.57%	40.48%

Table: 1 Overall performance for Quarter 2 per SFA- 01 October – 31 December 2019

13. Actual performance and corrective measures to be implemented

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 October - 31 December 2019				
						Target	Actual	R	Performance Comment	Corrective Measures
TL1	KPI007	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	300	300	100	972	B		
TL2	KPI008	Land-use applications submitted to the Municipal Planning Tribunal within 120 days	Percentage of land-use applications submitted to the Municipal Planning Tribunal within 120 days after date of receipt of application	90%	90%	90%	0%	R	0 / 12 x 100 = 0%	Two senior managers were appointed in December 2019 and will commence with duty during January 2020 to assist in reducing the land-use applications backlog.
TL3	KPI009	Training opportunities provided for entrepreneurs and Small, Medium and Micro Enterprises (SMMEs)	Number of quarterly training opportunities provided for entrepreneurs and SMMEs	4	4	1	1	G		
TL4	KPI012	Revised Housing Pipeline (document) submitted to the Mayoral Committee (MayCo)	Number of Revised Housing Pipelines (documents) submitted to the MayCo by 31 March	1	1	0	0	N/A		



**Summary of Results: SFA 1 - Valley of Possibility**

KPI Not Yet Measured	1
KPI Not Met	1
KPI Almost Met	0
KPI Met	1
KPI Well Met	0
KPI Extremely Well Met	1
<b>Total KPIs</b>	<b>4</b>

**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 October – 31 December 2019				
						Target	Actual	R	Performance Comment	Corrective Measures
TL5	KPI016	Conduct an external audit of the Stellenbosch Municipality Waste Disposal Facilities	Number of external audits of the Stellenbosch Municipality Waste Disposal Facilities conducted by 30 June	1	1	0	0	N/A		
TL6	KPI073	Implementation of identified waste minimisation projects	Number of identified waste minimisation projects implemented by 30 June	2	2	0	0	N/A		
TL7	KPI018	Building applications processed within the prescribed / legislated period	Percentage of building plans processed within the prescribed / legislated period	90%	90%	90%	90.18%	G2	257 / 285 x 100 = 90.18%	
TL8	KPI019	Waste water quality managed and measured to the SANS Accreditation physical and micro parameters	Percentage waste water quality compliance as per analysis certificate measured by 30 June	75%	75%	0%	0%	N/A		
TL9	KPI078	Submission of the Revised Facility Management Plan to the MayCo	Number of Revised Facility Management Plans submitted to the MayCo by 31 May	1	1	0	0	N/A		
TL10	KPI079	Submission of a Tree Management Policy to the MayCo	Number of Tree Management Policies submitted to the MayCo by 30 September	1	1	0	1	G2	The Tree Management Policy was submitted to the MayCo during October 2019.	

**Summary of Results: SFA 2 - Green and Sustainable Valley**

	KPI Not Yet Measured	4
	KPI Not Met	0
	KPI Almost Met	0
	KPI Met	0
	KPI Well Met	2
	KPI Extremely Well Met	0
<b>Total KPIs</b>		<b>6</b>

**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 October – 31 December 2019				
						Target	Actual	R	Performance Comment	Corrective Measures
TL11	KPI025	Revised Disaster Management Plan submitted to the MayCo	Number of Revised Disaster Management Plans submitted to the MayCo by 31 May	1	1	0	0	N/A		
TL12	KPI026	Revised Safety and Security Strategy submitted to the MayCo	Number of Revised Safety and Security Strategies submitted to the MayCo by 30 June	1	1	0	0	N/A		
TL13	KPI027	Revised Traffic Management Plan submitted to the MayCo	Number of Revised Traffic Management Plans submitted to the MayCo by 30 September	1	1	0	0	G2	The Revised Traffic Management Plan was submitted to the MayCo during October 2019.	

**Summary of Results: SFA 3 - Safe Valley**

	KPI Not Yet Measured	2
	KPI Not Met	0
	KPI Almost Met	0
	KPI Met	0
	KPI Well Met	1
	KPI Extremely Well Met	0
	<b>Total KPIs</b>	<b>3</b>

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 October – 31 December 2019				
						Target	Actual	R	Performance Comment	Corrective Measures
TL14	KPI037	Provision of waterborne toilet facilities	Number of waterborne toilet facilities provided by 30 June	25	25	10	0	R	The contractor is currently on site and the construction of the waterborne toilet facilities are in progress.	The contractor to finalise snags issued by the Municipal Engineering Services Directorate prior to the issue of the completion certificates. The project will be completed by 30 June 2020.
TL15	KPI039	Provision of free basic water to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic water, measured quarterly	100%	100%	100%	100%	G	6 941 / 6 941 x 100 = 100%	
TL16	KPI040	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 average electricity losses measured by 30 June	<9%	<9%	0%	0%	N/A		
TL17	KPI041	Water quality managed and measured quarterly ito the SANS 241 physical and micro parameters	Percentage water quality level as per analysis certificate measured quarterly	90%	90%	90%	92.40%	G2		
TL18	KPI042	Limit unaccounted water to less than 25%	Average percentage water losses measured by 30 June	<25%	<25%	0%	0%	N/A		
TL19	KPI043	Provision of free basic electricity to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic electricity, measured quarterly	100%	100%	100%	100%	G	6 941 / 6 941 x 100 = 100%	

SFA 4 - Dignified Living										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 October – 31 December 2019				
						Target	Actual	R	Performance Comment	Corrective Measures
TL20	KPI044	Provision of free basic refuse removal to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic refuse removal, measured quarterly	100%	100%	100%	100%	G	6 941 / 6 941 x 100 = 100%	
TL21	KPI045	Provision of free basic sanitation to registered indigent households (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent households receiving free basic sanitation, measured quarterly	100%	100%	100%	100%	G	6 941 / 6 941 x 100 = 100%	
TL22	KPI074	Formal households provided with access to water	Number of formal households provided with access to water, measured quarterly	26 000	26 000	26 000	27 027	G2		
TL23	KPI075	Formal households provided with access to electricity	Number of formal households provided with access to electricity, measured quarterly	24 000	24 000	24 000	27 027	G2		
TL24	KPI076	Formal households provided with access to refuse removal	Number of formal households provided with access to refuse removal, measured quarterly	26 000	26 000	26 000	27 027	G2		
TL25	KPI077	Formal households provided with access to sanitation	Number of formal households provided with access to sanitation, measured quarterly	26 000	26 000	26 000	27 027	G2		

Summary of Results: SFA 4 - Dignified Living

	KPI Not Yet Measured	2
	KPI Not Met	1
	KPI Almost Met	0
	KPI Met	4
	KPI Well Met	5
	KPI Extremely Well Met	0
<b>Total KPIs</b>		<b>12</b>

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 October – 31 December 2019				
						Target	Actual	R	Performance Comment	Corrective Measures
TL26	KPI055	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	0	0	N/A		
TL27	KPI056	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%	0%	0%	N/A		
TL28	KPI057	Actual expenditure on the approved Capital Budget for the Municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of approved Capital Budget for the Municipality actually spent by 30 June	90%	90%	30%	33.10%	G2	R 202 978 608 / R 613 274 958 x 100 = 33.10%	
TL29	KPI058	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	75%	75%	0%	0%	N/A		
TL30	KPI059	The percentage of actual payroll budget spent on implementing the Municipal Workplace Skills Plan (NKPI Proxy- MSA, Reg.	Percentage of municipality's payroll budget actually spent on implementing its Workplace Skills Plan ((Total Actual Training Expenditure/ Total Annual payroll	0.85%	0.85%	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 October – 31 December 2019				
						Target	Actual	R	Performance Comment	Corrective Measures
		S10(f))	Budget) x100), measured by 30 June							
TL31	KPI060	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%	0%	0%	N/A		
TL32	KPI061	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%	0%	0%	N/A		
TL33	KPI062	Revised Risk-Based Audit Plan (RBAP) submitted to the Audit Committee	Number of Revised RBAPs submitted to the Audit Committee by 30 June	1	1	0	0	N/A		
TL34	KPI063	Audit Action Plan (AAP) submitted to the Audit Committee	Number of Audit Action Plans submitted to the Audit Committee by 28 February	1	1	0	0	N/A		
TL35	KPI064	Revised Risk Register (RR) submitted to the Risk Management Committee	Number of Revised Risk Registers submitted to the Risk Management Committee by 30 June	1	1	0	0	N/A		
TL36	KPI065	Revised Information and Communication Technology (ICT) Backup Disaster Recovery Plan submitted to the ICT Steering Committee	Number of Revised ICT Backup Disaster Recovery Plans submitted to the ICT Steering Committee by 31 March	1	1	0	0	N/A		
TL37	KPI066	Revised Strategic ICT Plan submitted 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		
TL38	KPI067	Draft Integrated	Number of Draft IDPs submitted to	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 October – 31 December 2019				
						Target	Actual	R	Performance Comment	Corrective Measures
		Development Plan (IDP) submitted to Council	Council by 31 March							
TL39	KPI068	Submission of the Revised Asset Management Policy Council	Number of Revised Asset Management Policies submitted to Council by 30 June	1	1	0	0	N/A		
TL40	KPI070	IDP / Budget / SDF time schedule (process plan) submitted to Council	Number of IDP / Budget / SDF time schedules (process plan) submitted to Council by 31 August	1	1	0	0	N/A		
TL41	KPI071	Revised Electrical Master Plan submitted to Council	Number of Revised Electrical Master Plans submitted to Council by 30 June	1	1	0	0	N/A		
TL42	KPI072	Submission of a Draft Smart City Framework to the MayCo	Number of Draft Smart City Frameworks submitted to the MayCo by 31 December	1	1	1	0	R	The Draft Smart City Framework is currently being circulated within the various Directorates for input.	The Draft Smart City Framework will be submitted to the MayCo by 31 May 2020. The target due date will be revised in the Revised TL SDBIP 2020 to be submitted to Council during January 2020 for approval.

**Summary of Results: SFA 5 - Good Governance and Compliance**

KPI Not Yet Measured	15
KPI Not Met	1
KPI Almost Met	0
KPI Met	0
KPI Well Met	1
KPI Extremely Well Met	0
<b>Total KPIs</b>	<b>17</b>

## QUARTERLY BUDGET STATEMENT FOR DECEMBER 2019

**14. Strategic performance conclusion**

- (a) Out of the 42 Key Performance Indicators (KPIs) listed on the Top layer SDBIP 2019/20 (quarter 2), 24 were not measured, 3 KPIs were not met, 5 were met and 1 were extremely well met.

**Summary of Results: Strategic Focus Areas 1 - 5**

	KPI Not Yet Measured	24
	KPI Not Met	3
	KPI Almost Met	0
	KPI Met	5
	KPI Well Met	9
	KPI Extremely Well Met	1
	<b>Total KPIs</b>	<b>42</b>

8.6	<b>OVERSIGHT ROLE OF COUNCIL: SUPPLY CHAIN MANAGEMENT POLICY-REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY OF STELLENBOSCH MUNICIPALITY: QUARTER 2 (01 OCTOBER 2019 - 31 DECEMBER 2019)</b>
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Collaborator No: 675011  
IDP KPA Ref No: Good Governance and Compliance  
Meeting Date: 22 January 2020

**1. SUBJECT: OVERSIGHT ROLE OF COUNCIL: SUPPLY CHAIN MANAGEMENT POLICY-REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY OF STELLENBOSCH MUNICIPALITY: QUARTER 2 (01 OCTOBER 2019 - 31 DECEMBER 2019)**

**2. PURPOSE**

To submit to Council a report for the period 01 October 2019 – 31 December 2019 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 2019/2020 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 provide assistance in the provision of municipal services.

**5. RECOMMENDATIONS**

- (a) that Council takes note of 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 October 2019 - 31 December 2019 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 2019/2020 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

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.3.2**

- (a) that Council takes note of 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.

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**APPENDICES**

**ANNEXURE 1:** Report for the period 01 October 2019 – 31 December 2019 on the Implementation of Council's Supply Chain Management Policy

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<i>Kevin Carolus</i>
<b>CONTACT NUMBERS</b>	<i>021 808 8528</i>
<b>E-MAIL ADDRESS</b>	<i>Kevin.Carolus@stellenbosch.gov.za</i>
<b>DIRECTORATE</b>	<i>Financial Services</i>
<b>REPORT DATE</b>	<i>08 January 2020</i>

# **ANNEXURE 1**



**STELLENBOSCH MUNICIPALITY**  
**IMPLEMENTATION OF SYSTEM – SUPPLY CHAIN MANAGEMENT**  
**SECTION 6 OF SCM POLICY:**  
**OVERSIGHT ROLE OF COUNCIL OVER THE IMPLEMENTATION OF SCM POLICY**

**PERIOD: 01 OCTOBER 2019 - 31 DECEMBER 2019**

<b>REG. NO.</b>	<b>CRYPTIC DESCRIPTION OF POWER OR DUTY</b>	<b>POWER CURRENTLY RESIDING</b>	<b>DELEGATED</b>	<b>IMPLEMENTED</b>	<b>COMMENTS</b>
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 are part of the budget related policies that are annually reviewed.
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 second quarter (October 2019 - December 2019) there were three 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 second quarter (October 2019 - December 2019) there were fourteen 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  SCM: Manager	YES	The awards made were submitted ,on the following dates within this quarter : 01 November 2019 03 December 2019 03 January 2020
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.

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)	Direct that: 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	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
	goods and/or services of a transaction value between R 10,000.00 and R 200,000.00  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	SCM: Manager	YES	Advertisement will be place in the third quarter
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
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		N/A
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	<b>Reports were submitted on the following dates within this quarter.</b> 01 November 2019 03 December 2019 03 January 2020

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
16(e)	Record the name of potential providers requested to provide written quotation with their quoted prices.	Accounting Officer	Chief Financial Officer		<b>Reports were submitted on the following dates within this quarter.</b> 01 November 2019 03 December 2019 03 January 2020
17(1)(c)	Approve the recorded reasons for not obtaining at least three written price quotations.	Chief Financial Officer	<b>SCM: Manager &amp; CFO:</b> below R200,000  <b>Accountants: Acquisitions, Contracts and SCM:</b> <b>Accountant Demand and Chief Buyer :</b> below R200,000		
17(1)(d)	Record the names of the potential formal written price quotation providers and their written quotations.	Accounting Officer	Manager : Supply Chain Management		
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	Manager: Supply Chain Management		
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	Manager: Supply Chain Management	YES	
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	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.

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
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	Manager : Supply Chain Management	YES	<b>Reports were submitted on the following dates within this quarter.</b> 01 November 2019 03 December 2019 03 January 2020
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		For quarter two a total of 39 tender 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			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	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	Manager: Supply Chain Management	YES	Done

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
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 submitted. Minutes of such negotiations must be kept.	Accounting Officer	Relevant user department Head of Department or Executive Director	YES	Provision for the signing of a Form of Tender/Service Level Agreement with successful vendors is being made in the tender documents and part as Special Conditions to Tender.
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)©	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	N/A
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 Executive 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 has to complete. Meetings are held according pre-determined schedule.

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
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 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
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 second quarter (October 2019 - December 2019) there were 11 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 second quarter (October 2019 - December 2019) there were three final award made 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



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29(5)(a)	<p>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 –</p> <p>(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</p> <p>(ii) notify the accounting officer.</p>	Bid Adjudication Committee		YES	None
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	Two tenders were referred back to the BEC in the second quarter ( October 2019 - December 2019)
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	N/A
31(2)	Enter into a written agreement to regulate the services rendered by, and the payments made to,	Accounting Officer		YES	N/A

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	SITA.				
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 or more years exceeds R50 million.</p>	Accounting Officer		YES	N/A
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	Manager: Supply Chain Management	YES	N/A
32(1)	<p>To procure goods or services for the municipality under a contract secured by another organ of state, but only if –</p> <p>(a) the contract has been secured by that organ of state by means of a competitive bidding process applicable to that organ of state;</p> <p>(b) the municipality has no reason to believe that such contract was not validly procured;</p>	Accounting Officer	Bid Adjudication Committee	YES	None

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	(c) there are demonstrable discounts or benefits of the municipality; and  that other organ of state and the provider have consented to such procurement in writing.				
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	Panel of consultants tender is in place.
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	N/A

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	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"> <li>(i) in an emergency;</li> <li>(ii) if such goods or services are produced or available from a single provider only;</li> <li>(iii) for the acquisition of special worker of art or historical objects where specifications are difficult to compile;</li> <li>(iv) acquisition of animals or zoos; or</li> <li>(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes</li> <li>(vi) any contract relating to the publication of notices and advertisements by or on behalf of the municipality</li> <li>(vii) any purchase on behalf of the municipality at a public auction</li> <li>(viii) any contract with an organ of state, local authority or a public utility corporation or company</li> <li>(ix) any contract in respect of which compliance therein would not be in the public interest or interest of Council</li> <li>(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</li> <li>(xi) workshop strip &amp; quote</li> </ul>	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 technical nature.	Accounting Officer		YES	Done

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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 –  (i) any comments submitted by the public; and	Accounting Officer		NO	None

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	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	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	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 more than three months;	Accounting Officer	Bid Adjudication Committee Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place

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	(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.				
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 Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place
38(1)(f)	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  (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.	Accounting Officer	Bid Adjudication Committee Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place
38(1)(g)	Reject the bid of any bidder if that bidder or any of its directors –  (i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;  (ii) has been convicted for fraud or corruption during the last five years;  (iii) has willfully neglected or reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or	Accounting Officer	Bid Adjudication Committee Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place

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	(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).				
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 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	A Supply Chain management policy must specify the ways in which assets may be disposed of, including by – <ul style="list-style-type: none"> <li>(i) Transferring the asset to another organ of state in terms of a provision of the MFMA enabling the transfer of assets</li> <li>(ii) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge</li> <li>(iii) Selling the asset</li> <li>(iv) Destroying the asset</li> </ul>	Municipal Council	Chief Financial Officer	YES	. As per delegations
40(2) (b)	Stipulate that –  Immoveable property may be sold only at market	Municipal Council		YES	



REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	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		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		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			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			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.				Not Applicable
41(1)	A Supply chain management policy must provide for an effective system of risk management for the identification, consideration and avoidance of	Accounting Officer	Internal Audit		Busy implementing a system for risk management

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	potential risks in the supply chain management system				
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		Busy implementing 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	Manager: Supply Chain Management	YES	The Tax Clearance of vendors registered on the Central Supplier Database are checked regularly and 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 was disclosed within the 18/19 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	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.
46(4)	Adopt the National Treasury's code of conduct and Schedule 2 of the Systems Act for supply chain	Accounting Officer	Manager: Supply Chain Management	YES	Code of conduct are circulated annually to all officials

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	management practitioners and other role players involved in supply chain management.		Council's Speaker		
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	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 of Regulation 50(1) to perform his or her functions effectively.	Accounting Officer		YES	

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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

8.7	<b>MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR NOVEMBER AND DECEMBER 2019</b>
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Collaborator No: **8/1**  
 BUDGET KPA Ref No: **Good Governance and Compliance**  
 Meeting Date: **29 January 2020**

**1. SUBJECT: MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR NOVEMBER AND DECEMBER 2019**

**2. PURPOSE**

To comply with Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy 2019/2020 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 (2019/2020) stipulate that SCM deviations be reported to Council. In compliance thereto, this report presents to Council the SCM deviations that occurred during November and December 2019.

**5. RECOMMENDATIONS**

That Council notes the deviations as listed for the month of November and December 2019.

**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 and December 2019:

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 07/20	01 November 2019	E Dreyer t/a Dreyer cleaning Solutions	Cleaning of the central business district (CBD) of Stellenbosch	Exceptional case and it is impractical or impossible to follow the official procurement processes	The Central Business District cleaning of Stellenbosch has been performed by a contractor which was appointed on a tender (BSM 6/17). This contract lapsed on 30 June 2019 but was extended by Council in terms of Section 116 (3) of the Municipal Finance Management Act for an additional 4 months until 31 October 2019. This extension was granted to allow for a new service provider to be appointed. The new tender (BSM 101/19) was advertised and bids were received. The tender was unfortunately cancelled by the Bid Adjudication Committee (BAC) due to material irregularities and recommended that a new tender be advertised. The cleaning of the CBD is an essential service and cannot cease until a new tender has been awarded. This is thus an exceptional case as it is impractical or impossible to follow the official procurement processes to appoint	R 2 326 300 (Excl VAT)

					a new service provider timeously by 1 November 2019.	
D/SM 08/20	25 November 2019	Red Ants Security Services	Appointment of Red Ants Security Services to prevent invasion on Municipal land	Emergency Exceptional case and it is impractical or impossible to follow the official procurement processes	Stellenbosch Municipality has purchased the Watergang farm and is currently in the process to transfer ownership. A direct threat has been brought upon the municipality by a huge influx of illegal structures being erected on a daily basis which is currently out of control as the municipality does not have the resources to effectively control and contain this threat of influx and invasion of municipal land. Currently, with the limited manpower law enforcement is not able to effectively combat and control the influx of illegal structures. Neither is the availability of the Police not always guaranteed due to other demands and areas where they are required to assist. The success of containing the further erecting of structures will only be possible if immediate action can be taken while the structures are being built. This will be possible when the appointed service provider is immediately available to demolish said empty structures under the protection from law enforcement assisted by the police. Furthermore, with the running up to the local elections in 2021 the phenomena of influx of people to erect illegal structures will increase drastically on municipal land within the WC024 area of Stellenbosch.	<p><b>Estimated monthly expenditure</b></p> <p>R694.95 per structure x 60 structures = R41 697.00 (Excl. VAT)</p> <p>Daily vehicle and foot patrol per 12 hour shift (2 x vehicles &amp; 2 x officers per vehicle): R4 749.04 x 31 days = R147 220.24 (Excl. VAT)</p> <p>Night vehicle and foot patrol per 12 hour shift (2 x vehicles &amp; 2 x officers per vehicle): R4 749.04 x 31 days = R147 220.24 (Excl. VAT)</p> <p>Stabilization team (1 vehicle + 2 officers) per shift as and when needed. R 5 500.00 (Excl. VAT)</p>

D/SM 09/20	29 November 2019	Verso Financial services	Employee group life solutions	Exceptional case and it is impractical or impossible to follow the official procurement processes	The human resources department noted on 14 November 2019 that the contract for the provision of group life expired on 3 June 2019. A tender process must be followed and this will take a period of 4 - 5 months to complete. The current service provider has continued to deliver the group life service on a month to month basis based on the Municipality paying the agreed monthly fee. If an agreement is not entered into with an interim service provider, the employees will not have the protection of the group life scheme which is a high risk to the municipality. It is impractical to source a new provider for such a short period of time and as the current provider is already on our system and has all the information of the staff establishment and employees it is regarded as an exceptional case to for continuity sake enter into an agreement with VERSO to provide the group: life cover until 30 June 2020. This will also provide the municipality with enough time to go through a tender process to appoint a new service provider from 1 July 2020	<b>Rates: 01 November 2019 to 30 June 2020</b>  <u>Council:</u> - Compulsory Death and Instalment Disability - R0,4536  <u>Employees</u> - Voluntary Death and Instalment Disability - R0,4536 - Voluntary Death only - R0,2700 - Voluntary Spouses Cover - R0,2376
D/SM 10/20	24 December 2019	TMT Services and Supplies (Pty) Ltd	Provision of Traffic law enforcement equipment, back office system and related services	Exceptional case and it is impractical or impossible to follow the official procurement processes	With the announcement on 14 August 2019 to introduce AARTO with Implementation date only becoming known on 22nd November 2019, there was uncertainties with regard to back office duties and no clarity as to how this will effect day to day functioning of the back office, which is	R 5 677 615 (Excl. VAT)



					<p>currently also done by means of a service provider. Various meetings were then held to seek clarity on possible implications to ensure it does not negatively impact or have minimal effect on the municipality. The municipality engaged with a range of stakeholders (SALGA, RTIA, fellow municipalities, etc.) in extensive consultations to compile relevant specifications for the back-office service. However, it is not yet clear how the introduction of AARTO legislation will impact on the need for back-office service providers and whether the municipality can provide the service from its own resources as this will be on a trial and error basis as there is no such Act currently in place.</p> <p>The department could not advertise for a new three-year tender while there was uncertainty around AARTO and its potential impact on municipalities has not been cleared up and the implementation date only becoming known on the 22nd November 2019.</p>	
D/SM 11/20	12 December 2019	Avalon Technology Group	Urgent appointment of a service provider to restore ICT services after infection by ransomware Banta	Emergency	The Stellenbosch Municipality's windows based ICT servers were infected by an email bound malware rendering data stored on them unusable. The servers were shut down to prevent further damages and critical services like emails, the Human Resources system and various other systems used for service delivery. This crippled the ICT services of the Municipality and the	R82 810,00 (Excl. Vat)

					services we deliver to the public. The public could not communicate with the municipality through email communication and the municipality had no internet services and were unable to use any data on the Window based servers to deliver our services to the citizens. We needed to apply an intervention urgently to set up a new server environment and to continue restoring the services using the backups that are made on a daily basis. The implementation of the live feed DR site will only be completed on 1 March 2020 and we could not use the service provider appointed for the DR site as they are still establishing the infrastructure links to the Municipality	
D/SM 12/20	29 November 2019	Rufus Dercksen Attorneys	To act on behalf on and represent the Stellenbosch municipality in the mandate of spolie.	Exceptional case and it is impractical or impossible to follow the official procurement processes	To appoint an attorney to act on behalf of the municipality in the mandate of spolie. The return date for the interim order is set down for 12 December 2019. The time available to oppose the application instituted is extremely limited and a supply chain process is impractical and impossible to be followed.	R 62 250 (Excl VAT)

### 6.3 Financial Implications

As per table above.

### 6.4 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.**

**6.5 Staff Implications**

No staff implications

**6.6 Previous / Relevant Council Resolutions**

None

**6.7 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

**6.8 Comments from Senior Management**

The item was not circulated for comment except to Municipal Manager

**6.8.1 Municipal Manager**

Supports the recommendations.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Kevin Carolus
<b>POSITION</b>	<b>CFO</b>
<b>DIRECTORATE</b>	<b>Finance</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8528</b>
<b>E-MAIL ADDRESS</b>	<b>Kevin.Carolus@stellenbosch.gov.za</b>
<b>REPORT DATE</b>	<b>08 January 2020</b>

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9.	<b>REPORT BY THE MUNICIPAL MANAGER RE OUTSTANDING RESOLUTIONS</b>
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The report by the Municipal Manager re outstanding resolutions taken at previous meetings of Council is attached as **APPENDIX 1**.

**FOR INFORMATION**

# APPENDIX 1

## OUTSTANDING RESOLUTIONS JANUARY 2020

Council Meeting		Resolution	Resolution Date	Allocated To	% Feedback	Feedback Comment
394114	Investigation with regards to the various residential properties in Mont Rochelle Nature Reserve	<p>7.6 INVESTIGATION WITH REGARD TO THE VARIOUS RESIDENTIAL PROPERTIES IN MONT ROCHELLE NATURE RESERVE</p> <p>35TH COUNCIL MEETING: 2015-10-28: ITEM 7.6</p> <p>RESOLVED (majority vote)</p> <p>(a) that Council rescind its resolution taken at the meeting dated, 2014-01-16, with regard to Item 7.2;</p> <p>(b) that the funds allocated to be spent on conducting the proposed investigation rather be spent on consolidating the 46 unsold erven with Mont Rochelle Nature Reserve and negotiating with the owners of the 14 sold (but undeveloped) erven (the priority being erven 342, 307, 314, 322, 355, 336, located in a visually sensitive area north-eastern slope of "Du Toits Kop" facing the Franschoek valley) regarding the possibility to exchange current erven within Mont Rochelle Nature Reserve with erven in a more suitable area (suitable in terms of environmental, visual and service delivery perspective); and</p> <p>(c) that any other feasible alternative that can limit the impact on the nature reserve that might be identified in the process be considered.</p> <p>The following Councillors requested that their votes of dissent be minuted: Councillors F Adams; JA Davids; DA Hendrickse; S Jooste (Ms); C Moses (Ms); P Mntumi (Ms); RS Nalumango (Ms); P Sitshoti (Ms); AT van der Walt and M Wanana.</p> <p>(DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT TO ACTION)</p>	2015-10-28	SCHALKVDM	95.00	An item, on the proposed way forward, has been prepared for internal circulation after which it will serve before Council.
478901	THE THIRD GENERATION INTEGRATED WASTE MANAGEMENT PLAN (IWMP) FOR STELLENBOSCH MUNICIPALITY	<p>7.6.4 THE THIRD GENERATION INTEGRATED WASTE MANAGEMENT PLAN (IWMP) FOR STELLENBOSCH MUNICIPALITY</p> <p>4TH COUNCIL MEETING: 2016-11-23: ITEM 7.6.4</p> <p>RESOLVED (nem con)</p> <p>(a) that the attached Draft 3rd Generation IWMP be supported by Council for approval in principle; and</p> <p>(b) that the proposed Draft 3rd Generation IWMP be duly advertised for public comment until the end of February 2017, and be re-submitted together with any comments / objections by D:EA&amp;DP and the public, for final approval and adoption by Council.</p>	2016-11-23	SALIEMH	95.00	The content of the IWMP has been finalised and the annual review thereof has been completed. Final document will be submitted to Council by February 2020.

## OUTSTANDING RESOLUTIONS JANUARY 2020

478903	SECTION 78 PROCESS FOR AN EXTERNAL SERVICE DELIVERY MECHANISM WITH REGARDS TO PUBLIC	7.6.2 SECTION 78 PROCESS FOR AN EXTERNAL SERVICE DELIVERY MECHANISM WITH REGARD TO PUBLIC TRANSPORT  4TH COUNCIL MEETING: 2016-11-23: ITEM 7.6.2  RESOLVED (majority vote)  (a) that Council approves the proposal that an assessment of the municipality's capacity be done to determine its ability to provide the proposed public transport service through an internal mechanism and that the recommendation of the assessment be submitted to Council for consideration and decision; and  (b) that, should the above assessment recommend the use of an external mechanism for the provision of the public transport service, a feasibility study be conducted for the provision of the service through an external mechanism.  The following Councillors requested that their votes of dissent be minuted: Councillors F Adams; DA Hendrickse and LK Horsband (Ms).	2016-11-23	ROSCOEB	70.00	Mayco referred item back to Infrastructure Portfolio Committee. To serve at February 2020 sitting.
513321	THE FUTURE USE AND MAINTENANCE OF COUNCIL HERITAGE BUILDINGS	7.3.1 THE FUTURE USE AND MAINTENANCE OF COUNCIL HERITAGE BUILDINGS  8TH COUNCIL MEETING: 2017-04-26: ITEM 7.3.1  RESOLVED (majority vote with abstentions)  (a) that Council supports the establishment of a "heritage portfolio" that can be managed independently from other assets and that the Municipal Manager be mandated to identify all council owned properties to be placed in the heritage portfolio;  (b) that the Rhenish complex including Voorgelegen and the Transvalia complex of apartments (Transvalia, Tinetta, Bosmanhuis en Alma) be agreed to be categorised as category A assets;  (c) that in terms of Section 14(2)(a) of the MFMA, the properties listed in paragraph 3.4 (table 2) marked as Category A properties, be identified as properties not needed to provide the minimum level of basic municipal services;  (d) that, in terms of Regulation 34(3) of the ATR, the Municipal Manager be authorized to conduct the prescribed public participation process, as envisaged in Regulation 35 of the ATR, with the view of awarding long term rights in relation to the Category A properties;  (e) that, for the purpose of disposal, two independent valuers be appointed to determine the fair market value and fair market rental of the properties listed in Categories A and B;  (f) that, following the public participation process, a report be tabled before Council	2017-04-26	PIETS	30.00	Heritage buildings that forms part of the portfolio to be listed and the intention is to put the maintenance and management out to tender to a company that has a proven track record for the management and maintenance of the heritage buildings. Item will be submitted to Council in January.  Information statement regarding Voorgelegen and Rhenish complex will be advertised.

## OUTSTANDING RESOLUTIONS JANUARY 2020

		<p>to consider in principle, the awarding of long term rights in the relevant properties, whereafter a public competitive disposal process be followed; and</p> <p>(g) that, with regard to the properties listed as Category B and C, the Municipal Manager be mandated to investigate the best way of disposing of or managing these assets, including feasibility studies on the possible disposal/awarding of long term rights and/or outsourcing of the maintenance function and that a progress report be tabled before Council within 6 months from the date of approval of the recommendation.</p> <p>Councillor F Adams requested that his vote of dissent be minuted.</p> <p>(DIRECTOR: PLANNING AND ECON DEV TO ACTION)</p>				
514994	Stellenbosch Municipality: Extension of Burial Space	<p>7.3.2 STELLENBOSCH MUNICIPALITY: EXTENSION OF BURIAL SPACE</p> <p>8TH COUNCIL MEETING: 2017-04-26: ITEM 7.3.2</p> <p>RESOLVED (nem con)</p> <p>(a) that Council amends its 27th Meeting of the Council of Stellenbosch (25 February 2015) resolution by adding (b)(x) to include any alternative land in the same area which could feasibly be used as a site to be investigated as a solution to the critical need for burial space within Stellenbosch Municipality;</p> <p>(b) that Council supports the acquisition of the required authorization for the proposed establishment of regional cemeteries (for burial need within WC024) at Farm Culcatta No. 29 and the Remainder of Farm Louw's Bos No. 502 as well as the proposed establishment of a regional cemetery at Farm De Novo No. 727/10 and Portion 1 of 'Farm Meer Lust No 1006 should the process of acquiring the necessary approval from the Department of Transport and Public Works be acquired;</p> <p>(c) that the possible creation of a garden of remembrance as alternative to a traditional land site also be investigated; and</p> <p>(d) that Council authorises the Municipal Manager to proceed with acquiring the necessary approvals for the establishment of the above cemeteries.</p> <p>(DIRECTOR: PLANNING &amp; ECON DEV TO ACTION)</p>	2017-04-26	SCHALKVDM	65.00	Environmental Impact Assessment proceeded on 2 sites, Louw's Bos and Culcatta Bos. Environmental Authorization (in terms of the National Environmental Management Act, 107 of 1998 [NEMA]) for the Culcatta Bos site was issued on 20 September 2019. Expecting a decision from the DEADP on the NEMA application for Louw's Bos by February 2020 and Water Use Licensing by DWS on both by May 2020
543945	IDENTIFYING OF MUNICIPAL AGRICULTURAL LAND FOR IMPLEMENTATION OF FARMER PRODUCTION SUPPORT UNIT (FPSU) - 9/2/1/1/3	<p>7.3.2 IDENTIFYING OF MUNICIPAL AGRICULTURAL LAND FOR IMPLEMENTATION OF FARMER PRODUCTION SUPPORT UNIT (FPSU)</p> <p>12TH COUNCIL: 2017-09-27: ITEM 7.3.2</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that Council support and approve the implementation of a Farmer Production Support Unit (FPSU) within the WCO24;</p>	2017-09-27	WIDMARKM	65.00	Draft MOU completed. Zoning of the areas identified for the FPSU was confirmed to be correct to commence with the activities.



## OUTSTANDING RESOLUTIONS JANUARY 2020

		<p>(b) that Council support and approve the following two sites as identified for the purpose of a Farmer Production Support Unit (FPSU) in accordance with the Policy of the Management of Agricultural Land:</p> <ul style="list-style-type: none"> <li>• Lease portion BH1 of Farm 502, Stellenbosch; and</li> <li>• Lease portion BH2 of Farm 502 Stellenbosch.</li> </ul> <p>(c) that the Local Economic Development Department be mandated to undertake all required land use management applications and processes, which include, amongst others rezoning, registration of lease area and departures for the relevant area to accommodate a Farmer Production Support Unit (FPSU) as the current zoning is for agricultural purposes only, given sufficient funding and budget made available by the National Department of Rural Development and Land Reform (NDRDLR); and</p> <p>(d) that the National Department of Rural Development and Land Reform (NDRDLR) draft a MOU between the Stellenbosch Municipality as land owner and the National Department of Rural Development and Land Reform (NDRDLR) on the roles and responsibilities of the different role players for the Council to consider, prior to any lease agreement be entered into or change in land use process commences.</p> <p>CIlrs DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted.</p> <p>Councillor F Adams requested that it be minuted that he supports the item with reservations.</p> <p>(DIRECTOR: PLAN &amp; ECON DEV TO ACTION)</p>				
543966	PARKING UPGRADE REPORT	<p>7.6.1 PARKING UPGRADE REPORT</p> <p>12TH COUNCIL: 2017-09-27: ITEM 7.6.1</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that a Section 78 process be launched and that an internal parking service delivery increase be investigated through the Section 78(1) approach;</p> <p>(b) that parking service delivery increase be based on the towns of:</p> <ol style="list-style-type: none"> <li>i) Stellenbosch</li> <li>ii) Klapmuts, and</li> <li>iii) Franschhoek; and</li> </ol> <p>(c) that a formal report be submitted to Council as required by Section 78(2), which will indicate the best way of rendering internal parking and any recommendations to a possible external method of rendering parking services.</p> <p>(DIRECTOR: ENGINEERING SERVICES TO ACTION)</p>	2017-09-27	JOHANF	90.00	Section 78(3) report circulated for input. To serve at February 2020 MayCo/Council.

## OUTSTANDING RESOLUTIONS JANUARY 2020

543953	SOLID WASTE UPGRADE REPORT	<p>7.6.2 SOLID WASTE UPGRADE REPORT</p> <p>12TH COUNCIL: 2017-09-27: ITEM 7.6.2</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that a Section 78 process be launched and that an internal waste disposal service delivery increase be investigated through the Section 78(1) approach; and</p> <p>(b) that a formal report be submitted to Council as required by Section 78(2), which will indicate the best way of rendering internal waste disposal by landfill and any recommendations to a possible external method of waste disposal landfill.</p> <p>(DIRECTOR: ENGINEERING SERVICES TO ACTION)</p>	2017-09-27	SALIEMH	90.00	The Department is still reviewing the document and do have some issues to clarify with the service provider based on recommendations made which are not in line with the current functioning of these components. This will affect staff structure as well Amendments to be incorporated in the report and will be submitted to MayCo/Council of February 2020.
546882	Motion WC Petersen - Proposed development of erven 412 and 284, Groendal, Franschoek	<p>10.2 MOTION BY COUNCILLOR WC PIETERSEN (MS): PROPOSED DEVELOPMENT OF ERVEN 412 AND 284, GROENDAL, FRANSCHHOEK</p> <p>12TH COUNCIL MEETING: 2017-09-27: ITEM 10.2</p> <p>The Speaker allowed Cllr WC Petersen (Ms) put her Motion, duly seconded. After the Motion was motivated, the Speaker allowed debate on the matter.</p> <p>The matter was put to the vote, yielding a result of all in favour.</p> <p>RESOLVED (nem con)</p> <p>that an item be prepared for Council's consideration regarding the development of Erf 412 (high density housing) and retirement resort Erf 284 with or without frail care facility.</p> <p>(OFFICE OF THE MM TO ACTION)</p>	2017-09-27	PIETS/LESTERVS	30.00	The department circulated the draft item to relevant departments for comments. An item will serve before Council in February 2020.
559586	DEVELOPMENT OF ZONE O AND THE HOUSING ALLOCATION CRITERIA FOR THE PHASE 2B AND 2C (277 SITES), WATERGANG, KAYAMANDI	<p>7.5.2 DEVELOPMENT OF ZONE O AND THE HOUSING ALLOCATION CRITERIA FOR THE PHASE 2B AND 2C (277 SITES), WATERGANG, KAYAMANDI</p> <p>14TH COUNCIL MEETING: 2017-11-29: ITEM 7.5.2</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that the block approach/method be implemented in Zone O (upper part next to Thubelisha) to effectively address the provision of new housing opportunities i.e. servicing of sites and construction of high density residential units;</p> <p>(b) that beneficiaries that were not allocated houses on the bottom part (access road) be allocated a site or Temporary Relocation Area units once (a) has been achieved and if there is any space available;</p> <p>(c) that, within the block approach non-qualifiers that earn R3 501 to R7 000 per month be allocated serviced sites in accordance with the</p>	2017-11-29	LESTERVS	96.00	The LUPA application for decision making has been submitted to the Land Use Planning department during November 2019. Report is on the MPT agenda for 31 January 2020.

## OUTSTANDING RESOLUTIONS JANUARY 2020

		<p>Finance Linked Individual Subsidy Programme (FLISP);</p> <p>(d) that, within the block approach non-qualifiers (as prescribed by housing policy guidelines) that earn between R7 001 to R15 000 per month be allocated a serviced site at a cost equal to the amount as approved by Provincial Department of Human Settlement (PDoHS) for a serviced site in the project (Watergang Phase 2, Kayamandi);</p> <p>(e) that ±40 beneficiaries from Enkanini that are on the road reserve be allocated temporary housing units to enable the Municipality to implement the erf 2175 pilot project (i.e. electrification, sanitation, water);</p> <p>(f) that Temporary Relocation Area 1 residents who were not allocated units in 2005, that does not qualify for a housing subsidy also be allocated sites (±20 beneficiaries);</p> <p>(g) that the 10m road reserve be waived and the 8m road reserve be approved in order to create more housing opportunities;</p> <p>(h) that 10% of the Temporary Relocation Areas be reserved for emergency cases in accordance with Council's Emergency Housing Assistance Policy (EHAP);</p> <p>(i) that once the above process has been completed and should plots still be available in the Temporary Relocation Areas (TRA), beneficiaries are identified from Zone N that can be allocated sites in the TRA (only from the group that was placed there by the Municipality); and</p> <p>(j) that the parking requirements be amended from one (1) parking per housing unit to 0,6 average per housing unit.</p> <p>(DIR: HUMAN SETTLEMENTS TO ACTION)</p>				
559971	<p>PROPOSED DISPOSAL (THROUGH A LAND AVAILABILITY AGREEMENT) OF MUNICIPAL LAND, A PORTION OF PORTION 4 OF FARM NO 527 AND A PORTION OF THE REMAINDER OF FARM 527, BOTH LOCATED INCH AND THE APPOINTMENT OF A TURNKEY DEVELOPER IN ORDER TO</p>	<p>PROPOSED DISPOSAL (THROUGH A LAND AVAILABILITY AGREEMENT) OF MUNICIPAL LAND, A PORTION OF PORTION 4 OF FARM NO 527 AND A PORTION OF THE REMAINDER OF FARM 527, BOTH LOCATED IN JAMESTOWN, STELLENBOSCH AND THE APPOINTMENT OF A TURNKEY DEVELOPER IN ORDER TO</p> <p>14TH COUNCIL MEETING: 2017-11-29: ITEM 7.5.1</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that the land parcels listed in paragraph 1.(i) and indicated in Figure 12 be identified as land not needed by Stellenbosch Municipality to provide the minimum level of services; and</p> <p>(b) that the Municipal Manager be authorized to initiate a Call for Proposals process with minimum requirements as determined through preliminary investigations to be completed by the administration.</p>	2017-11-29	LESTERVS	93.00	<p>Consultants are currently compiling the Bill of Quantities required. The user department met with the consultants to explain the proposed mixed-used development. Await Bill of Quantities required.</p>

## OUTSTANDING RESOLUTIONS JANUARY 2020

		<p>Clhrs DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted.</p> <p>(DIR: HUMAN SETTLEMENTS TO ACTION)</p>				
582874	<p>FUTURE UTILIZATION OF EX-KLEINE LIBERTAS THEATRE SITE: CONSIDERATION OF INPUTS RECEIVED</p>	<p>8.4.2 FUTURE UTILIZATION OF EX-KLEINE LIBERTAS THEATRE SITE: CONSIDERATION OF INPUTS RECEIVED</p> <p>16TH COUNCIL MEETING: 2018-03-28: ITEM 8.4.2</p> <p>RESOLVED (nem con)</p> <p>a) that Council takes note of the large number of inputs/comment received; and</p> <p>b) that a multi-purpose building be planned and after erection of building council call for proposals from the Stellenbosch Community for its utilization in line with our strategic objectives.</p>	2018-03-28	PIETS	40.00	<p>Draft drawings for new building completed. Tender planned for February 2020.</p>
601650	<p>THE AWARDING OF RIGHTS TO THE LOCAL ECONOMIC HUBS</p>	<p>7.3.1 THE AWARDING OF RIGHTS TO THE LOCAL ECONOMIC DEVELOPMENT HUBS</p> <p>18TH COUNCIL MEETING: 2018-07-25: ITEM 7.3.1</p> <p>RESLOVED (majority vote)</p> <p>(a) that Council adopts the recommendation to award the leases of the Local Economic Development Hubs to the entities that scored the highest points for each property, as follows: Property Applicant</p> <ol style="list-style-type: none"> <li>1. The Old Clinic Building (Erven 6487 &amp; 6488) Ranyaka</li> <li>2. Triangle Building (Erf 228) Hugernote Fine Chocolates</li> <li>3. Mooiwater Building (Erf 2253) ABC Empowerment (Profiles attached Appendix 2</li> </ol> <p>(b) that once Council approves and awards the leasing rights to the highest scoring applicant, the Director Corporate Services be mandated to draft and sign lease agreements with the successful applicants;</p> <p>(c) that the contract must make provision for termination on non-performance in terms of the agreement;</p> <p>(d) that the contract be awarded for a period of 9 years and 11 months; and</p> <p>(e) that the awarding of rights of the Old Agricultural Hall to the Stellenbosch Craft Alive and Stellenbosch Trail Fund be awarded, conditional to the settlement of the outstanding legal dispute.</p>	2018-07-25	WIDMARKM	90.00	<p>Ranyaka: Agreement signed. Hugernote Fine Chocolates: Agreement signed. ABC Empowerment: Applicant withdrew. Re-advertised but no applications received.</p> <p>The outstanding legal dispute has been resolved. Lease agreement on the Old Agricultural Hall in process.</p>

## OUTSTANDING RESOLUTIONS JANUARY 2020

		Councillor F Adams requested that it be minuted that he supports the item, with reservations.				
601711	PROPOSED RENEWAL OF VARIOUS LEASE AGREEMENTS	7.5.4 PROPOSED RENEWAL OF VARIOUS LEASE AGREEMENTS  18TH COUNCIL MEETING: 2018-07-25: ITEM 7.5.4  RESOLVED (nem con)  that this item be withdrawn for further refinement.	2018-07-25	PIETS	60.00	Item broken up into separate items that will serve before Council: Burgerhuis – agenda September 2019 Return Item on agenda – January 2020 Bergzicht – agenda September 2019 Return item on agenda in January 2020 Toy Museum (Rhenish Complex) – item will be submitted to Mayco in February 2020 Franschhoek tennis club – item February round of meetings. Franschhoek Bowling Club – item on January 2020 agenda.
616959	MIGRATION OF OLD HOUSING WAITING LIST TO A HOUSING DEMAND DATABASE SYSTEM	7.5.5 MIGRATION OF OLD HOUSING WAITING LIST TO A HOUSING DEMAND DATABASE SYSTEM  21ST COUNCIL MEETING: 2018-10-31: ITEM 7.5.5  RESOLVED (nem con)  (a) that Council approves that the administration embarks on a process of updating data on the old Housing Waiting List;  (b) that all updated information be imported into the Municipal Housing Demand Database; and  (c) that, when the above process has been concluded, the Municipal Housing Demand Database becomes the only reference point and source of information in determining the municipality's housing backlog and the profile of applicants.	2018-10-31	ROTANDAS	90.00	Updating of the Demand Data has been completed in all areas. We are currently busy with the capturing of the Data collected on the Vois System. The programme for updates will still run until end of February 2020, where people will be able to update at the Housing Administration offices.
616964	POSTER BY-LAW	7.6.2 POSTER BY-LAW RELATING TO OUTDOOR ADVERTISING AND SIGNAGE  21ST COUNCIL MEETING: 2018-10-31: ITEM 7.6.2  RESOLVED (nem con)  (a) that the report be accepted;  (b) that the Draft By-Law Relating to Outdoor Advertising and Signage, attached as ANNEXURE 1, be accepted as the copy of the By-Law to be used in a Public Participation process;  (c) that the Draft By-Law relating to Outdoor Advertising and Signage be duly advertised for the purpose of a public participation process until the end of January 2019; and	2018-10-31	DEONL	80.00	Meeting held with Heritage committee, Meeting with Stellenbosch Interest Group scheduled for 31 January 2020. After which their inputs into the By-Law will be incorporated and submitted for consideration by Mayco/Council of February 2020.

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		(d) that, upon the completion of the public participation process, the Draft By-Law together with any comments/objections by the public be resubmitted to Council for final approval and adoption.				
616954	CONDONATION OF QUALIFYING CRITERIA: SALE OF UNDEVELOPED ERVEN IN KAYAMANDI	<p>7.2.3 CONDONATION OF QUALIFYING CRITERIA: SALE OF UNDEVELOPED ERVEN IN KAYAMANDI</p> <p>21ST COUNCIL MEETING: 2018-10-31: ITEM 7.2.3</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that Council resolves not to condone the criteria set out in the tender documentation published on 12 November 2016; and</p> <p>(b) that Council resolves that the following criteria be used in the new tender process, i.e.</p> <p>i) Beneficiary must be a resident of Kayamandi for a minimum period of ten (10) years;</p> <p>ii) If younger than 40 years (at date of closing tender), then the beneficiary must be married or have a legal dependent staying with him/her;</p> <p>ii) May not have received any form of financial assistance/subsidy from the State in obtaining a house/serviced site previously;</p> <p>iii) May not currently own any other fixed asset;</p> <p>iv) Must be a South African citizen;</p> <p>v) Must be a first time home owner; and</p> <p>vi) that a pre-emptive clause be inserted in the title deed of the property that the property be developed within 2 years and not be sold within 5 years of registration.</p>	2018-10-31	PIETS	40.00	Tender document compiled and returned to department for amendments.
Erf23	UTILISATION OF A PORTION OF THE WEMMERSHOEK COMMUNITY HALL AS AN EARLY CHILDHOOD DEVELOPMENT FACILITY (ECD CENTRE)	<p>7.2.3 UTILISATION OF A PORTION OF THE WEMMERSHOEK COMMUNITY HALL AS AN EARLY CHILDHOOD DEVELOPMENT FACILITY (ECD CENTRE)</p> <p>22ND COUNCIL MEETING: 2018-11-28: ITEM 7.2.3</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that Council notes that a tender call for proposal was advertised and dealt with through the Supply Chain Process;</p> <p>(b) that Council now proceed with the lease based on the proposal received;</p> <p>(c) that, should Council accept the proposal, an agreement be entered into with Mr Goosen that stipulates that the property may only be used for the purposes of an ECD centre; and</p> <p>(d) that the Municipal Manager be authorised to sign all documents necessary to effect the lease agreement.</p>	2018-11-28	PIETS	90.00	<p>Applicant informed of outcome. Agreement provided to applicant, but not signed yet.</p> <p>Applicant indicated that they have issues with funding and will respond by end January 2020.</p>

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621772	PROPOSED SERVICE DELIVERY IN	<p>7.2.4 PROPOSED SERVICE DELIVERY IN JONKERSHOEK</p> <p>22ND COUNCIL MEETING: 2018-11-28: ITEM 7.2.4</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that the Power of Attorney from the National Department of Public Works, authorising Stellenbosch Municipality to commence with service delivery in Jonkershoek, be noted;</p> <p>(b) that the Administration be authorised to render interim municipal services in the Mixed Use Precinct in Jonkershoek on a cost recovery basis from the users who receive the services, except to those households that qualify for free basic services in terms of the Municipality's Indigent Policy;</p> <p>(c) that the Administration be authorised to provide/upgrade Access to Basic Services (Communal services) in informal areas, free of charge;</p> <p>(d) that the Director: Planning and Economic Development be requested to commission a feasibility study with the view of identifying a possible site(s) for possible township establishment, taking into account the Draft SDF for Jonkershoek, but also taking into account the positioning of bulk infrastructure and access to the site(s);</p> <p>(e) that the National Department of Public Works be requested to transfer the land to Stellenbosch Municipality;</p> <p>(f ) that the National Department of Public Works be requested to transfer the land on which the office space previously used by Cape Nature, either by way of acquisition or by way of a Lease Agreement, to the Municipality;</p> <p>(g) that, the Director: Infrastructure Services be requested to compile a status quo report regarding the availability of bulk infrastructure but also indicating the cost of possible interim upgrading of such bulk infrastructure;</p> <p>(h) that the Director: Planning &amp; Economic Development be requested to finalise the SDF for Jonkershoek in terms of the SPLUMA Act 16 of 2013;</p> <p>(i) that the Municipal Manager be authorised to conclude an agreement(s) with the relevant authorities to ensure that Stellenbosch Municipality is in a position to do law enforcement in the Jonkershoek Valley, with specific reference to the prevention of further unauthorised structures being constructed/erected;</p> <p>(j) that a progress report be tabled to Council within 6 months, including an environmental impact report and indicating progress that has been made regarding the provision of services; and</p> <p>(k) that, in the mean-time, all expenditure be incurred within the existing, approved budget.</p>	2018-11-28	ALL DIRECTORS	30.00	<p>Meeting was scheduled during December 2018 with representatives of Informal Settlements and Infrastructure Services to discuss implementation of Council resolutions. The National Department of Public Works was requested the use of the office space. A meeting in this regard was scheduled for 29 January 2020.</p> <p>Directorate debated set of services to be rendered by Infrastructure Services.</p>
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## OUTSTANDING RESOLUTIONS JANUARY 2020

		<p>The following Councillors requested that it be minuted that they abstained from voting on the matter:</p> <p>Cllrs F Adams; DA Hendrickse and LK Horsband (Ms).</p>				
639570	<p>TO AUTHORISE THE MUNICIPAL MANAGER TO START THE PRESCRIBED PUBLIC PARTICIPATION PROCESS AS PER CHAPTER 4 OF THE MUNICIPAL ASSET TRANSFER REGULATIONS, WITH THE VIEW OF THE FOLLOWING A TENDER/CALL FOR PROPOSAL PROCESS FOR OUTSOURCING THE MANAGEMENT/USE OF THE KAYAMANDI ECONOMIC AND TOURISM CORRIDOR (KETC)</p>	<p>7.7.2 TO AUTHORISE THE MUNICIPAL MANAGER TO START THE PRESCRIBED PUBLIC PARTICIPATION PROCESS AS PER CHAPTER 4 OF THE MUNICIPAL ASSET TRANSFER REGULATIONS, WITH THE VIEW OF FOLLOWING A TENDER/CALL FOR PROPOSAL PROCESS FOR OUTSOURCING THE MANAGEMENT/USE OF THE KAYAMANDI ECONOMIC AND TOURISM CORRIDOR (KETC)</p> <p>25TH COUNCIL MEETING: 2019-03-27: ITEM 7.7.2</p> <p>RESOLVED (majority vote)</p> <p>a) that Council authorises the Municipal Manager to start the Public Participation Process (60 days) as per Chapter 4 of the Asset Transfer Regulations with the intention of following an appropriate process for the outsourcing and management of the Kayamandi Economic and Tourism Corridor;</p> <p>(b) that Council gives reasonable consideration to all regulations and processes required by the Municipal Policy on the Management of Immovable Property, the Asset Transfer Regulations and prescriptions of the MFMA, and then to follow the process that best ensures the correct operational outcome for the Kayamandi Economic and Tourism Corridor;</p> <p>(c) that the local community be invited to submit representations; and</p> <p>(d) that the Municipal Manager be authorized to conclude the contract or agreement after (c) above is finalized in terms of the applicable Act/Regulation.</p> <p>The following Councillors requested that their votes of dissent be minuted: Cllrs RS Nalumango (Ms); N Sinkinya (Ms); P Sitshoti (Ms) and LL Stander.</p>	2019-03-27	WIDMARKM	75.00	<p>Date for submission of item extend to October 2019 in order to accommodate inputs by the local community. Meeting was scheduled for 04 October 2019. Only one person turned up for the meeting. An item will serve in January 2020 at Council.</p>
	<p>POSSIBLE DISPOSAL OF A PORTION OF ERF 23, FRANSCHHOEK TO THE FRANSCHHOEK METHODIST CHURCH</p>	<p>7.2.1 POSSIBLE DISPOSAL OF A PORTION OF ERF 23, FRANSCHHOEK TO THE FRANSCHHOEK METHODIST CHURCH</p> <p>26<sup>TH</sup> COUNCIL MEETING: 2019-04-24: ITEM 7.2.1</p> <p>RESOLVED (majority vote with abstentions)</p> <p>a) that the portion of erf 23, excluding the parking area, Franschoek, as land indicated in Fig 3, be identified as land not needed to provide the minimum level of basic municipal services;</p> <p>b) that Council, in principle, approve the disposal of land to the Franschoek Methodist Church without following a public tender process, and subject to the following conditions:</p> <p>c) that the purchase price be determined at 30% of market value, the market value to be determined by two (2) independent valuers;</p>	2019-04-24	PIETS	90.00	<p>A public notice was published on 20-06-2019, soliciting public input/objections/alternative proposal.</p> <p>No submission was received.</p> <p>An additional valuation has been obtained and the item was submitted to MayCo on 20 November 2019. Item referred back. Will be resubmitted in February 2020.</p>



## OUTSTANDING RESOLUTIONS JANUARY 2020

		<ul style="list-style-type: none"> <li>d) that a reversionary clause be inserted in the title deed of the property, should the property not be used for religious/social care purposes anymore;</li> <li>e) that the church be responsible for the sub-division and rezoning of erf 23, Franschhoek, to allow for a separate unit to be transferred;</li> <li>f) that a servitude be registered in favour of the Municipality regarding all municipal services crossing the property;</li> <li>g) that a right of access from Bagatelle Street be registered in favour of the church.</li> <li>h) that Council's intention to dispose of the property under the provisions set out above, be advertised for public inputs/objections/alternative proposals as provided for in par 9.2.2.1 of the Property Management Policy; and</li> <li>i) that, following the public participation process, the matter be submitted to Council to make a final decision on the disposal, or not.</li> </ul>				
PROPOSED DISPOSAL OF ERVEN 3192, 3019 AND 3111 IN MOOIWATER, FRANSCHHOEK: CONSIDERATION OF PUBLIC INPUTS	<p>7.2.2 PROPOSED DISPOSAL OF ERVEN 3192, 3019 AND 3111 IN MOOIWATER, FRANSCHHOEK: CONSIDERATION OF PUBLIC INPUTS</p> <p>26<sup>TH</sup> COUNCIL MEETING: 2019-04-24: ITEM 7.2.2</p> <p>RESOLVED (majority vote)</p> <ul style="list-style-type: none"> <li>(a) that it be noted that no comment/inputs were received from the residents of wards 1 and 2 in regard to the future use of the properties;</li> <li>(b) that erven 3192, 3019 and 3111 be identified as land not needed to provide the minimum level of basic municipal services, i.e. that it can be, in principle, disposed of;</li> <li>(c) that Council resolves that the properties be put out on a Call for Proposals for multi-purpose institutional use to the benefit of the community. Proposals will be evaluated based on the type of institutional uses, how it will benefit the greater community, and how many institutions will be accommodated through the proposals;</li> <li>(d) that the matter be reported back to Mayco and Council after implementation of resolution (c) above; and</li> <li>(e) that the conditional awarding of the tenders by the Bid Adjudication Committee, should in principle disposal be approved, be submitted to Council to make a final determination on the disposal of the properties.</li> </ul> <p><i>Councillor DA Hendrickse requested that his vote of dissent be minuted, on the grounds that, in his view, the item is not legally compliant.</i></p>	2019-04-24	ANNALENEDB	80.00	<p>Council resolved to call for proposals before final decision is taken.</p> <p>Tender specifications for the sale of various institutional sites in Mooiwater, Franschhoek has been submitted to DCS.</p> <p>Awaiting approval of tender specifications.</p>	

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635397	ESTABLISHMENT OF 'FRIENDS GROUPS' FOR STELLENBOSCH NATURE RESERVES AND DESIGNATED NATURE AREAS	<p>7.6.3 ESTABLISHMENT OF 'FRIENDS GROUPS' FOR STELLENBOSCH NATURE RESERVES AND DESIGNATED NATURE AREAS</p> <p>26<sup>TH</sup> COUNCIL MEETING: 2019-04-24: ITEM 7.6.3</p> <p>RESOLVED (majority vote)</p> <p>(a) that Council accepts the concept of "Friends Groups" as a way of creating community involvement in the management of nature areas;</p> <p>(b) that approval is granted for the establishment of "Friends Groups" for the declared nature reserves of Papegaaiberg, Mont Rochelle and Jan Marais Nature Reserve as well as informal nature areas as required;</p> <p>(c) that the Protected Areas Forum Terms of Reference be revised and brought in alignment with the Norms and Standard of the Department of Environment, Gazette Notice 382 of 31 March 2016, and its purpose as alluded to in this item; and</p> <p>(d) that a progress report on the establishment of "Friends Groups" be submitted within 30 days after implementation.</p> <p><i>The following Councillors requested that their votes of dissent be minuted:</i></p> <p><i>Councillors F Adams; FT Bangani-Menziwa (Ms); DA Hendrickse; N Mananga-Gugushe (Ms); RS Nalumango (Ms); N Sinkinya (Ms); P Sitshoti (Ms) and LL Stander.</i></p>	2019-04-24	ALBERTVDM	90.00	Meeting did take place on 31 October with all the interested parties. The minutes was distributed on 15 November 2019.
	PROPOSED DISPOSAL OF ERF 347, LE ROUX (GROENDAL)	<p>7.2.2 PROPOSED DISPOSAL OF ERF 347, LE ROUX (GROENDAL)</p> <p>27<sup>TH</sup> COUNCIL MEETING: 2019-05-29: ITEM 7.2.2</p> <p>RESOLVED (majority vote)</p> <p>(a) that Erf 347, Le Roux (Groendal) be identified as land not needed to provide the minimum level of basic municipal services, i.e. that it can be disposed of in principle;</p> <p>(b) that Council resolves to dispose of the property by going out on a Call for Proposal, soliciting proposals to develop the land for high density gap housing opportunities; ensuring optimal use of the land, and thereby creating more opportunities for residents of the area. This may include apartments, flats or town houses of different typologies;</p> <p>(c) that the market value of the property be determined by two independent valuers and be taken into consideration in the SCM determination and</p>	2019-05-29	PIETS	30.00	Compilation of tender document in progress.

## OUTSTANDING RESOLUTIONS JANUARY 2020

		<p>reported to Council when the item is tabled for final consideration as indicated in (d) below; and</p> <p>(d) that, following the supply chain process, the matter be brought back to Council for a final decision on whether to dispose of the property under the conditions set in the supply chain process.</p> <p><i>Cllrs DA Hendrickse and LK Horsband requested that their votes of dissent be minuted</i></p>				
DRAFT LAND USE ENFORCEMENT POLICY FOR STELLENBOSCH MUNICIPALITY, MARCH 2019	<p>7.7.1_DRAFT LAND USE ENFORCEMENT POLICY FOR STELLENBOSCH MUNICIPALITY, MARCH 2019</p> <p>27<sup>TH</sup> COUNCIL MEETING: 2019-05-29: ITEM 7.7.1</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that the draft Land Use Enforcement Policy for Stellenbosch Municipality, March 2019, be approved in principle; and</p> <p>(b) that the Land Use Enforcement Policy for Stellenbosch Municipality, March 2019, be advertised for public comment for a period of 60 days, where after same be submitted to Council for final consideration and subsequent adoption in terms of the Local Government Municipal Systems Act No. 32 of 2000.</p>	2019-05-29	CRAIGA	75.00	Draft Land Use Enforcement Policy was advertised on 29 August 2019 and closing date was 29 October 2019. Comments have been received from the public participation process and the Department is in process to compile assessment and final recommendation report to Council	
PROPOSED TRANSFER OF MANAGEMENT AND OWNERSHIP OF VAALDRAAI (ELSENBURG) FROM PROVINCIAL GOVERNMENT OF THE WESTERN CAPE TO STELLENBOSCH MUNICIPALITY	<p>7.10.2_PROPOSED TRANSFER OF MANAGEMENT AND OWNERSHIP OF VAALDRAAI (ELSENBURG) FROM PROVINCIAL GOVERNMENT OF THE WESTERN CAPE TO STELLENBOSCH MUNICIPALITY</p> <p>27<sup>TH</sup> COUNCIL MEETING: 2019-05-29: ITEM 7.10.2</p> <p>RESOLVED (nem con)</p> <p>(a) that Council, in principle, agrees to take over the Management of the Vaaldraai Settlement, as an interim arrangement;</p> <p>(b) that Council, in principle, agrees to attend to the township establishment of Vaaldraai, subject thereto that additional land be made available, the detail to be agreed upon;</p> <p>(c) that before any final decision in this regard is made (i.e. (a) and (b) above) the Department: Planning and Economic Development be requested to conduct a feasibility study, which study must also attend to the availability (or not) of bulk infrastructure as well as the identification of additional land to be transferred, taking into account the number of residents/backyard dwellers already on the property; and</p>	2019-05-29	PIETS/LESTERVS	60.00	A service provider was appointed, and they are currently doing the necessary studies to present a feasibility report. The draft feasibility study will be submitted to the user department in March 2020.	

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		(d) that, following the feasibility study, a progress report be submitted to Council with the view of making a final determination on the matter.				
TABLING OF REPORT SEEKING AUTHORISATION FOR THE MUNICIPAL MANAGER TO ENTER INTO MULTI-STAKEHOLDER ENGAGEMENT TO EXPLORE POTENTIAL TO UNLOCK THE RE-GENERATION AND TRANSFORMATION POTENTIAL OF THE ADAM TAS CORRIDOR	8.2.4 TABLING OF REPORT SEEKING AUTHORISATION FOR THE MUNICIPAL MANAGER TO ENTER INTO MULTI-STAKEHOLDER ENGAGEMENT TO EXPLORE POTENTIAL TO UNLOCK THE RE-GENERATION AND TRANSFORMATION POTENTIAL OF THE ADAM TAS CORRIDOR 27 <sup>TH</sup> COUNCIL MEETING: 2019-05-29: ITEM 8.2.4  RESOLVED (majority vote)  (a) that Council authorizes the Municipal Manager to enter into a multi-stakeholder engagement involving the key national departments, relevant local government institutions, the university, private stakeholders, and various landowners;  (b) that Council authorizes the Municipal Manager to explore a public private partnership for the Adam Tas Re-generation Initiative;  (c) that Council authorizes the Municipal Manager to undertake further work to explore the feasibility, dependencies, and associated risks, etc. in determining the appropriate path for unlocking the Adam Tas Corridor; and  (d) that the Municipal Manager provides feedback to Council.  <i>Councillors F Adams; DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted.</i>	2019-05-29	SHIREENDV	50.00	The item was tabled, and the recommendations were adopted by Council.  Continuous interactions are taking place between the municipality and the province to ensure a coordinated approach by the 2 spheres of government. A draft summary of the ATC has been incorporated into the mSDF.  An update will be brought to Council in the course of 2020.	
PROPOSED DEVELOPMENT OF ERF 81/2 AND ERF 81/9, STELLENBOSCH, FOR BACKYARDERS OF STELLENBOSCH	7.4.1 PROPOSED DEVELOPMENT OF ERF 81/2 AND ERF 81/9, STELLENBOSCH, FOR BACKYARDERS OF STELLENBOSCH 29 <sup>TH</sup> COUNCIL MEETING: 2019-07-24: ITEM 7.4.1  RESOLVED (majority vote)  (a) that a feasibility study as a matter of urgency must be concluded to determine the exact extent of the developable area;  (b) that the appropriate land use rights as a matter of urgency be obtained;  (c) that any development on the property be sensitive and complementary to enhancing the aesthetics of the entrance of Stellenbosch;	2019-07-24	JOHRUR	70.00	A first draft document was submitted by the appointed consultant and the department has commented on the draft document.  The consultant is currently in process of finalisation the feasibility study.	

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		<p>(d) that the proposed development be earmarked for backyarders in Cloetesville, Ida's Valley and Kayamandi; and</p> <p>(e) that the report be brought to Council as soon as possible.</p> <p><i>Cllrs DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted.</i></p>				
	<p>VAN DER STEL SPORT FACILITY: REVIEW OF THE AGREEMENTS BETWEEN STELLENBOSCH MUNICIPALITY (WC024), STELLENBOSCH SPORT AND RECREATION ASSOCIATION (SSRA) AND VAN DER STEL SPORT COUNCIL</p> <p>29<sup>TH</sup> COUNCIL MEETING: 2019-07-24: ITEM 12.2</p> <p>RESOLVED (majority vote)</p> <p>(a) that the draft MOU between the Stellenbosch Municipality and the SSRA be approved for a six-month period;</p> <p>(b) that, upon the dissolution of the lease agreement between the SSRA and Van Der Stel Sports Council, the Director: Community &amp; Protection Services be mandated to conclude a lease agreement, in line with a rental amount in line with relevant tariffs for rental of municipal property, as amended, from time to time;</p> <p>(c) that Council agrees that the Community Services Department review the Sport Policy and Facilities Management Model (Plan) of the Stellenbosch Municipality, in consultation with the SSRA;</p> <p>(d) that Council notes that the Municipality will appoint a service provider to conduct a forensic audit of the financial (accounts), operational systems and processes in operation at the Van Der Stel Sport Club; and that the Senior Manager Community Services report back to Council on the forensic investigation's outcome;</p> <p>(e) that Council notes that the Community Services Department will commence with the process to develop an alternative management model for the Van Der Stel Sport facility, in consultation with the SSRA;</p> <p>(f) that a separate report on the outstanding debt of Area Sport Councils be submitted to the next Council Meeting; and</p>	2019-07-24	ALBERTVDM	20.00	The reviewed of the Sports Facility Management Plan will be in line with the decision taken on the way forward regarding the management of Van der Stel Sports Facilities. A workshop is scheduled with all the SSRA and their affiliates to discuss a new management model for all the sports codes/facilities, including Van der Stel Sports Council.	

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		<p>(g) that the period of the aforementioned lease agreement period not exceed six (6) months and that the draft Lease Agreement be updated to reflect same.</p> <p><i>The following Councillors requested that their votes of dissent be minuted:</i></p> <p><i>Cllrs FT Bangani-Menziwa (Ms); DA Hendrickse; LK Horsband (Ms); C Moses (Ms); RS Nalumango (Ms); N Mananga-Gugushe (Ms); MD Oliphant and N Sinkinya (Ms);</i></p> <p><i>Cllr J Hamilton requested that his vote of support be minuted.</i></p>				
PROPOSED RENEWAL OF LEASE AGREEMENT: PORTION OF ERF 62, KAYAMANDI: DEPARTMENT OF PUBLIC WORKS: POLICE STATION	<p>11.2.1 PROPOSED RENEWAL OF LEASE AGREEMENT: PORTION OF ERF 62, KAYAMANDI: DEPARTMENT OF PUBLIC WORKS: POLICE STATION</p> <p>30<sup>TH</sup> COUNCIL MEETING: 2019-08-28: ITEM 11.2.1</p> <p>RESOLVED (nem con)</p> <p>(a) that the portion of erf 62, used as a police station, be identified as land not needed for municipal purposes during the proposed lease period;</p> <p>(b) that approval be granted for the renewal of the Lease Agreement for a period of 9 years and 11 months;</p> <p>(c) that it be noted that leasing property to another sphere of government/organ of state is exempted from following a public participation process;</p> <p>(d) that Council considers the request of the department to rent the property at an amount of R 6121.99 per month, escalating at 6% per annum, and</p> <p>(e) that the Municipal Manager be authorised to draft and sign an appropriate new lease agreement.</p>	2019-08-28	PIETS	90.00	<p>Lease agreement submitted to DPW for signature.</p> <p>No response yet – will follow up with Department.</p>	
APPLICATION BY PROVINCIAL GOVERNMENT OF THE WESTERN CAPE TO ACQUIRE ERF 718, KAYAMANDI FOR THE UPGRADE AND EXPANSION OF THE EXISTING KAYAMANDI CLINIC	<p>11.2.2 APPLICATION BY PROVINCIAL GOVERNMENT OF THE WESTERN CAPE TO ACQUIRE ERF 718, KAYAMANDI FOR THE UPGRADE AND EXPANSION OF THE EXISTING KAYAMANDI CLINIC</p> <p>30<sup>TH</sup> COUNCIL MEETING: 2019-08-28: ITEM 11.2.2</p> <p>RESOLVED (nem con)</p> <p>(a) that Erf 718 Kayamandi be identified as land not needed to provide the minimum level of basic municipal services;</p>	2019-08-28	PIETS	70.00	<p>Closing date for submissions was 21 November 2019. Updated item will be submitted during February 2020.</p>	

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		<p>(a) that Council, approves the disposal of Erf 718 Kayamandi to the Provincial Government of the Western Cape, free of charge, on condition:</p> <p>i) that they be responsible for the rezoning and consolidation of Erf 718;</p> <p>ii) that all costs associated with the transfer; including the cost of obtaining vacant occupation, be for the account of the Provincial Government.</p> <p>(c) that Council considers whether the Erf is donated or sold at a price below market value as it will be used for the benefit of the community;</p> <p>(d) that Council's intention to donate/sell Erf 718 to the Provincial Government be advertised for public inputs/objections; and</p> <p>(e) that, following the public notice, the item be brought back to Council to consider any inputs/objections before making a final decision.</p>				
	ADOPTION OF THE DRAFT LOCAL ECONOMIC DEVELOPMENT STRATEGY FOR PUBLIC PARTICIPATION	<p>11.7.1 ADOPTION OF THE DRAFT LOCAL ECONOMIC DEVELOPMENT STRATEGY FOR PUBLIC PARTICIPATION</p> <p>30<sup>TH</sup> COUNCIL MEETING: 2019-08-28: ITEM 11.7.1</p> <p>RESOLVED (nem con)</p> <p>that the draft Economic Development Strategy be approved and published for further inputs from the public for a period of 30 days.</p>	2019-08-28	WIDMARKM	70.00	In process to compile inputs from the public and other spheres of government. Item will be submitted to February 2020 council meeting.
	REVIEWED STELLENBOSCH LIQUOR TRADING HOURS BY-LAW FOR COUNCIL APPROVAL	<p>11.7.3 REVIEWED STELLENBOSCH LIQUOR TRADING HOURS BY-LAW FOR COUNCIL APPROVAL</p> <p>30<sup>TH</sup> COUNCIL MEETING: 2019-08-28: ITEM 11.7.3</p> <p>RESOLVED (nem con)</p> <p>(a) that Council approves the Reviewed Stellenbosch Liquor Trading By-law for public consultation purposes; and</p> <p>(b) that the Administration be mandated to advertise said Reviewed Stellenbosch Liquor Trading By-law for public comments (60 days), after which it will be submitted to Council for final consideration.</p>	2019-08-28	WIDMARKM	65.00	Item for final approval of the policy will serve at Council in February 2020.

## OUTSTANDING RESOLUTIONS JANUARY 2020

	APPROVAL OF LEASE AGREEMENT FOR OFFICE SPACE: EIKESTAD MALL	<p>13.3 APPROVAL OF LEASE AGREEMENT FOR OFFICE SPACE: EIKESTAD MALL</p> <p>30<sup>TH</sup> COUNCIL MEETING: 2019-08-28: ITEM 13.3</p> <p>RESOLVED (majority vote)</p> <p>(a) that Council approves the conclusion of a 2-year Lease Agreement with an option of a further renewal with Eikestad Mall Joint Venture, based on a tariff of R210/m<sup>2</sup>, for 961.01m<sup>2</sup>, escalating at 8% per annum for the current and additional office space available;</p> <p>(b) that the Municipal Manager be authorised to conclude the lease agreement with Eikestad Mall Joint Venture; and</p> <p>(c) that it be noted that the Municipal Manager will allocate the office space in view of the needs identified.</p> <p><i>Councillors DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted.</i></p>	2019-08-28	PIETS	90.00	Draft lease agreement submitted by land lord. Agreement currently assessed by the DCS to ensure council's protection of rights.																							
	THE ALLOCATION OF VACANT MUNICIPAL AGRICULTURAL LAND TO THE SUCCESSFUL LAND APPLICANTS	<p>13.1 THE ALLOCATION OF VACANT MUNICIPAL AGRICULTURAL LAND TO THE SUCCESSFUL LAND APPLICANTS</p> <p>30<sup>TH</sup> COUNCIL MEETING: 2019-08-28: ITEM 13.1</p> <p>RESOLVED (nem con)</p> <p>(a) that Council notes the process undertaken and the final recommended outcomes as listed below.</p> <table border="1" data-bbox="407 1027 1187 1374"> <thead> <tr> <th>No</th> <th>Portion</th> <th>Size (ha)</th> <th>Water (ha)</th> <th>Highest scorer</th> <th>Recommended</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>502 V</td> <td>21.6</td> <td>8</td> <td>Hylton P Arendse</td> <td>That Hylton P. Arendse be the preferred applicant for 502 V.</td> </tr> <tr> <td>13</td> <td>502 AP</td> <td>7</td> <td>2</td> <td>Chris Jacobs</td> <td rowspan="2">That Chris Jacobs be the preferred applicant for 502 AP and AM. The two pieces of land lay adjacent to each other and will make economic sense to farm as one unit</td> </tr> <tr> <td>12</td> <td>502 AM</td> <td>8.56</td> <td>3</td> <td>Chris Jacobs</td> </tr> </tbody> </table>	No	Portion	Size (ha)	Water (ha)	Highest scorer	Recommended	5	502 V	21.6	8	Hylton P Arendse	That Hylton P. Arendse be the preferred applicant for 502 V.	13	502 AP	7	2	Chris Jacobs	That Chris Jacobs be the preferred applicant for 502 AP and AM. The two pieces of land lay adjacent to each other and will make economic sense to farm as one unit	12	502 AM	8.56	3	Chris Jacobs	2019-08-28	WIDMARKM	50.00	Municipal agricultural land allocated to the successful land applicants. Signing of lease agreements and hand-over to be done on 28 November 2019.  Reviewing of policy in process.
No	Portion	Size (ha)	Water (ha)	Highest scorer	Recommended																								
5	502 V	21.6	8	Hylton P Arendse	That Hylton P. Arendse be the preferred applicant for 502 V.																								
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12	502 AM	8.56	3	Chris Jacobs																									



## OUTSTANDING RESOLUTIONS JANUARY 2020

4	502 AW	6	0	Bradley Cortereal	That Bradley Cortereal be the preferred applicant for 502 AW.
	502 AU	8.9		Re advertise for beekeeping	Portion 502AU is regarded as a nature conservation area by Cape Nature, the only farming purpose this land could be utilized for is beekeeping as the property is overgrown by fynbos.
	502 M	5.1	3	Re advertise 502 M & 502 Was one unit	The portion is located next to 502W, and should be utilised as a water resource for 502M as it is a wetland area, which will not be suitable for farming on its own.
	502 W	9	3		
5	502 BFN	15.5	6	Elsenburg Khoisan Farmers	That Elsenburg Khoisan Farmers be the preferred applicant for 502BFN. More than 10ha of land have been already allocated to both Hilton Arendse and Chris Jacobs.
18	619/1	26	0	Jeremy van Niekerk	That Jeremy van Niekerk be the preferred applicant for 619/1. More than 10ha of land have been already allocated to both Chris Jacobs and Elsenburg Khoisan Farmers.
27	279 BN	25.3	0	Re-advertised	Recommended to be re-advertised.
	165/1	10.5	0	Re-advertised	No responsive application was received for this portion of land. The land in its current state should be utilised for grazing purposes Recommended to be re-advertised

## OUTSTANDING RESOLUTIONS JANUARY 2020

		<p>(b) that the Policy be reviewed to address the unintended consequences; and</p> <p>(c) that the Administration continue with the implementation of the Policy in regard to vacant land.</p>				
659698	POLICY FOR THE IMPLEMENTATION OF AN AUXILIARY LAW ENFORCEMENT SERVICE FOR STELLENBOSCH MUNICIPALITY	<p>11.1.2 POLICY FOR THE IMPLEMENTATION OF AN AUXILIARY LAW ENFORCEMENT SERVICE FOR STELLENBOSCH MUNICIPALITY</p> <p>31<sup>ST</sup> COUNCIL MEETING: 2019-09-25: ITEM 11.1.2</p> <p>RESOLVED (majority vote)</p> <p>(a) that Council approves the advertisement of the draft Policy for the implementation of an Auxiliary Law Enforcement Service for Stellenbosch Municipality for a period of 30 days for public input; and</p> <p>(b) that the inputs received during the above public participation process be worked into a final draft Policy for the implementation of an Auxiliary Law Enforcement Service for Stellenbosch Municipality to be presented to Council for approval.</p> <p><i>Councillors F Adams and DA Hendrickse requested that their votes of dissent be minuted.</i></p>	2019-09-25	CHARLK	60.00	Public participation comments closed 25 November 2019. No comments were received. Item to be submitted to February 2020 Council meeting for approval.
659698	POLICY ON EXTERNALLY-FUNDED LAW ENFORCEMENT AND TRAFFIC OFFICERS	<p>11.1.3 POLICY ON EXTERNALLY-FUNDED LAW ENFORCEMENT AND TRAFFIC OFFICERS</p> <p>31<sup>ST</sup> COUNCIL MEETING: 2019-09-25: ITEM 11.1.3</p> <p>RESOLVED (majority vote)</p> <p>(a) that Council approves the advertisement of the draft Policy on Externally-Funded Law Enforcement and Traffic Officers for a period of 30 days for public input; and</p> <p>(b) that the inputs received during the above public participation process be worked into a final draft Policy on Externally-Funded Law Enforcement and Traffic Officers to be presented to Council for approval.</p> <p><i>Councillors F Adams and DA Hendrickse requested that their votes of dissent be minuted.</i></p> <p><i>The Speaker ordered Cllr F Adams to leave the Council Chamber for disorderly conduct (Rule 32.2).</i></p>	2019-09-25	CHARLK	60.00	Public participation comments closed 25 November 2019. No comments were received. Item to be submitted to February 2020 Council meeting for approval.

## OUTSTANDING RESOLUTIONS JANUARY 2020

<p>PROPOSED RENEWAL OF LEASE AGREEMENT: BURGERHUIS: HISTORIESE HUISE VAN SUID-AFRIKA BEPERK: ERF 3389, STELLENBOSCH</p>	<p>11.2.1 PROPOSED RENEWAL OF LEASE AGREEMENT: BURGERHUIS: HISTORIESE HUISE VAN SUID-AFRIKA BEPERK: ERF 3389, STELLENBOSCH</p> <p>31<sup>ST</sup> COUNCIL MEETING: 2019-09-25: ITEM 11.2.1</p> <p>RESOLVED (majority vote)</p> <p>(a) that erven 3389 and 607, Stellenbosch, be identified as land not needed for use to provide basic services during the period for which such rights are to be granted, as provided for in Regulation 36 of the Asset Transfer Regulations;</p> <p>(b) that Council, in principle approves that a lease agreement for 9 years and 11 months to be concluded on a private treaty basis with Historiese Huise van Suid-Afrika Beperk, as provided for in Regulation 34 (1) (b), but subject thereto that Council's intention be advertised for public inputs/comments/objections, as provided for in paragraph 9.2.2 of the Property Management Policy;</p> <p>(c) that an independent valuer be appointed to determine the fair market rentals for the properties referred to in (a);</p> <p>(d) that the lease agreement provides for a 3 months' notice period to terminate the lease agreement;</p> <p>(e) that Council, in principle, approves the rental at 50% of the fair market rental payable by Historiese Huise, as provided for in paragraph 22.1.4 of the Property Management Policy; and</p> <p>(f) that a draft agreement be submitted with the return item.</p> <p><i>The following Councillors requested that their votes of dissent be minuted:</i></p> <p><i>Cllr FT Bangani-Menziwa (Ms); G Cele (Ms); DA Hendrickse; C Moses (Ms); RS Nalumango (Ms); MD Oliphant; N Sinkinya (Ms); P Sitshoti (Ms); and LL Stander.</i></p>	2019-09-25	PIETS	90.00	Closing date for inputs was 21 November updated item will serve at January 2020 Council meeting. On agenda.
<p>PROPOSED RENEWAL OF LEASE AGREEMENTS: BERGZICHT TRAINING CENTRE: PORTION OF REMAINDER ERF 235, STELLENBOSCH</p>	<p>11.2.2 PROPOSED RENEWAL OF LEASE AGREEMENTS: BERGZICHT TRAINING CENTRE: PORTION OF REMAINDER ERF 235, STELLENBOSCH</p> <p>31<sup>ST</sup> COUNCIL MEETING: 2019-09-25: ITEM 11.2.2</p> <p>RESOLVED (majority vote)</p> <p>(a) that the portion of Remainder erf 235, Stellenbosch, as indicated on fig 2 be identified as land not needed for own use during the period for which such rights are to be granted, as provided for in Regulation 36 of the Asset Transfer Regulations;</p>	2019-09-25	PIETS	90.00	Closing date for inputs was 21 November updated item will serve at January 2020 Council meeting. On agenda.

## OUTSTANDING RESOLUTIONS JANUARY 2020

		<p>(b) that Council, in principle approves that a lease agreement for 2 years be concluded on a private treaty basis with Bergzicht, Training Centre, as provided for in Regulation 34 (1) (b), subject thereto that Council's intention be advertised for public inputs/comments/objections, as provided for in paragraph 9.2.2 of the Property Management Policy;</p> <p>(c) that an independent valuer be appointed to determine the fair market rental for the property referred to in (a);</p> <p>(d) that the lease agreement provides for a 3 months' notice period to terminate the lease agreement;</p> <p>(e) that Council, in principle, approves 20% of the fair market value to be the rental payable by Bergzicht Training Centre, as provided for in paragraph 22.1.4 of the Property Management Policy; and</p> <p>(f) that a draft agreement be submitted with the return item.</p> <p><i>Councillor DA Hendrickse requested that his vote of dissent be minuted.</i></p>				
	DRAFT PROBLEM PROPERTY BY- LAW FOR STELLENBOSCH MUNICIPALITY ON, 17 MAY 2019	<p>11.7.1 DRAFT PROBLEM PROPERTY BY- LAW FOR STELLENBOSCH MUNICIPALITY ON, 17 MAY 2019 31<sup>ST</sup> COUNCIL MEETING: 2019-09-25: ITEM 11.7.1 RESOLVED (nem con)</p> <p>(a) that the revised Draft By-law on Problem Properties for Stellenbosch Municipality, 17 May 2019, be advertised for public participation for 30 days; and</p> <p>(b) that after the comments have been reviewed, the edited By-Law be resubmitted to the Mayoral Committee and Council for final consideration and subsequent approval.</p>	2019-09-25	CRAIGA	65.00	The draft By-law on Problem Properties for Stellenbosch Municipality has been advertised for public participation on 12 December 2019. Comments are due for submission by 14 February 2020.
	DRAFT POLICY ON PLACE NAMING, STREET NAMING AND RENAMING AND NUMBERING FOR STELLENBOSCH MUNICIPALITY, EDITED 17 MAY 2019	<p>11.7.2 DRAFT POLICY ON PLACE NAMING, STREET NAMING AND RENAMING AND NUMBERING FOR STELLENBOSCH MUNICIPALITY, EDITED 17 MAY 2019 31<sup>ST</sup> COUNCIL MEETING: 2019-09-25: ITEM 11.7.2 RESOLVED (nem con)</p> <p>(a) that the revised Policy on Place Naming and Street Naming, Renaming and Numbering for Stellenbosch Municipality be advertised for public comment for 60 days;</p> <p>(b) that after public participation has been received, the Draft Policy will be brought back to Council for final consideration; and</p>	2019-09-25	CRAIGA	65.00	Advertised for public participation on 12 December 2019. Comments is due for submission by 14 March 2020.

## OUTSTANDING RESOLUTIONS JANUARY 2020

		(c) that the final approved Policy be translated into all 3 official languages.				
TRANSFER OF 80 HOUSES: LA MOTTE VILLAGE	11.2.1 TRANSFER OF 80 HOUSES: LA MOTTE VILLAGE 32 <sup>ND</sup> COUNCIL MEETING: 2019-10-23: ITEM 11.2.1 RESOLVED (majority vote with abstentions)	(a) that transfer to the 10 households that are paid up be effected as a matter of urgency; (b) that a monthly progress report from the transferring attorney on the status quo and progress of the transfer be provided to the Municipality; (c) that letters be given as a matter of urgency to the 9 beneficiaries who allowed illegal occupants to occupy the houses to provide reasons why the houses should not be transferred to other beneficiaries; (d) that letters be given as a matter of urgency to all illegal occupying households to provide reasons why they should not be evicted from the houses they are occupying illegally as they were not recognised as the beneficiaries for the houses they occupy; (e) that an investigation as a matter of urgency be lodged as to how the 10 illegal occupants of unallocated houses were allowed to occupy the houses; and (f) that letters be given as a matter of urgency to all beneficiaries who are in arrears on the outstanding rental amounts to inform them that council intend to assist them, should they qualify for financial assistance from financial institutions or government subsidies to buy the houses. They will however still be liable for outstanding amounts on services.	2019-10-23	PIETS	80.00	Progress report awaited from attorneys to serve in January 2020.  A public meeting was held with all residents, where council resolution, and the impact thereof has been explained to residents. Notices were subsequently served on all the residents, as per the Council resolution. Await input from residents, where after a progress report will be tabled at Council.
ACQUISITION OF ERF 1852	11.2.2 ACQUISITION OF ERF 1852 32 <sup>ND</sup> COUNCIL MEETING: 2019-10-23: ITEM 11.2.2 RESOLVED (majority vote with abstentions)	(a) that the Municipal Manager be authorised to enter into a tender process for the acquisition of Erf 1852, Stellenbosch; and (b) that should the Municipality be the successful tenderer it be subject to Council's approval.  <i>Councillors DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted.</i>	2019-10-23	ANNALENEDB	60.00	Municipality awarded the tender. Council approved acquisition on 14 November 2019. Agreement signed.

## OUTSTANDING RESOLUTIONS JANUARY 2020

	DRAFT HOUSING ALLOCATION POLICY	<p>11.4.1 DRAFT HOUSING ALLOCATION POLICY</p> <p>32<sup>ND</sup> COUNCIL MEETING: 2019-10-23: ITEM 11.4.1</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that Council adopts the Housing Allocation Policy as a draft, in principle, and</p> <p>(b) that the Draft Housing Allocation Policy for Stellenbosch Municipality be advertised for public comments, whereafter it be resubmitted to Council for final consideration and subsequent adoption.</p>	2019-10-23	ROTANDAS	80.00	The Draft Housing Allocation Policy for Stellenbosch Municipality was advertised on 14 November 2019 in the press (Paarl Post and Eikestad News) and on the Website for public comment to be submitted by 17 February 2020 (60 day commenting period extended to 90 days due to Council's recess in Dec/Jan). Draft Policy documents are available for perusal at all Libraries in the WC024.
	IDENTIFICATION OF POSSIBLE INFILL HOUSING DEVELOPMENTS IN THE CLOETESVILLE AREA	<p>11.4.2 IDENTIFICATION OF POSSIBLE INFILL HOUSING DEVELOPMENTS IN THE CLOETESVILLE AREA</p> <p>32<sup>ND</sup> COUNCIL MEETING: 2019-10-23: ITEM 11.4.2</p> <p>RESOLVED (majority vote)</p> <p>(a) that the Directorate: Planning and Economic Development be requested to conduct feasibility studies on all the erven that were identified in the Aurecon report, as well as the sites identified by the representatives of the Backyarders Committee except those mentioned in paragraph (c) below;</p> <p>(b) that these studies include the feasibility for housing, including emergency housing, different housing typologies that address the challenges the communities are facing in the Cloetesville area; or whether it will be better suited for other community needs;</p> <p>(c) that the Municipal Manager be mandated to start an investigation into non-municipal land including properties owned by the national or provincial government that may be acquired by Council for housing purposes; and</p> <p>(d) that a feasibility study report be submitted as soon as possible but not later than the end of the current financial year.</p>	2019-10-23	LESTERVS	30.00	Specifications to conduct feasibility studies have been drafted by the user department in order to appoint a suitable service provider.
	APPROVAL AND ADOPTION OF THE WATER SERVICE DEVELOPMENT PLAN 2019	<p>11.5.1 APPROVAL AND ADOPTION OF THE WATER SERVICE DEVELOPMENT PLAN 2019</p> <p>32<sup>ND</sup> COUNCIL MEETING: 2019-10-23: ITEM 11.5.1</p> <p>RESOLVED (majority vote)</p> <p>(a) that the content of this report be noted;</p>	2019-10-23	DEONL	65.00	Public participation to commence in January 2020 and will be resubmitted in March 2020 for approval.

## OUTSTANDING RESOLUTIONS JANUARY 2020

		<p>(b) that the attached Draft Water Service Development Plan (2019) be approved in principle by Council;</p> <p>(c) that the Department: Water &amp; Wastewater Services invite public comment on the Water Services Development Plan (2019) by means of a notice in the local media; and</p> <p>(d) that Council approves the Water Services Development Plan (2019) after public comment has been considered.</p> <p>Councillors DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted.</p>				
	DRAFT TREE MANAGEMENT POLICY OF MUNICIPAL TREES WITHIN WC024	<p>11.6.1 DRAFT TREE MANAGEMENT POLICY OF MUNICIPAL TREES WITHIN WC024</p> <p>32<sup>ND</sup> COUNCIL MEETING: 2019-10-23: ITEM 11.6.1</p> <p>RESOLVED (nem con)</p> <p>(a) that the attached Draft Tree Management Policy be accepted by Council;</p> <p>(b) that Council approves the advertisement of the Draft Tree Management Policy (August 2019) for a period of 60 days for public input; and</p> <p>(c) that the inputs received during the above public participation process be worked into a final draft Tree Management Policy to be presented to Council for approval.</p>	2019-10-23	TAMMYL	20.00	The draft Tree Management Policy has been advertised for public comments. The closing date for comments is 28 February 2020.
	REVIEWING OF THE POLICY ON LEASING AND USE OF MUNICIPAL HALLS	<p>11.9.1 REVIEWING OF THE POLICY ON LEASING AND USE OF MUNICIPAL HALLS</p> <p>32<sup>ND</sup> COUNCIL MEETING: 2019-10-23: ITEM 11.9.1</p> <p>RESOLVED (majority vote)</p> <p>that the attached draft revised policy on the hiring and use of municipal halls be approved in principle and be circulated for public comments for 30 days before it is re-submitted for final approval.</p> <p>Councillors F Adams; DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted.</p>	2019-10-23	ALBERTVDM	20.00	The revising Halls policy has been advertised for public comments. The closing date for comments is 28 February 2020.
	INTEGRATED HUMAN SETTLEMENTS PLAN: STELLENBOSCH MUNICIPALITY	<p>13.2 INTEGRATED HUMAN SETTLEMENTS PLAN: STELLENBOSCH MUNICIPALITY</p> <p>32<sup>ND</sup> COUNCIL MEETING: 2019-10-23: ITEM 13.2</p>	2019-10-23	JOHRUR	95.00	In the second quarter of this financial year, a public meeting was held in order to elaborate on the comment received from the public. The IHSP will be submitted for final approval for Council during February 2020.

## OUTSTANDING RESOLUTIONS JANUARY 2020

		<p>RESOLVED (majority vote)</p> <p>(a) that Council note the responses received from the public participation process with respect to the Integrated Human Settlement Plan (IHSP);</p> <p>(b) that Council takes note of the request for an additional information session with especially with the residents of Onder-Papegaaiberg and other stakeholders;</p> <p>(c) that a public meeting is scheduled on 29 October 2019 to address the concerns raised in the comments received from the public; and</p> <p>(d) that the departments Roads, Transport, Stormwater and Traffic Engineer, Spatial Planning and Housing Development make presentations as suggested in the correspondence of Stellenbosch Interest Group.</p> <p>Councillors DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted.</p>				
ADOPTION OF THE STELLENBOSCH INFORMAL TRADING POLICY	<p>13.3 ADOPTION OF THE STELLENBOSCH INFORMAL TRADING POLICY</p> <p>32<sup>ND</sup> COUNCIL MEETING: 2019-10-23: ITEM 13.3</p> <p>RESOLVED (majority vote)</p> <p>(a) that, after considering the comments made by the public, Council adopts the Stellenbosch Informal Trading Policy; and</p> <p>(b) that the Stellenbosch Informal Trading By-Law be amended to incorporate the objectives and provisions as incorporated in the Informal Trading Policy.</p>	2019-10-23	WIDMARKM	50.00	In process to amend the Trading By-law to incorporate the objectives and provisions as contained in the approved Informal Trading Policy.	
APPROVAL OF THE DRAFT TRAFFIC CALMING POLICY	<p>11.5.1 APPROVAL OF THE DRAFT TRAFFIC CALMING POLICY</p> <p>33<sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 11.5.1</p> <p>RESOLVED (majority vote)</p> <p>(a) that the content of this report be noted;</p> <p>(b) that the Draft Traffic Calming Policy, attached as ANNEXURE A, be accepted as the copy to be used in a Public Participation process;</p> <p>(c) that the Draft Traffic Calming Policy be duly advertised for the purpose of a public participation process; and</p>	2019-11-27	DEONL		Public participation will commence in January 2020.	



## OUTSTANDING RESOLUTIONS JANUARY 2020

		(d) that upon the completion of the public participation process, the Draft Traffic Calming Policy together with any comments/objections be resubmitted to Council for final approval and adoption.				
AUTHORIZATION TO INCLUDE THE SIMONSIG FARMWORKER HOUSING PROJECT IN THE STELLENBOSCH MUNICIPALITY HOUSING PIPELINE	13.3 AUTHORIZATION TO INCLUDE THE SIMONSIG FARMWORKER HOUSING PROJECT IN THE STELLENBOSCH MUNICIPALITY HOUSING PIPELINE  33 <sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 13.3  RESOLVED (majority vote)  (a) that the Simonsig Agri Village be included in the Stellenbosch Municipality Housing Pipeline;  (b) that the prioritisation of the project be finalised when the annual review of the Stellenbosch Municipality Housing Pipeline occurs in March 2020;  (c) that the required link services be for the account of the developer; and  (d) that the developer be responsible for a detailed investigation regarding the bulk and link services and its impact on the existing services.	2019-11-27	LESTERVS	50.00	In accordance with the PDoHS the Housing Pipeline is reviewed on an annually basis. The Simonsig Agri-Village will be included in the next review which will be presented to Council during March 2020.	
PROPOSED RENEWAL OF LEASE AGREEMENT TO EIKESTAD MALL (PTY) LTD: BEYER STREET	11.2.1 PROPOSED RENEWAL OF LEASE AGREEMENT TO EIKESTAD MALL (PTY) LTD: BEYER STREET  33 <sup>RD</sup> COUNCIL MEETING: 2019-11-27: ITEM 11.2.1  RESOLVED (majority vote)  (a) that Council considers the application;  (b) that should the renewal of the lease agreement be approved in principle, the in-principle decision be advertised for public comment/input/counter proposals and the lessee be allowed to continue with the current lease until a final decision can be made;  (c) that, following the public participation process, the item be submitted to Council to make a final determination in this regard.  (d) that a new market related lease amount be determined, based on an independent valuation being obtained.	2019-11-27	PIETS		Advertisement must take place. Return item will be on February agenda.	

**OUTSTANDING RESOLUTIONS JANUARY 2020**

		<p><i>The following Councillors requested that their votes of dissent be minuted:</i></p> <p><i>Cllr F Adams; FT Bangani-Menziwa (Ms) (Ms); Cllr DA Hendrickse; RS Nalumango (Ms);</i></p> <p><i>MD Oliphant; C Moses (Ms) and LL Stander.</i></p>				
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**NB: RESPONSES PROVIDED BY RELEVANT DEPARTMENTS**

10.	ITEMS FOR NOTING
10.1	REPORT/S BY THE EXECUTIVE MAYOR
10.1.1	REPORT ON THE DECISIONS TAKEN BY THE EXECUTIVE MAYOR FOR THE QUARTER: OCTOBER 2019 TO DECEMBER 2019

File No.:  
 Collaborator No: 674519  
 IDP KPA Ref No: N/A  
 Meeting Date: 2020-01-29

### 1. PURPOSE OF THE REPORT

To inform Council of the decisions taken by the Executive Mayor from October 2019 to December 2019 (see **APPENDIX 1**).

### 2. BACKGROUND

In terms of the Municipal Structures Act 117 of 1998 Section 56 (5) it is stated that:

*“An Executive Mayor must report to the municipal council on all decisions taken by the Executive Mayor.”*

According to the Municipal Systems Act 60 (1)(b)

“(1) the following powers may, within policy framework determined by the municipal council be delegated to an executive committee or executive mayor only (b) the determination or alternation of the remuneration, benefits or other conditions of service of the municipal manager or managers directly responsible to the municipal manager.

### 3. FINANCIAL IMPLICATIONS

None

### 4. FOR NOTING

The decisions taken by the Executive Mayor for the period October to December 2019 attached as **APPENDIX 1**.

#### FOR FURTHER DETAILS CONTACT:

NAME	DONOVAN MULLER
POSITION	MANAGER: COUNCIL SUPPORT
DIRECTORATE	CORPORATE SERVICES
CONTACT NUMBERS	021 8088314
E-MAIL ADDRESS	<a href="mailto:Donovan.Muller@stellenbosch.gov.za">Donovan.Muller@stellenbosch.gov.za</a>
REPORT DATE	09 January 2020

# **APPENDIX 1**

## DELEGATIONS EXERCISED FOR PERIOD [OCTOBER 2019 – DECEMBER 2019]

### EXECUTIVE MAYOR

Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
110	FINANCE	S 71 monthly budget monitoring report for September 2019	14/10/2019	14/10/2019	Approved
110	FINANCE	S 71 monthly budget monitoring report for October 2019	14/11/2019	14/11/2019	Approved
110	FINANCE	S71 monthly budget monitoring report for November 2019	13/12/2019	13/12/2019	Approved
110	FINANCE	S 52 Quarterly budget monitoring report 1 <sup>st</sup> quarter 2019-20	16/10/2019	16/10/2019	Approved
	PLANNING	Appeal lodged in terms of section 79(2) of the Stellenbosch Municipal Land Use Planning by-law (2015) against the decision of the Municipal Planning Tribunal to approve the application for rezoning remainder: erven 173 & 1643, 49 and 51 Cabriere Street, Franschoek.	03/12/2018	17/12/2019	Confirm [see attached document – APPENDIX 1]
	PLANNING	Appeal lodged in terms of section 79(2) of the Stellenbosch Municipal Land Use Planning by-law (2015) against the decision of the Municipal Planning Tribunal to approve the application for Special Development: erf 903, Stellenbosch.	03/09/2019	24/10/2019	Vary [see attached document – APPENDIX 2]
	PLANNING	Appeal lodged in terms of section 79(2) of the Stellenbosch Municipal Land Use Planning by-law (2015) against the decision of the Municipal Planning Tribunal to approve the application for removal of restrictions and departures on erf 2363, Stellenbosch.	12/11/2019	17/12/2019	Vary [see attached document – APPENDIX 3]



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

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## NOTICE OF DECISION OF APPEAL AUTHORITY

### APPEAL LODGED IN TERMS OF SECTION 79(2) OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY-LAW (2015) AGAINST THE DECISION OF THE STELLENBOSCH MUNICIPAL PLANNING TRIBUNAL TO APPROVE THE APPLICATION FOR REZONING REMAINDER: ERVEN 173 & 1643, 49 & 51 CABRIERE STREET, FRANSCHHOEK

The Appeal Authority hereby, in terms of Section 81(7) of the Stellenbosch Municipal Land Use Planning By-law 2015:

Tick the appropriate box:

CONFIRM	X	VARY		REVOKE	
<p><b>THE DECISION OF THE STELLENBOSCH MUNICIPAL PLANNING TRIBUNAL, ON THE 02<sup>ND</sup> OF OCTOBER 2017 , TO APPROVE IN TERMS OF SECTION 60 OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY-LAW DATED 20 OCTOBER 2015, TO APPROVE THE APPLICATION FOR REZONING OF REMAINDER ERF 173 AND 1643, FRANSCHHOEK FROM SINGLE RESIDENTIAL TO GENERAL RESIDENTIAL AND FOR ZONING SCHEME DEPARTURES, TO PERMIT A SIX SUITE BOUTIQUE HOTEL IN TWO SEPARATE STRUCTURES</b></p>					
<p>1. The abovementioned appeal refers.</p>					
<p>2. The Municipal Planning Tribunal, on the 02<sup>nd</sup> of October 2017, <b>approved in whole</b>, a series of applications in terms of Section 60 of the Stellenbosch Municipal Land Use Planning By-law, promulgated by Notice no 354/2015 dated 20 October 2015, to permit a six suite boutique hotel in two separate structures.</p>					
<p>3. The aforementioned application was approved subject to a number of conditions imposed in terms of Section 66 of the Stellenbosch Municipality Land Use Planning By-Law (2015), which is attached hereto and marked <b>Annexure A</b>.</p>					
<p>4. Mr Justin Truter from Werksmans Attorneys lodged an appeal in terms of Section 79(2) of the By-Law, with the Municipality on the 20<sup>th</sup> of November 2019, against the decision of the Stellenbosch Municipal Planning Tribunal.</p>					
<p>5. The appeal assessment report was drafted by the Department of Environmental Affairs and Development Planning, based on all records provided.</p>					
<p>6. Inspections of the said report was held respectively on the 14<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup></p>					



# STELLENBOSCH

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November 2018. This was done in compliance with section 81(6) of the Stellenbosch Municipality Land Use Planning By-Law (2015).

7. Due to the complexity of the grounds of appeal, technical legal advice was sourced in order to proceed with the finalisation of the appeal.
8. An oral hearing was held on the 11<sup>th</sup> of October 2019, where all parties made an appearance before the Appeal Authority.
9. After careful consideration of the written appeal, as well as all relevant documents, information and submissions made to me as Appeal Authority, I have decided, in terms of Section 81(7) (b) of the Stellenbosch Land Use Planning By-Law to **CONFIRM** the decision of the Stellenbosch Municipal Planning Tribunal.

## RECOMMENDATION

1. It is recommended that the unauthorised use of the sidewalks for beautification, be cleared and that the sidewalks be restored to its original condition.
2. Presently, the sidewalks are inaccessible to the public.

SIGNATURE:  DATE: 17/12/2019

**Adv. Gesie van Deventer**

**EXECUTIVE MAYOR**

*(Appeal Authority in terms of Section 79(1) of the Stellenbosch Municipal Land Use Planning By-Law)*



# STELLENBOSCH

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Application Number: LU/7011  
Our File Reference Number: Erf 903, Stellenbosch  
Enquiries: Lenacia Kamineth  
Contact No: 021 808 8697  
Email address: [Lenacia.Kamineth@stellenbosch.gov.za](mailto:Lenacia.Kamineth@stellenbosch.gov.za)  
Date: 24 October 2019

## REGISTERED MAIL

Mr Jehan van Dijk  
14 Welgevallenstreet  
**STELLENBOSCH**  
7599

E-mail: [jr@fibrex.com](mailto:jr@fibrex.com)

Dear Mr van Dijk

## APPEAL IN TERMS OF SECTION 79(2) OF THE STELLENBOSCH MUNICIPAL PLANNING BY-LAW (2015) AGAINST THE DECISION OF THE STELLENBOSCH MUNICIPAL PLANNING TRIBUNAL TO APPROVE THE APPLICATION FOR SPECIAL DEVELOPMENT: ERF 903, STELLENBOSCH

1. Your letter of appeal dated 31 January 2019 refers.
2. Kindly find attached hereto the decision of the Appeal Authority for your attention.

Yours faithfully,

---

**Ms Geraldine Mettler**  
**MUNICIPAL MANAGER**





# STELLENBOSCH

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## NOTICE OF DECISION OF APPEAL AUTHORITY

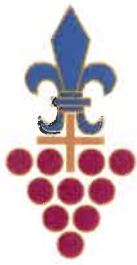
### APPEAL LODGED IN TERMS OF SECTION 79(2) OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY-LAW (2015) AGAINST THE DECISION OF THE STELLENBOSCH MUNICIPAL PLANNING TRIBUNAL TO APPROVE THE APPLICATION FOR SPECIAL DEVELOPMENT: ERF 903, STELLENBOSCH

The Appeal Authority hereby, in terms of Section 81(7) of the Stellenbosch Municipal Land Use Planning By-law 2015:

Tick the appropriate box:

CONFIRM		VARY	X	REVOKE	
<p><b>THE DECISION OF THE STELLENBOSCH MUNICIPAL PLANNING TRIBUNAL, ON THE 19<sup>th</sup> OF NOVEMBER 2018 ,TO APPROVE IN TERMS OF SECTION 60 OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY-LAW DATED 20 OCTOBER 2015, THE APPLICATION FOR SPECIAL DEVELOPMENT: ERF 903, STELLENBOSCH, TO USE THE EXISTING HOUSE FOR GUEST HOUSE PURPOSES</b></p>					
<p>1. The abovementioned appeal refers.</p> <p>2. The Municipal Planning Tribunal, on the 19<sup>th</sup> of November 2018, <b>approved in whole</b>, in terms of Section 60 of the Stellenbosch Municipal Land Use Planning By-law, promulgated by Notice no 354/2015 dated 20 October 2015, the application for special development: Erf 903, Stellenbosch, to use the existing house for guest house purposes.</p> <p>3. The aforementioned application was approved subject to a number of conditions imposed in terms of Section 66 of the Stellenbosch Municipality Land Use Planning By-Law (2015).</p> <p>4. Mr Jehan van Dijk lodged an appeal in terms of Section 79(2) of the By-Law, with the Municipality on the 31 January 2019, against the decision of the Stellenbosch Municipal Planning Tribunal.</p> <p>5. The appeal assessment report was drafted by the Department of Environmental</p>					

*cd*



# STELLENBOSCH

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Affairs and Development, based on all documentation provided.

6. Inspections of the said report were held respectively on the 13<sup>th</sup> of June and the 12<sup>th</sup> of July 2019. This was done in compliance with Section 81(6) of the Stellenbosch Municipality Land Use Planning By-Law (2015).
7. An oral hearing was held on the 11<sup>th</sup> of October 2019, where the parties appeared before the Appeal Authority.
8. After careful consideration of the written appeal, as well as all relevant documents, information and submissions made to me as Appeal Authority, I hereby vary the decision of the Municipal Planning Tribunal by adding the following conditions:
  - 8.1 That the applicant replaces the existing window panes with frosted glass in respect of the lounge bar, all windows in bedroom 1 , bedroom 4 and bedroom 5;
  - 8.2 That the existing wooden panels be reconstructed and or extended, to the same height for the entire length of the building to such an extent that all windows on that side of the building, be obscured.

**SIGNATURE:**

*Gesie van Deventer*

**DATE:**

*24/10/2019*

**Adv. Gesie van Deventer**

**EXECUTIVE MAYOR**

*(Appeal Authority in terms of Section 79(1) of the Stellenbosch Municipal Land Use Planning By-Law)*



# STELLENBOSCH

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## NOTICE OF DECISION OF APPEAL AUTHORITY

**APPEAL LODGED IN TERMS OF SECTION 79(2) OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY-LAW (2015) AGAINST THE DECISION OF THE STELLENBOSCH MUNICIPAL PLANNING TRIBUNAL TO APPROVE THE APPLICATION FOR REMOVAL OF RESTRICTIONS AND DEPARTURES ON ERF 2363, STELLENBOSCH**

### DECISION OF APPEAL AUTHORITY:

The Appeal Authority hereby, in terms of Section 81(7) of the Stellenbosch Municipal Land Use Planning By-law 2015:

Tick the appropriate box:

CONFIRM		VARY	X	REVOKE	
<p><b>THE DECISION OF THE STELLENBOSCH MUNICIPAL PLANNING TRIBUNAL, ON THE 12<sup>TH</sup> OF DECEMBER 2018, TO APPROVE IN TERMS OF SECTION 60 OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY-LAW DATED 20 OCTOBER 2015 TO CONSTRUCT A BOARDING HOUSE WITH A TOTAL OF THIRTY-SIX (36) BEDROOMS WITH EN-SUITES.</b></p>					
<p>1. The abovementioned appeal refers.</p>					
<p>2. The Municipal Planning Tribunal, approved on the 12<sup>th</sup> of December 2018, <b>approved in whole</b>, in terms of Section 60 of the Stellenbosch Municipal Land Use Planning By-law, promulgated by Notice no 354/2015 dated 20 October 2015, the application for removal of restrictions and departures, to construct a boarding house with a total of thirty-six (36) bedrooms with en-suites.</p>					
<p>3. The aforementioned application was approved subject to a number of conditions imposed in terms of Section 66 of the Stellenbosch Municipality Land Use Planning By-Law (2015).</p>					
<p>4. Arch Town Planners (Pty) Ltd lodged an appeal in terms of Section 79(2) of the By-Law, with the Municipality on the 25<sup>th</sup> of February 2019, against the decision of the Stellenbosch Municipal Planning Tribunal.</p>					
<p>5. The appeal assessment report was drafted by the Department of Environmental Affairs and Development, based on all records provided to the appointed official.</p>					

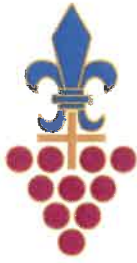


# STELLENBOSCH

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6. An inspection of the said report was held on the 06<sup>th</sup> of August 2019. This was done in compliance with section 81(6) of the Stellenbosch Municipality Land Use Planning By-Law (2015).
7. After careful consideration of the written appeal, as well as all relevant documents, information and submissions made to me as Appeal Authority, I have decided, in terms of Section 81(7)(b) of the By-Law to **VARY** the decision of the Stellenbosch Municipal Planning Tribunal by amending the following conditions of approval :
  - (a) Coverage of 41% in lieu of 35%;
  - (b) Floor area ratio/bulk of 0.75 in lieu of 0.50; and
  - (c) Parking departure to allow for 33 parking bays, 5 motorcycle spaces and 12 bicycle spaces in lieu of 36 parking bays.
8. The above approvals are subject to the conditions of approval as imposed by the Municipal Planning Tribunal, on 12 December 2018, as well as further conditions to be imposed by the Directorate Engineering Services and Electrical Departments (as well as any other conditions that the Planning Department would like to impose) which is the following:
  - (a) The approval applies only to the departures and the removal of the restrictive title conditions in question and shall not be construed as authority to depart from any other legal prescriptions or requirements from Council;
  - (b) A revised Site Development Plan be submitted to the Municipality for approval by the Director Planning and Economic Development, which complies with the revised development parameters as recommended and approved by the Mayor;
  - (b) The applicant must after the publication of a notice in the Provincial gazette apply to the Registrar of Deeds to make the appropriate entries in, and endorsements on, any relevant register or title deed to reflect the removal, suspension or amendment of the restrictive conditions;



# STELLENBOSCH

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- (c) Approval only comes into effect once the relevant title deed has been endorsed by the registrar of deeds;
- (d) Development contract be entered into between the Internal Department: Infrastructure services and the owner of the property;
- (e) Rates clearances will only be granted once all the conditions of approval of the development have been complied with;
- (f) The electrical consulting engineer responsible for the development must schedule an appointment with the Manager: Electrical Services before commencing with the construction of the development. As well as discussing new power requirements if required;
- (g) The development's specifications must be submitted to the Stellenbosch Municipality (Engineering Services) for approval ie.
  - the design of the electrical distribution system
  - the location of the substation(s) and related equipment;
- (h) A separate distribution board/s shall be provided for Municipal switchgear and metering (shall be accessible & lockable). Prepaid metering shall be installed in domestic dwellings
- (i) 24-hour access to the location of the substation, metering panel and main distribution board is required by Technical Services (on street boundary);
- (j) Appropriate caution shall be taken during construction, to prevent damage to existing service cables and electrical equipment in the vicinity, should damage occur, the applicant will be liable for the cost involved for repairing damages;
- (k) On completion of the development, Stellenbosch Municipality (Technical Services) together with the electrical consulting engineer and electrical contractor will conduct a take-over inspection;
- (l) No electricity supply will be switched on (energized) if the Development contributions, take-over inspection and certificate(s) of compliance are outstanding;
- (m) All new developments and upgrades of supplies to existing projects are



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subject to SANS 10400-XA energy savings and efficiency implementations such as:

- Solar water heating or heat pumps in dwellings
- Energy efficient lighting systems
- Roof insulation with R-value calculations:
- In large building developments
- Control air condition equipment tied to alternative efficiency system
- Preheat at least 50% of hot water with alternative energy saving sources
- All hot water pipes to be clad with insulation R-value of 1
- Provide a professional engineer's certificate to prove that energy saving measures is not feasible.

- (n) Building plans must be submitted to this Municipality for consideration; and approval;

## REASONS:

1. Given that the Stellenbosch Municipality Zoning Scheme By-Law was recently approved, it is considered rational and practical to evaluate the proposal relative to the parameters prescribed in the 2018 Zoning Scheme.
2. The approval does not exceed the maximum parameters prescribed for the applicable zone in terms of the new zoning scheme.
3. The amended proposal is seen to be a sensible form of densification.
4. The amended proposal in respect of the provision of parking was subsequently supported by the Engineering Department.
5. It is held that the amended proposal will facilitate a building more in keeping with the approved vision for Multi-Unit buildings and is aligned with recent approvals.



# STELLENBOSCH

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SIGNATURE: \_\_\_\_\_

DATE: 17/12/2019

**Adv. Gesie van Deventer**

**EXECUTIVE MAYOR**

*(Appeal Authority in terms of Section 79(1) of the Stellenbosch Municipal Land Use Planning By-Law)*



10.1.2	<b>REPORT BY THE EXECUTIVE MAYOR: DECISIONS TAKEN DURING COUNCIL RECESS</b>
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**File No.:****Collaborator No:****IDP KPA Ref No:**

N/A

**Meeting Date:**

2020-01-29

**1. PURPOSE OF THE REPORT**

To inform Council of the decisions taken by the Executive Mayor during the Council recess of 2019 / 2020.

**2. BACKGROUND**

In terms of the system of delegations the Executive Mayor has the duty to report to delegating authority on decisions taken in terms of that delegated power.

Delegation CL8 of the new System of Delegations provides a delegation to the Executive Mayor

*“to exercise any power of the Council and/or its political structures as well as designated powers during recess of Council.”*

The Stellenbosch Municipality has been operating over the festive season without closing the offices. Council resolved that the offices may close down at 12h00 on the last work day before Christmas day as well as the last working day before New Year’s Day every year. The approved delegations only provides delegations to the Municipal Manager to decide on early closure of offices and not a total closure of the Municipality.

Management was requested by IMATU to consider the closure of the municipal offices between Christmas and New Year. SAMWU agreed with the proposal made.

Council was in recess and the Executive Mayor approved the closure as per delegation CL8 above [see **APPENDIX 1**].

**3. LEGISLATIVE FRAMEWORK**

Council approves the closure of municipal offices but Council was in recess and the Executive Mayor has the authority to make decisions when Council is in recess, as per Council delegation CL8 and Section 59(1) of the Municipal Systems Act.

**4. FINANCIAL IMPLICATIONS**

All employees, except employees listed under services mentioned in **APPENDIX 1**, must put in leave for 3 workdays; therefore no additional financial implications.

**5. FOR NOTING**

The decisions taken by the Executive Mayor during the Council recess of 2019 / 2020.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	DONOVAN MULLER
<b>POSITION</b>	<b>OFFICE MANAGER: EXECUTIVE MAYOR</b>
<b>DIRECTORATE</b>	<b>CORPORATE SERVICES</b>
<b>CONTACT NUMBERS</b>	021 8088314
<b>E-MAIL ADDRESS</b>	<a href="mailto:Donovan.Muller@stellenbosch.gov.za">Donovan.Muller@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	20 January 2019



# **APPENDIX 1**



they have not already applied for leave. Directors to ensure implementation.

3. The following services will continue as usual:
  - 3.1 All water treatment plants;
  - 3.2 All waste water plants;
  - 3.3 Disposal sites;
  - 3.4 Refuse removal (collections);
  - 3.5 All operational staff in Fire Services, Traffic Services and Law Enforcement Services will continue in terms of the operational plans in place;
- 4 Area cleaning operating on skeleton staff;
5. All employees on standby will come in as and when required for service delivery purposes, but will have to put in leave or if they do not put in leave has to be at and operate from the office/depot on 27, 30 and 31 December 2019;
4. That the Municipal Manager inform the public of the close through the news media and by putting notices at all offices.

Yours Faithfully



---

**ME GARALDINE METTLER**  
**MUNICIPAL MANAGER**

**APPROVED / ~~NOT APPROVED~~**



---

**ADV GESIE VAN DEVENTER**  
**EXECUTIVE MAYOR**

**Donovan Muller**

---

**From:** Heidi Coffee  
**Sent:** Friday, 13 December 2019 11:32  
**To:** Annalene.DeBeer@stellenbosch.gov.za  
**Cc:** Herman.Theart@stellenbosch.gov.za; Deonl.Williams@stellenbosch.gov.za; Enzo.Vergotine@stellenbosch.gov.za; Louwrens.Vanschalkwyk@stellenbosch.gov.za  
**Subject:** Proposed Closure of Offices

Good day Director De Beer, IMATU supports the proposal and requests that this matter also be taken to LLF in February 2020 in order for us to communicate this with our members timeously.

Thanking you.

*Kind regards / Vriendelike Groete,*

**Heidi Coffee**



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T: +27 21 808 8229

Email: Heidi.coffee@stellenbosch.gov.za

71 Plein Street, Stellenbosch, 7600

[www.stellenbosch.gov.za](http://www.stellenbosch.gov.za)



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[http://www.stellenbosch.gov.za/main\\_pages/disclaimerpage.htm](http://www.stellenbosch.gov.za/main_pages/disclaimerpage.htm)

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**From:** Annalene De Beer  
**Sent:** 11 December 2019 09:12 AM  
**To:** Abonga Mneni; sirlordjames7@gmail.com; Heidi Coffee; Enzo Vergotine; Louwrens van Schalkwyk  
**Cc:** Directors Group; Alexander Kannemeyer; Trudene Boshoff  
**Subject:** Proposed Closure of Offices  
**Importance:** High

Dear Colleagues

IMATU requested management to consider the closure of offices between Christmas and New Year. After deliberations with Management and the Executive Mayor the following proposal is made:

1. Offices will close at 12h00 on Tuesday 24 December (as per the council resolution) and reopen on Thursday 2 January at 08h00.
2. All employees MUST put in leave.
  - a. The 3 workdays (27, 30 and 31 December is **not over and above** the leave as indicated in the collective agreement to which we are all bound.

- b. Where employees do not have enough leave they will go into a minus and the leave accumulated during January and February **will first be used towards the minus.**
  - c. Where employees leave the service of the employer before the minus has been corrected it will be deducted from last salary.
3. All essential services must be running and available during this time and Directors must make sure that the arrangements are in place.
  4. If a crises arises with ESKOM leave may be withdrawn to deal with the crises and then all employees whose leave is withdrawn will be expected to report for duty.
  5. This must be seen as an ad hoc situation and must not create expectations of future closures.

Please provide me with your feedback by close of business today.



*Kind regards,*

**Annalene de Beer**

**Director: Corporate Services**

---

T: +27 21 808 8018 | C: +27 83 305 3685

Email:

[Annalene.deBeer@ Stellenbosch.gov.za](mailto:Annalene.deBeer@ Stellenbosch.gov.za)

Plein Street, Stellenbosch, 7600

[www.stellenbosch.gov.za](http://www.stellenbosch.gov.za)



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<b>10.2</b>	<b>REPORT/S BY THE SPEAKER</b>
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NONE

<b>10.3</b>	<b>REPORT/S BY THE MUNICIPAL MANAGER</b>
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<b>10.3.1</b>	<b>DECISIONS TAKEN BY DIRECTORATES IN TERMS OF DELEGATED AUTHORITY FROM 01 OCTOBER 2019 UNTIL 31 DECEMBER 2019</b>
---------------	--

**Collaborator No:**

**IDP KPA Ref No:**

**Meeting Date:**

**Good governance and Compliance**

**29 January 2020**

**1. DECISIONS TAKEN BY DIRECTORATES IN TERMS OF DELEGATED AUTHORITY FROM 01 OCTOBER 2019 UNTIL 31 DECEMBER 2019**

**2. PURPOSE OF REPORT**

To report to Council on the decisions taken by the Municipal Manager and Directors in terms of Council's System of Delegations for the period 01 October 2019 until 31 December 2019, in compliance with Section 63 of the Local Government: Municipal Systems Act read in conjunction with the System of Delegations as approved by Council.

**3. DELEGATED AUTHORITY**

Municipal Council

**4. EXECUTIVE SUMMARY**

In view of the legislative stipulations, attached is a summary as **ANNEXURE 1** of decisions taken by each Directorate. The report is for noting purposes.

Please note that these delegations only indicate the delegations exercised as delegated by Council to the various Senior Managers.

**5. RECOMMENDATIONS**

that Council takes note of the decisions taken, for the period 01 October 2019 until 31 December 2019, by the following Section 56 Managers:

- Municipal Manager – Ms G Mettler (01 October 2019 – 31 December 2019).
- Director Corporate Services – Ms A de Beer (01 October 2019 – 31 December 2019).
- Director Infrastructure Services – Mr D Louw (01 October 2019 – 31 December 2019).
- Director Community and Protection Services – Mr G Boshoff (01 October 2019 – 30 November 2019).
- Director Planning and Economic Development – Mr T Mfeya (01 October 2019 – 31 December 2019).
- Chief Financial Officer – Mr K Carolus (01 October 2019 – 31 December 2019).

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

Section 63 of the Local Government Municipal Systems Act 32 of 2000 reads as follows:

*"A political structure, political office bearer, Councillor or staff member of a municipality to whom a delegating authority has delegated or sub-delegated a power or duty, must report to the delegating authority at such intervals as the delegating authority may require, on decisions taken in terms of that delegated or sub-delegated power or duty since the last report."*

**6.2 Discussion**

The report outlines the delegations exercised as delegated by Council to the various Senior Managers

**6.3. Financial Implications**

As per approved budget

**6.4 Legal Implications**

Council's System of Delegation and all applicable legislation

**6.5 Staff Implications**

No staff implications

**6.6 Previous / Relevant Council Resolutions**

None

**6.7 Risk Implications**

No risk implications for the Municipality

**6.8 Comments from Senior Management**

No comments were solicited from departments.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler
<b>POSITION</b>	Municipal Manager
<b>DIRECTORATE</b>	Municipal Manager
<b>CONTACT NUMBERS</b>	021 808 8025
<b>E-MAIL ADDRESS</b>	<a href="mailto:municipal.manager@stellenbosch.gov.za">municipal.manager@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	13 January 2020

# APPENDIX 1



**DELEGATIONS EXERCISED FOR PERIOD OCTOBER 2019**  
**OFFICE OF THE MUNICIPAL MANAGER: G METTLER**

<b>Date</b>	<b>Delegation</b>	<b>Category</b>	<b>Report subject and Recommendations</b>	<b>Date Received</b>	<b>Date Resolved</b>	<b>Resolution and Comments</b>
01/10/2019	MM100	Section 72(1)(a), MFMA	Annual 2018/19 and Mid-year Performance Assessment	01/10/2019	01/10/2019	Approved
01/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	EPWP Annual Report	01/10/2019	01/10/2019	Approved
01/10/2019		MFMA	Application for additional Human Settlements Development Grant Funding for TRP	01/10/2019	01/10/2019	Approved
01/10/2019	8	S59(4) and S61 of Systems Act	Creation of a new Delegation to authorise the payment of rewards for information on criminal activities within the area of jurisdiction of the municipality of Stellenbosch, based on the similar action of the city of Cape Town	01/10/2019	01/10/2019	Approved
01/10/2019	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoice: Chartered Institute of Government Finance, Audit and Risk Officers	01/10/2019	01/10/2019	Approved
01/10/2019	645	Basic Conditions of Service (SALGBC)	Request for Standby allowance: Infrastructure Services	01/10/2019	01/10/2019	Approved
01/10/2019	643(g)	S67 of MSA	Acting Allowance: Infrastructure Services	01/10/2019	01/10/2019	Approved
01/10/2019	624	HR	Annual leave application: Office of the Director Infrastructure	01/10/2019	01/10/2019	Approved

01/10/2019	624	HR	Permission to leave WC024: Office of the Director Infrastructure Services	01/10/2019	01/10/2019	Approved
01/10/2019		SCM Reg	Gift Register: Office of the Director Community and Protection Services	01/10/2019	01/10/2019	Approved
01/10/2019	643(f)	S67 of MSA	Appointment of General Workers Roads, Transport and Stormwater	01/10/2019	01/10/2019	Approved
01/10/2019		HR	Approval of Organisational Structure: Office of the Municipal Manager	01/10/2019	01/10/2019	Approved
01/10/2019	270	SCM Reg 32 (2)	Deviation: Appointment of liquid telecom for the provision of voice services on a month to month basis but not exceeding 30 June 2020 starting from 01/10/2019 until a new contract is in place.	01/10/2019	01/10/2019	Approved: Better contract management need to be in place to ensure that deliver place within the prescribed times, this is second extension and the absolute last one. A letter need to be written to the SP expressing our dissatisfaction and informing them that no further extension should be provided. Close monitoring required on delivery.
01/10/2019	9	S62(3) of MSA	Appeal i.t.o. Section 62 of the MSA	02/10/2019	02/10/2019	Approved
02/10/2019		SCM Reg	Permission for Catering Services: Infrastructure Services	02/10/2019	02/10/2019	Approved
02/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	1 Contract and 1 Power of Attorney	02/10/2019	02/10/2019	Approved
02/10/2019		HR	Capacity Building Clerk: Progress Report	02/10/2019	02/10/2019	Signed
03/10/2019	647	HR	Implementation of disciplinary action: Community and Protection Services	03/10/2019	03/10/2019	Approved

03/10/2019	647	HR	Implementation of disciplinary action: Infrastructure Services	03/10/2019	03/10/2019	Approved
03/10/2019		SCM Reg	Request for approval: Catering Services: Committee Services	03/10/2019	03/10/2019	Approved
03/10/2019	643(f)	S67 of MSA	Appointment of Court Interpreter 3-year contract	03/10/2019	03/10/2019	Approved
03/10/2019	624	HR	Annual leave application	03/10/2019	03/10/2019	Approved
03/10/2019		Legal	Lease agreement: Jacques Olivier	03/10/2019	03/10/2019	Signed
04/10/2019		SCM reg	Request for approval: Catering Services: Fire Services and Disaster Management	04/10/2019	04/10/2019	Approved
07/10/2019		S79(2) of the Stellenbosch Municipal Planning By-law 2015	Appeal i.t.o. Section 79(2) of the Stellenbosch municipal Tribunal Planning By-law 2015: LU 6018	07/10/2019	07/10/2019	Approved
07/10/2019		MFMA	IUGD Progress Report 30 September 2019.	07/10/2019	07/10/2019	Approved
08/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	Letter: Agreement between Department of Environment, Forestry and Fisheries (DEFF) and Stellenbosch Municipality: Natural Resources Management (NRM) Invasive species project: Non-compliance	08/10/2019	08/10/2019	Signed
08/10/2019		S324(a) of MFMA	Irregular expenditure notification: 1 <sup>st</sup> Quarter July – September 2019	08/10/2019	08/10/2019	Signed
08/10/2019	H02	National housing Code 2009	Interim allocation criteria of vacant Staff Rental Units	08/10/2019	08/10/2019	Approved
08/10/2019		SCM Reg	Request for approval: Catering Services: Human Resource Management	08/10/2019	08/10/2019	Approved: cost containment policy as adopted by the municipality in September 2019 provide for the municipal commemorating events 11.6.7 and non- recreational staff wellness functions 11.6.11 as this is a

						women's event and breast cancer awareness event.
09/10/2019	8	S59(4) and S61 of Systems Act	Delegations exercised: September 2019	09/10/2019	09/10/2019	Approved
10/10/2019	624	HR	Application for special leave: Legal Services	09/10/2019	09/10/2019	Approved: As per HR recommendation.
10/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	4 Power of Attorneys	10/10/2019	10/10/2019	Approved
10/10/2019		SCM Reg	Request for approval i.t.o. Clause 22(2) of Council's Supply chain Management Policy Closure date for submission of bids which is less than 30 days requirement	10/10/2019	10/10/2019	Approved
10/10/2019	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoice: Transit Solutions: Vehicle Management Solutions	10/10/2019	10/10/2019	Approved
10/10/2019		SCM Reg	Request for approval: Catering Services Municipal Planning Tribunal Sitings	10/10/2019	10/10/2019	Approved
10/10/2019		SCM Reg	Request for approval Catering Services: HR Development Sob-committee meeting	10/10/2019	10/10/2019	Approved
10/10/2019	647	HR	Implementation of Disciplinary action: Community and Protection Services	10/10/2019	10/10/2019	Approved
11/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	16 Purchase Contracts Pniel	11/10/2019	11/10/2019	Approved

11/10/2019		SCM Reg	Request for approval: Catering services Infrastructure Services	11/10/2019	11/10/2019	Approved
14/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	Power of Attorneys and Purchase Contracts: Erf 7783 Cloetesville, Erf 1243 Franschoek, Erf 1870 Kayamandi	14/10/2019	14/10/2019	Approved
14/10/2019	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Statement of account: NRM Projects	14/10/2019	14/10/2019	Approved
14/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	Purchase Contracts and Power of attorneys	14/10/2019	14/10/2019	Approved
14/10/2019		MFMA	Monthly Budget Monitoring Report: September 2019	14/10/2019	14/10/2019	Approved
14/10/2019		MFMA	Financial Management Grant	14/10/2019	14/10/2019	Approved
15/10/2019	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoice: ADV Etienne Vermaak	15/10/2019	15/10/2019	Approved
15/10/2019		MFMA	Grant in Aid Donation: Franschoek SPCA	15/10/2019	15/10/2019	Approved
15/10/2019		MFMA	Grant in Aid Donation: Stellenbosch Animal Welfare Society	15/10/2019	15/10/2019	Approved
15/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law	MOA: Franschoek Wine Valley, Stellenbosch Wine Routes, Stellenbosch 360, SEED, Stellenbosch Animal Welfare and Franschoek SPCA	15/10/2019	15/10/2019	Signed

		Principles and S59(1) of MSA				
16/10/2019	647	HR	Grievance: Indigent Clerks: Financial Services	16/10/2019	16/10/2019	Signed
17/10/2019		SCM Reg	Request for approval: Catering Services – 60 <sup>th</sup> Birthday Idas Valley – Community Services	17/10/2019	17/10/2019	Approved
17/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	SLA for the provision of an on-going electricity network upgrading and system improvement	17/10/2019	17/10/2019	Approved
17/10/2019		Finance	Rates Clearance Certificates	17/10/2019	17/10/2019	Approved
17/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	Master Agreement: Guima 01/07/2019 – 30/06/2021	17/10/2019	17/10/2019	Signed
18/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	Lease Agreement: Stellenbosch Gemeente and Memorandum	18/10/2019	18/10/2019	Approved
21/10/2019	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoice: ADV Etienne Vermaak	21/10/2019	21/10/2019	Approved
21/10/2019	645	Basic Conditions of Employment Act	Overtime: IDP	21/10/2019	21/10/2019	Approved

21/10/2019	645	Basic Conditions of Employment Act	Overtime: Governance	21/10/2019	21/10/2019	Approved
21/10/2019	645	Basic Conditions of Employment Act	Overtime: Communications Department	21/10/2019	21/10/2019	Approved
21/10/2019	645	Basic Conditions of Employment Act	Overtime: Risk Management	21/10/2019	21/10/2019	Approved
21/10/2019	108	S67 MFMA	Travel Claim: Office of the Director Community and Protection Services	21/10/2019	21/10/2019	Approved
21/10/2019	5	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	Purchase Contract and Power of attorney	21/10/2019	21/10/2019	Approved
21/10/2019	648(a)	By-law and Policy	Cellphone allowance: Nursery / Parks	21/10/2019	21/10/2019	Approved
21/10/2019	648(a)	By-law and Policy	Cellphone allowance: Community Services	21/10/2019	21/10/2019	Approved
21/10/2019	C28	Section 66(1)(a), Systems Act	Proposed Micro-structure: Division Development, Assets and Systems Unit	21/10/2019	21/10/2019	Approved
21/10/2019	647	HR	Appointment of Presiding Officer and Initiator	21/10/2019	21/10/2019	Approved
21/10/2019		MFMA	Quarterly Monthly Budget 1 <sup>st</sup> quarter 2019/20	21/10/2019	21/10/2019	Approved
21/10/2019	108	S67 MFMA	Travel Claim: Office of the Director Community and Protection Services	21/10/2019	21/10/2019	Approved
23/10/2019	MM82	Section 65(2)(d), MFMA	Invoice: ADV Etienne Vermaak	23/10/2019	23/10/2019	Approved
23/10/2019		S79(2) of the Stellenbosch Municipal Planning By-law 2015	Appeal I.t.o. Section 79(2) of the Stellenbosch Municipal Planning By-law 2015: LU/6530	23/10/2019	23/10/2019	Approved

23/10/2019	MM122	Section 115(1)(a), MFMA	Request for approval: Catering services: IUDG peer learning network for intermediate city municipalities - Governance	23/10/2019	23/10/2019	Approved
23/10/2019		MFMA	RSEP Programme motivation for funding to the Adam Tas Corridor Project in Stellenbosch town.	23/10/2019	23/10/2019	Approved
23/10/2019	MM110	Section 79(1)(c), MFMA	Financial delegations: Internal Audit	23/10/2019	23/10/2019	Approved
23/10/2019	MM9	Section 55(1)(e), Systems A	Revised offer of employment: Manager Libraries	23/10/2019	23/10/2019	Approved
25/10/2019		S79(2) of the Stellenbosch Municipal Planning By-law 2015	Appeal I.t.o. Section 79(2) of the Stellenbosch Municipal Planning By-law 2015: Erf 903 Stellenbosch	25/10/2019	25/10/2019	Approved
25/10/2019	Section 55(1)(f)-(h), Systems Act	Manage staff / Maintain staff discipline / Promote sound labour relations	Implementation of disciplinary action: Infrastructure Services	25/10/2019	25/10/2019	Approved
25/10/2019	MM84	Section 66, MFMA	Travel Claim: Office of the Director Infrastructure Services	25/10/2019	25/10/2019	Approved
25/10/2019	MM122	Section 115(1)(a), MFMA	Request for approval: Catering Services: Long Service award ceremony – Human Resources	25/10/2019	25/10/2019	Approved
25/10/2019	C146	Section 12 FBSA	MOU: Baleka Sport Marketing and Development	25/10/2019	25/10/2019	Approved
25/10/2019	MM122	Section 115(1)(a), MFMA	Request for approval: Catering services Community Development	25/10/2019	25/10/2019	Approved



**DELEGATIONS EXERCISED FOR PERIOD NOVEMBER 2019**  
**OFFICE OF THE MUNICIPAL MANAGER: G METTLER**

<b>Date</b>	<b>Delegation</b>	<b>Category</b>	<b>Report Subject and Recommendations</b>	<b>Date Received</b>	<b>Date Resolved</b>	<b>Resolution and Comments (if any)</b>
01/11/2019	C146	Section 12 FBSA	Agreement of Sale: Consolidated Lime Works Proprietary Limited ERF1852 NPK Building	01/11/2019	01/11/2019	Signed
01/11/2019	MM122	Section 115(1)(a), MFMA	Deviation: Cleaning of the Central Business District	01/11/2019	01/11/2019	Approved: Tender had to be cancelled due reasons mentioned so deviation not a result of poor planning. Estimate cost less than R10m. Deviation approved till end of June 2020 or until new tender is in place whichever occurs first. We can't go without the services as it affects the central business which has a direct impact on tourism business and growth.
01/11/2019	HR2	Conditions of Service (SALGBC)	Leave in lieu of overtime: Governance	01/11/2019	01/11/2019	Approved
04/11/2019	MM85	Section 67(1) MFMA	MOA: Franschoek SPCA	04/11/2019	04/11/2019	Signed
04/11/2019	MM85	Section 67(1) MFMA	MOA: Stellenbosch Animal Welfare	04/11/2019	04/11/2019	Signed

04/11/2019	MM159	Part 4: Chapter 1, PAIA	Ricmal Green Pty Ltd/The unlawful occupiers of Portion 2,3,4 of the Farm Ruytershove No25 Stellenbosch: Case Number 16280/19	04/11/2019	04/11/2019	Approved
04/11/2019	MM84	Section 66, MFMA	Travel Claim: Office of the Chief Financial Officer	04/11/2019	04/11/2019	Approved
04/11/2019	MM82	Section 65(2)(d), MFMA	Invoice: AON Insurance	04/11/2019	04/11/2019	Approved
04/11/2019	HR2	Conditions of Service (SALGBC)	Request for extension: Discretionary Grant Award 2019/20: Stellenbosch Municipality	04/11/2019	04/11/2019	Approved
04/11/2019	MM122	Section 115(1)(a), MFMA	Request for approval: Catering Services: Office of the Executive Mayor	04/11/2019	04/11/2019	Approved
05/11/2019	MM84	Section 66, MFMA	Travel Claim: Governance	05/11/2019	05/11/2019	Approved
05/11/2019	C146	Section 12, FBSA	Deed of Sale: Octofin Commercial Pty Ltd	05/11/2019	05/11/2019	Signed
05/11/2019	EL4	Section 16, ERA	NERSA 2018/19 distribution Forms	05/11/2019	05/11/2019	Approved
05/11/2019			EPWP Quarterly Report	05/11/2019	05/11/2019	Approved
06/11/2019		SCM Reg	Demand Management Plan 2019/20 Quarterly update	06/11/2019	06/11/2019	Approved
06/11/2019	HO2	Conditions of Service (SALGBC)	Annual leave application: Governance	06/11/2019	06/11/2019	Approved
06/11/2019		MFMA	Submission of Q1: National Treasury Master File Non-Financial Performance Measures 2019/20	06/11/2019	06/11/2019	Approved
06/11/2019	MM84	Section 66, MFMA	Travel Claim: Office of the Municipal Manager	06/11/2019	06/11/2019	Signed
06/11/2019		SCM Reg	Request for approval i.t.o. Clause 22(2) of the SCM Policy: Closure date for the submission of bids less than 30 days requirement.	06/11/2019	06/11/2019	Approved
06/11/2019		MFMA	IUDG Monthly Progress Report	06/11/2019	06/11/2019	Approved

06/11/2019	C146	Section 12, FBSA	Tripartite Agreement: WCG via Human Settlements, Stellenbosch Municipality Longlands Village Proprietary Limited: Longlands New Housing Project	06/11/2019	06/11/2019	Signed
07/11/2019	EL10		Electrification Reporting: Monthly Register of workers on Project to DOE	07/11/2019	07/11/2019	Approved
07/11/2019	MM18	Section 62(4)(a), Systems Act	Response to Grievance Infrastructure Services	07/11/2019	07/11/2019	Signed
07/11/2019		Legal	Indemnity: McClusky Attorneys and Conveyances	07/11/2019	07/11/2019	Approved
08/11/2019		Legal	Response: Unspent MIG 2018/19	08/11/2019	08/11/2019	Signed
11/11/2019	MM18	Section 62(4)(a), Systems Act	Response to grievance:			
12/11/2019	C146	Section 12, FBSA	Agreement for ESKOM electricity supply to Stellenbosch Municipal areas	12/11/2019	12/11/2019	Approved
12/11/2019	H05	Housing Act 107 of 1997	Certificate i.t.o. Section 118(4)(a) of the Systems Act for Pniel Housing development on subdivision of Erf 274 Pniel	12/11/2019	12/11/2019	Approved
13/11/2019	Section 55(1)(f)-(h), Systems Act	Manage staff / Maintain staff discipline / Promote sound labour relations	Authorisation of disciplinary action: Infrastructure Services	13/11/2019	13/11/2019	Approved
13/11/2019	C146	Section 12, FBSA	Lease Agreement: Kayamandi Police Station/Department of Public Works/Stellenbosch Municipality	13/11/2019	13/11/2019	Approved
13/11/2019	H02	Conditions of Service (SALGBC)	Standard Operating Procedure: Driving of Emergency Vehicles	13/11/2019	13/11/2019	Approved
14/11/2019	H02	Conditions of Service (SALGBC)	Annual leave application: Governance	14/11/2019	14/11/2019	Approved
14/11/2019	H02	Conditions of Service (SALGBC)	Annual leave application: Office of the Director Infrastructure Services	14/11/2019	14/11/2019	Approved

14/11/2019		SCM Reg	Appointment of independent person i.t.o. SCM Policy to assist the Municipal Manager with objections	14/11/2019	14/11/2019	Signed
15/11/2019	MM22	Section 66(1)(b), Systems Act	Job Descriptions: Office of the Municipal Manager	15/11/2019	15/11/2019	Approved
15/11/2019		S79(2) of the Stellenbosch Municipal Planning By-law 2015	Appeal Section 79(2) of the Stellenbosch Municipal Land use Planning By-law (2015) against decision of the STB Municipal Planning Tribunal LU/8126	15/11/2019	15/11/2019	Approved
15/11/2019	VRP2	Paragraph 6f	Request to re-sign key se authorisation forms: Financial Services	15/11/2019	15/11/2019	Approved
19/11/2019	MM122	Section 115(1)(a), MFMA	Request for approval: Catering services LED	19/11/2019	19/11/2019	Approved
19/11/2019	MM82	Section 65(2)(d), MFMA	Invoice: Adv Etienne Vermaak	19/11/2019	19/11/2019	Approved
19/11/2019	DM3	(Section 55 (2a) of the Disaster act)	Provision of Wendy House: A0577	19/11/2019	19/11/2019	Approved: Given the age and conditions this needs to be dealt with.
20/11/2019	MM122	Section 115(1)(a), MFMA	Request for Catering Services: Strategic Planning Session	20/11/2019	20/11/2019	Approved
20/11/2019	LUP12	Stellenbosch Municipality: Land Use Planning By-law Section 3(2)(b)	Response to MEC: Stellenbosch Municipal Spatial Development Framework (mSDF) 2019 and Review of the Stellenbosch Municipality's Integrated Development Plan (IDP) 2017-2022	20/11/2019	20/11/2019	Approved
20/11/2019	HR1	MSA	Appointment of an alternative Officer to serve on outside bodies	20/11/2019	20/11/2019	Approved
20/11/2019	H02	Conditions of Service (SALGBC)	Application for annual leave: Office of the Municipal Manager	20/11/2019	20/11/2019	Approved

20/11/2019	H02	Conditions of Service (SALGBC)	Application for annual leave: Office of the Director Infrastructure Services	20/11/2019	20/11/2019	Approved
20/11/2019	H02	Conditions of Service (SALGBC)	Cellphone Allowance Application: Planning and Economic Development	20/11/2019	20/11/2019	Approved
20/11/2019	H02	Conditions of Service (SALGBC)	Application for annual leave: Office of the Municipal Manager	20/11/2019	20/11/2019	Approved
20/11/2019	H02	Conditions of Service (SALGBC)	Annual leave application: Office of the Director Corporate Services	20/11/2019	20/11/2019	Approved
20/11/2019	RS1	MSA	Approval of Appointment of Driver: Water Services	20/11/2019	20/11/2019	Approved
20/11/2019	C146	Section 12 FBSA	MOA: Erven 12843 and 9170 Stellenbosch	20/11/2019	20/11/2019	Signed
21/11/2019	MM122	Section 115(1)(a), MFMA	Request for Catering Services: Office of the Executive Mayor	21/11/2019	21/11/2019	Approved
22/11/2019		HR	Proof of Employment for visitors Visa to New Zealand: Building Control Management	22/11/2019	22/11/2019	Approved
25/11/2019		S79(2) of the Stellenbosch Municipal Planning By-law 2015	Appeal Section 79(2) of the Stellenbosch Municipal Planning By-law (2015) against the decision of the STB Planning Tribunal LU/5225	25/11/2019	25/11/2019	Approved
22/11/2019	H02	Conditions of Service (SALGBC)	Acting appointment and acceptance of acting mandate: Office of the Director Corporate Services	22/11/2019	22/11/2019	Approved
25/11/2019	MM84	Section 66, MFMA	Travel Claim: Office of the Chief Financial Officer	25/11/2019	25/11/2019	Approved
25/11/2019	MM122	Section 115(1)(a), MFMA	Deviation: Appointment of Red ants Security to prevent invasion on municipal land	25/11/2019	25/11/2019	Approved: Current instrument in place is a piggy-back on Overstrand Tender

						which AG i.t.o. Reg 32 regard as irregular. This for reasons explained in the report deviation is the only option given, previous experiences as explained in paragraph 3.
26/11/2019	CCL9	Section 12(1), MFMA	Application for Donation: Ukhulule Construction Pty Ltd	26/11/2019	26/11/2019	Recommended for approval
26/11/2019	MM6	Section 55(1)(a), Systems Act	SOP: Social Relief of Distress	26/11/2019	26/11/2019	Approved
28/11/2019	AD3	General	Notice: Land use and building plan applications: December 2019	28/11/2019	28/11/2019	Approved
28/11/2019	H02	Conditions of Service (SALGBC)	Addendum to Fixed Term Employment Contract: Director Planning and Economic Development	28/11/2019	28/11/2019	Approved
28/11/2019	C146	Section 12, FBSA	Lease Agreement: Independent Electoral Commission	28/11/2019	28/11/2019	Approved
28/11/2019		MFMA	Property Rates Billing	28/11/2019	28/11/2019	Approved
29/11/2019	H02	Conditions of Service (SALGBC)	Annual leave application: Office of the Municipal Manager	29/11/2019	29/11/2019	Approved
29/11/2019	MM122	Section 115(1)(a), MFMA	BSM 85/19 Supply and erecting of fences as and when requires for various projects until 30 June 2022	29/11/2019	29/11/2019	Approved
29/11/2019	MM122	Section 115(1)(a), MFMA	BSM 16/20: The steps/orlean lounge Cloetesville Stellenbosch: Rectification of 161 Houses	29/11/2019	29/11/2019	Approved
29/11/2019	MM122	Section 115(1)(a), MFMA	BSM 7/20: Supply, delivery and Off-loading of toilet paper and hand towel rolls	29/11/2019	29/11/2019	Approved

ACTING MUNICIPAL MANAGER: A DE BEER						
22/11/2019	MM122	Section 115(1)(a), MFMA	Request for approval: Catering Services: LED	22/11/2019	22/11/2019	Approved

**DELEGATIONS EXERCISED FOR PERIOD DECEMBER 2019**  
**OFFICE OF THE MUNICIPAL MANAGER: G METTLER**

<b>Date</b>	<b>Delegation</b>	<b>Category</b>	<b>Report Subject and Recommendations</b>	<b>Date Received</b>	<b>Date Resolved</b>	<b>Resolution and Comments (if any)</b>
02/12/2019	APP3	Section 62, MSA	Appeal i.t.o. Section 62 MSA: BSM 7/20	02/12/2019	02/12/2019	Signed
02/12/2019	MM82	Section 65(2)(d), MFMA	Payments for Audit and Performance Audit Committee Members	02/12/2019	02/12/2019	Approved
02/12/2019	MM122	Section 115(1)(a), MFMA	Deviation: Employee Group Life Solutions Tender CGHR 1/2015	02/12/2019	02/12/2019	Approved: Better monitoring mechanism to be put in place to ensure tender and contracts renewed advertised before tenders expire. Due to the nature of the service it is critical to have insurance in place. MPAC item to be prepared on expenses incurred as of July to date.
03/12/2019		Finance	Request for approval for accommodation: IDP	03/12/2019	03/12/2019	Approved
03/12/2019	C146	Section 12 FBSA	MOU: DCOG Municipal Systems Improvement Grant (MSIG)	03/12/2019	03/12/2019	Signed



05/12/2019	HR2	Conditions of Service (SALGBC)	Cellphone Allowance: Community Services	05/12/2019	05/12/2019	Approved
05/12/2019		MFAM	IUDG Monthly Progress Report	05/12/2019	05/12/2019	Approved
06/12/2019	TR1	Skills Development Act/MSA	Artisan Training: Organ of state: Northlink College	06/12/2019	06/12/2019	Approved
06/12/2019	MM82	Section 65(2)(d), MFMA	Invoice: Sure Travel	06/12/2019	06/12/2019	Approved
06/12/2019	HR2	Conditions of Service (SALGBC)	Acting allowance authorisation: IDP	06/12/2019	06/12/2019	Approved
06/12/2019	RS1	MSA	Appointment of Clerks: Rates and Taxes – Financial Services	06/12/2019	06/12/2019	Approved
09/12/2019	CL9	Section 12(1), MFMA	Application for donation: Independent Movers	09/12/2019	09/12/2019	Recommended for approval
09/12/2019	CL9	Section 12(1), MFMA	Application for donation: Breughel Teater Sentrum	09/12/2019	09/12/2019	Recommended for approval
09/12/2019	C146	Section 12, FBSA	Deed of Sale: Erf 2752, Watergang, Kayamandi	09/12/2019	09/12/2019	Signed
09/12/2019	HO1	Housing Act, 1997	Purchase Contract: Erf 410 Kayamandi	09/12/2019	09/12/2019	Signed
09/12/2019	MM82	Section 65(2)(d), MFMA	Payment of outstanding invoice: Plan Associates Town and Regional Planners: Informal Settlements	09/12/2019	09/12/2019	Approved
10/12/2019	H05	Housing Act 107 of 1997	Affidavit i.t.o. Reg 68(1) of the Act 47 of 1937: to apply for lost Title deeds: Holding titles of the title deed restoration programme	10/12/2019	10/12/2019	Approved
10/12/2019	MM110	Section 79(1)(c), MFMA	Delegations exercised for November 2019: Infrastructure Services	10/12/2019	10/12/2019	Approved
10/12/2019		MFMA	Monthly Report: Financial Management Grant			

11/12/2019	RS1	MSA	Appointment of Manager Budget and Costing	11/12/2019	11/12/2019	Approved
11/12/2019	C146	Section 12, FBSA	Lease Agreement: Vlottenburg Primary School	11/12/2019	11/12/2019	Approved
11/12/2019	MFM01	Section 118 MFMA	Rates Clearance: Various Transferees Pniel Development Project	11/12/2019	11/12/2019	Approved
11/12/2019	HR2	Conditions of Service (SALGBC)	Cellphone allowance Applications: Community Development	11/12/2019	11/12/2019	Approved
11/12/2019		SCM Reg	Appointment of Independent person to assist the Municipal Manager with objections i.t.o. Supply Chain Management Policy of Stellenbosch Municipality	11/12/2019	11/12/2019	Approved
12/12/2019		Legal	Indemnity form	12/12/2019	12/12/2019	Approved: Please draft a memo explaining the entire process and whether purchase price was received.
12/12/2019		MFMA	Response i.t.o request to repay unspent provincial grants	12/12/2019	12/12/2019	Signed
12/12/2019	MM24	Section 66(1)(d), Systems Act	SALGA provisional Audit Report Task: ICT	12/12/2019	12/12/2019	Approved
12/12/2019		Legal	Donation from Department of Community Safety: Safety kiosk for Klapmuts Community	12/12/2019	12/12/2019	Approved
12/12/2019	HO1	Housing Act, 1997	Purchase Contracts: Deeds of Sale: Various areas	12/12/2019	12/12/2019	Approved
12/12/2019	MM122	Section 115(1)(a), MFMA	Deviation: Urgent appointment of a service provider to restore municipal ICT servers after infection by Ransomware Banta	12/12/2019	12/12/2019	Approved: Melware attack emergency, critical that digitalistic must be done to deal an prevent this. Department to give report on how this will be addressed going

						forward. Measure to be put in place
13/12/2019	HR2	Conditions of Service (SALGBC)	Acting Appointment and acceptance of acting mandate: Infrastructure Services"14/12/2019 – 12/01/2020	13/12/2019	13/12/2019	Approved
17/12/2019	MM122	Section 115(1)(a), MFMA	Gift Register: Office of the Municipal Manager	17/12/2019	17/12/2019	signed
17/12/2019	C146	Section 12, FBSA	Transfer Payment Agreement from Department of Human Settlement – Capacity Building Clerks – Housing Administration	17/12/2019	17/12/2019	Approved
17/12/2019	C146	Section 12 FBSA	MOU – Municipal Court (Additional Court)	17/12/2019	17/12/2019	Signed
17/12/2019	MM82	Section 65(2)(d), MFMA	Invoice: NRM Projects	17/12/2019	17/12/2019	Approved
17/12/2019	MM82	Section 65(2)(d), MFMA	Invoice: AON Insurance	17/12/2019	17/12/2019	Approved
17/12/2019		S79(2) of the Stellenbosch Municipal Planning By-law 2015	Appeal i.t.o. Section 79(2) of the Stellenbosch Municipal Planning By-law 2015 Against decision of the STB Municipal Planning Tribunal: LU/6999	17/12/2019	17/12/2019	Approved
17/12/2019		S79(2) of the Stellenbosch Municipal Planning By-law 2015	Appeal i.t.o. Section 79(2) of the Stellenbosch Municipal Planning By-law 2015 Against decision of the STB Municipal Planning Tribunal: LU/4623	17/12/2019	17/12/2019	Approved
17/12/2019		S79(2) of the Stellenbosch Municipal Planning By-law 2015	Appeal i.t.o. Section 79(2) of the Stellenbosch Municipal Planning By-law 2015 Against decision of the STB Municipal Planning Tribunal: LU/7668	17/12/2019	17/12/2019	Approved

18/12/2019		S79(2) of the Stellenbosch Municipal Planning By-law 2015	Appeal i.t.o. Section 79(2) of the Stellenbosch Municipal Planning By-law 2015 Against decision of the STB Municipal Planning Tribunal: LU/5225	18/12/2019	18/12/2019	Approved
18/12/2019		MFMA	Auditee: Service Level Checklist	18/12/2019	18/12/2019	Signed
19/12/2019	MM82	Section 65(2)(d), MFMA	Invoice: Transit Solutions	19/12/2019	19/12/2019	Approved
20/12/2019	HR2	Conditions of Service (SALGBC)	Application for Special Leave: Facilities Department	20/12/2019	20/12/2019	Signed: Unpaid special leave as per Clause 5.7 be granted
23/12/2019	C146	Section 12, FBSA	Lease Agreements: Farm 502AM	23/12/2019	23/12/2019	Signed
23/12/2019	C146	Section 12, FBSA	Lease Agreement: Farms 502V	23/12/2019	23/12/2019	Signed
23/12/2019	C146	Section 12, FBSA	Lease Agreement: Farm 619/1	23/12/2019	23/12/2019	Signed
23/12/2019	C146	Section 12, FBSA	Lease Agreement: Farm 502BFN	23/12/2019	23/12/2019	Signed
23/12/2019	C146	Section 12, FBSA	Lease Agreement: Farm 502AP	23/12/2019	23/12/2019	Signed
23/12/2019	C146	Section 12, FBSA	Lease Agreement: Farm 502 AW	23/12/2019	23/12/2019	Signed
23/12/2019	MM82	Section 65(2)(d), MFMA	Invoice: Bergzicht Training	23/12/2019	23/12/2019	Approved
24/12/2019	C146	Section 12, FBSA	Grant Agreement: Development Bank of Southern Africa Limited (DBSA)	24/12/2019	24/12/2019	Approved
24/12/2019	C146	Section 12 FBSA	MOA: WCG via Provincial Treasury: Municipal External Bursary Programme	24/12/2019	24/12/2019	Signed

24/12/2019	MM110	Section 79(1)(c), MFMA	Delegations exercised for December 2019: Infrastructure Services	24/12/2019	24/12/2019	Approved
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**DELEGATIONS EXERCISED FOR PERIOD: OCTOBER 2019**

**DIRECTORATE: INFRASTRUCTURE SERVICES**

Date	Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
14/10/2019 - 25/10/2019	<b>To authorize a staff member, co to gain access to any property for the purpose of conducting inspection, tests or maintenance works</b>	<b>EL18 Section 10</b>	<b>MUNICIPAL NOTICE:</b>  Supply of electricity disconnected on 17/11/2019 Area affected: Bird, Faure, Kromrivier, Langenhoven, DS Botha, Jan Cilliers, Voorplein, Mount Albert, Conde Streets	07/10/2019 - 30/10/2019	24/10/2019	Approved
			Supply of electricity disconnected on 05/11/2019 Area affected: Bergsipres, Heuningboom, Waboom, Blinkblaar		23/10/2019	Approved
			Supply of electricity disconnected on 30/10/2019 Area affected: Stellita Park, Gabriels Street		23/10/2019	Approved
			Supply of electricity disconnected on 29/10/2019 Area affected: Luyolo, Mgabadeli, Cedile, Sokuqala Streets		23/10/2019	Approved
			Supply of electricity disconnected on 23/10/2019 Area affected: Keiffer Street, Die Boord		14/10/2019	Approved
			Supply of electricity disconnected on 30/10/2019 Area affected: Stalieta Park, Gabriels Street		14/10/2019	Approved
			Supply of electricity disconnected on 30/10/2019 Area affected: Stalieta Park, Gabriels Street		23/10/2019	Approved
			Supply of electricity disconnected on 30/10/2019 Area affected: Stalieta Park, Gabriels Street		25/10/2019	Approved

			Interruption in water supply: Hof Avenue & Orange Avenue, Uniepark, Stellenbosch		07/10/2019	Approved
			Interruption in water supply: Cloetesville, Stellenbosch			
	<b>To exercise all powers conferred upon the Municipality by applicable legislation relating to the supply of water and matters incidental thereto</b>	<b>WS1</b> <b>Section 11, WSA</b>	<b>Water restrictions exemption:</b> <b>0</b> - applications approved <b>0</b> - application not approved <b>0</b> - applications pending  <b>Water restrictions transgressions:</b> <b>0</b> - reported and notices served by Law Enforcement  <b>Borehole registrations:</b> <b>0</b> - Application to drill <b>3</b> - Residential Applications <b>0</b> - Commercial Applications <b>0</b> - Public Buildings Applications <b>0</b> - Grey water Applications			Approved Not approved Pending  Approved  Approved Approved Approved Approved
24/10/2019	<b>To manage the temporary closing and diversion of public roads</b>	<b>RS12</b> <b>Section 19, Road Ordinance 19/1976</b>	<b>Application for road closures:</b>  Road Closure application: Webersvalley Road Jamestown for the Strawberry Festival	24/10/2019	30/10/2019	Approved

17/10/2019 – 29/10/2019	<b>To conclude an Electricity Generation Agreement</b>	<b>EL15</b>  <b>Section 3(3)</b>	<b>Small-scale embedded generation (SSEG)</b>  Approval to connect a 5.5 KW Peak SSEG installation at Erf 1738, 44 Van Der Stel Street  Approval to connect a 3.2 KW Peak SSEG installation at Erf 1658, 40 Rowan Street  Critical notice affecting all STS electricity pre-paid meters		29/10/2019  29/10/2019  17/10/2019	Approved  Approved  Approved



**DELEGATIONS EXERCISED FOR PERIOD: NOVEMBER 2019**  
**DIRECTORATE: INFRASTRUCTURE SERVICES**

Date	Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)	
30/10/2019 – 19/11/2019	<b>To authorize a staff member, co to gain access to any property for the purpose of conducting inspection, tests or maintenance works</b>	<b>EL18</b>	<b>MUNICIPAL NOTICE:</b>	01/11/2019 – 20/11/2019	01/11/2019	Approved	
		<b>Section 10</b>	Supply of electricity disconnected on 05/11/2019 Area affected: Lovell Street				
		Supply of electricity disconnected on 12/11/2019 Area affected: 6 <sup>th</sup> Avenue, 7 <sup>th</sup> Avenue, 9 <sup>th</sup> Avenue, Bassi, Swarts Close	01/11/2019				Approved
		Supply of electricity disconnected on 13/11/2019 Area affected: Keiffer Str, Die Boord	30/10/2019				Approved
		Supply of electricity disconnected on 26/11/2019 Area affected: Kayamandi: Zone J, SFW Hostel	19/11/2019				Approved
		Supply of electricity disconnected on 12/11/2019 Area affected: Mputa Str, Kayamandi	30/10/2019				Approved
		Supply of electricity disconnected on 28/11/2019	05/11/2019				Approved
					11/11/2019	Approved	

			<p>Area affected: Panorama, Pniel Surroundings</p> <p>Interruption in water supply: Neutron Str, Technopark on 07/11/2019</p> <p>Interruption in water supply: Neutron Str, Technopark on 14/11/2019</p> <p>Interruption in water supply: Ryneveld Str, Stellenbosch on 21/11/2019</p> <p>Upgrading electrical network: Tobruk Park. Notice 106/2019</p>		<p>19/11/2019</p> <p>15/11/2019</p>	<p>Approved</p> <p>Approved</p>
	<p><b>To exercise all powers conferred upon the Municipality by applicable legislation relating to the supply of water and matters incidental thereto</b></p>	<p><b>WS1</b></p> <p><b>Section 11, WSA</b></p>	<p><b>Water restrictions exemption:</b></p> <p>2 - applications approved</p> <p>0 - application not approved</p> <p>2 - applications pending</p> <p><b>Water restrictions transgressions:</b></p> <p>0 - reported and notices served by Law Enforcement</p> <p><b>Borehole registrations:</b></p> <p>0 - Application to drill</p> <p>0 - Residential Applications</p> <p>0 - Commercial Applications</p> <p>0 - Public Buildings Applications</p>			<p>Approved</p> <p>Not approved</p> <p>Pending</p> <p>Approved</p> <p>Approved</p> <p>Approved</p> <p>Approved</p> <p>Approved</p>

			<b>0 - Grey water Applications</b>			
01/11/2019 – 20/11/2019	<b>To manage the temporary closing and diversion of public roads</b>	<b>RS12  Section 19, Road Ordinance 19/1976</b>	<b>Application for road closures:</b>  Road works – Water line upgrade Banghoek Rd and Hammanshand/Jan Cilliers Rd Intersections  Temporary Road Closure Drosdy Street	01/11/2019 - 20/11/2019	01/11/2019  20/11/2019	Approved  Approved



			Area affected: Kayamandi, Old Watergang			
	<b>To exercise all powers conferred upon the Municipality by applicable legislation relating to the supply of water and matters incidental thereto</b>	<b>WS1 Section 11, WSA</b>	<b>Water restrictions exemption:</b> 4 - applications approved <b>0</b> - application not approved <b>3</b> - applications pending  <b>Water restrictions transgressions:</b> 0 - reported and notices served by Law Enforcement  <b>Borehole registrations:</b> <b>1</b> - Application to drill <b>1</b> - Residential Applications <b>0</b> - Commercial Applications <b>0</b> - Public Buildings Applications <b>0</b> - Grey water Applications			Approved Not approved Pending  Approved  Approved Approved Approved Approved
27/11/2019 – 12/12/2019	<b>To manage the temporary closing and diversion of public roads</b>	<b>RS12 Section 19, Road Ordinance 19/1976</b>	<b>Application for road closures:</b> Temporary Road Closures Jakaranda Street for annual xmas street function  Temporary Road Closures Elbertha Street for street braai	05/12/2019  28/11/2019  10/12/2019	12/12/2019  12/12/2019  12/12/2019	Approved  Approved  Approved

		Temporary Road Closures Bergsipres Street for xmas street function	05 December 2019	12 December 2019	Approved
		Temporary Road Closure King Street for xmas street function	20 November 2019	28 November 2019	Approved
		Temporary Road Closure festival of lights 30 November -1 December 2019	20 November 2019	27 November 2019	Approved
		Temporary Road closure Davey and Woodman Street 6 December 2019	20 November 2019	27 November 2019	Approved
		Temporary Road closure Newman Street 21 December 2019	20 November 2019	27 November 2019	Approved
		Temporary Road Closure Drostdy Street, 24&25 December 2019	20 November 2019	06 December 2019	Approved
		Temporary Road closure Traditional Event Sesithathu Street	04 December 2019		

**DELEGATIONS EXERCISED FOR PERIOD: OCTOBER 2019**

**DIRECTORATE: COPROPRATE SERVICES**

<b>DATE</b>	<b>Delegation</b>	<b>Category</b>	<b>Report Subject and Recommendations</b>	<b>Date Received</b>	<b>Date Resolved</b>	<b>Resolution and Comments (if any)</b>
01/10/19	645	Basic Conditions of Service	Standby	30/09/19	01/10/19	Resolved
02/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Memorandum: Payment- Ward committee members – R25 550.00	01/10/19	02/10/19	Resolved
02/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoice: Broll – R88 117.34	01/10/19	02/10/19	Resolved
02/10/19	270	SCM Reg 32 (2)	Deviation: Appointment of Liquid Telecom for the provision of voice services	01/10/19	02/10/19	Resolved
02/10/19	643	HR	Offer of employment: ➤ Court Interpreter (3-year contract)	01/10/19	02/10/19	Resolved
02/10/19	139	S69 and 70 of MFMA	Budget Virement – R10 000.00	01/10/19	02/10/19	Resolved
02/10/19	643	HR	Offer of employment: Electrician (Waste-Water Services)	01/10/19	02/10/19	Resolved
03/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	➤ Dick Crane Invoice: R24 750.00 ➤ Dick Crane Invoice: R25 800.00	03/10/19	03/10/19	Resolved
03/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Petty Cash: R2 774.50	03/10/19	03/10/19	Resolved

03/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Windeed: R724.94	03/10/19	03/10/19	Resolved
03/10/19	646	HR	Memorandum of Agreement: Project Management Training	03/10/19	03/10/19	Resolved
07/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Red Hills (Invoice 00626): R173 827	04/10/19	07/10/19	Resolved
07/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	<ul style="list-style-type: none"> <li>➤ GM services centre (111618)- R793.50</li> <li>➤ Petty cash: Caltex – R250.00</li> </ul>	04/10/19	07/10/19	Resolved
07/10/19		Human Resources	LLF Quarterly report for the period July 2019 to September 2019	07/10/19	07/10/19	Resolved
07/10/19	646	HR	<p>Offer or Employment:</p> <ul style="list-style-type: none"> <li>➤ Superintendent: Lines and Labels</li> <li>➤ Superintendent: metering and Loss Control</li> <li>➤ Employment contracts x6</li> </ul>	07/10/19	07/10/19	Resolved
08/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Coalition Training Skills Development: Invoice 4309 – R35 400.00	07/10/19	08/10/19	Resolved
08/10/19	MM9	Section 55(1)(e), Systems Act	Offer of employment: Court Interpreter file	07/10/19	08/10/19	Resolved
08/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Bathroom 4U Stellenbosch- Invoice nr:310415 – R21 441.06 (order nr 356548)	07/10/19	08/10/19	Resolved
08/10/19	MM9	Section 55(1)(e), Systems Act	<p>Advertisements: Vacant positions</p> <ul style="list-style-type: none"> <li>➤ Clerk Rates and Taxes</li> <li>➤ Housing Administration – Planning Receptionist</li> <li>➤ Senior LED Officer</li> </ul>		08/10/19	Resolved



			<ul style="list-style-type: none"> <li>➤ Administration Officer: Planning and Economic Development</li> <li>➤ Administrative Officer x 2</li> <li>➤ Administer</li> </ul>			
08/10/19	HR2	Conditions of Service (SALGBC)	Overtime pre-approvals	04/10/19	08/10/19	Resolved
09/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Redhills (357213) – R 173 822.50	08/10/19	09/10/19	Resolved
09/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoices: <ul style="list-style-type: none"> <li>➤ Budget virementation- R 51 673.68</li> <li>➤ Western Cape Stationers- 356315</li> <li>➤ Introstat – 356532</li> <li>➤ Xon system – 356313</li> <li>➤ Innovo Networks – 356265</li> </ul>	07/10/19	09/10/19	Resolved
09/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoices: <ul style="list-style-type: none"> <li>➤ Isa Carstens – R 1135.00</li> <li>➤ SA Online – R 9 200 .00</li> </ul>	07/10/19	09/10/19	Resolved
10/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoice: Coalition Training – R 35 400.00	09/10/19	10/10/19	Resolved
10/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoices: <ul style="list-style-type: none"> <li>➤ Bergzicht Furnishers – R 1600.00</li> <li>➤ Petromine (Pty)- R 1139.9</li> </ul>	09/10/19	10/10/19	Resolved
10/10/19	HR2	Conditions of Service (SALGBC)	Timesheets	09/10/19	10/10/2019	Resolved
11/10/19	211	S115(1) of the MFMA read with	Financial Services: Adverts (vacancies)	09/10/19	11/10/19	Resolved

		S117 Supply Chain Reg				
11/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoice; Whilehouse – Petty Cash – R 692.00	10/10/19	11/10/19	Resolved
15/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoices: ➤ Media 24- 357037 ➤ Media 24 – 356721 ➤ Red hills – 357350 ➤ Pendo Property – 357152 ➤ Pendo Property – 357154 ➤ Pendo property – 357153 ➤ Tenach – 356074 ➤ MMPA - 356720	14/10/19	15/10/19	Resolved
16/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoice: Auditor General- R 37 797 .86	14/10/19	16/10/19	Resolved
16/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoices: Contempt of Court –R 54 600.00	14/10/19	16/10/19	Resolved
16/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoices; ➤ Clean Pro 365 Extensions – R 10 259.15 ➤ Raycon – R 154 069.95 ➤ Premier Attraction – R 163 507.16 ➤ Premier Attraction – R 2 833 488.92	14/10/19	16/10/19	Resolved
17/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoices: ➤ Media 24- R 6 210.00 ➤ E Bee's Food – R 78 300.00 ➤ Soloms Manuel – R 7 500.00	15/10/19	17/10/19	Resolved
18/10/19	MM9	Section 55(1)(e), Systems Act	Offer of Employment	16/10/19	18/10/19	Resolved

18/10/19	MM122	Section 115(1)(a), MFMA	Invoices; ➤ Telkom – R 301.65 ➤ E 'bee's Food – R 1 280.00	17/10/19	18/10/19	Resolved
18/10/19	MM9	Section 55(1)(e), Systems Act	Employment Contracts	17/10/19	18/10/19	Resolved
23/10/19	211	S115(1) of the MFMA read with S117 Supply Chain Reg	Invoices; ➤ Tjek Aanvraag – R 2 000.00 ➤ Independent Newspaper – R 7 536.23 ➤ Coalition Training – R 12 420.00 ➤ Coalition Training – R 12 420.00 ➤ Media24 – R 8642.25	21/10/19	23/10/19	Resolved
23/10/19	MM122	Section 115(1)(a), MFMA	CSM - R51 620.63	21/10/19	23/10/19	Resolved
23/10/19	MM122	Section 115(1)(a), MFMA	Invoices: ➤ Bidvest Waltons – R172.94 ➤ Western Cape – R3 474.89 ➤ Dynamic Toner – R74.20 ➤ Park Avenue- R678.62	21/10/19	23/10/19	Resolved
23/10/19	MM122	Section 115(1)(a), MFMA	Invoices: ➤ Khusela Solutions – R16 623.25 ➤ Madge Comp. – R150 227.40 ➤ Madge Comp. – R15 731.00 ➤ Infinity Cabling – R18 829.99 ➤ Manella – R552.00 ➤ Sure Travel – R3 775.00 ➤ Graylink – R729.10 ➤ Sure Travel – R6 495.00 ➤ Park Stationers – R593.95	21/10/19	23/10/19	Resolved
24/10/19	MM9	Section 55(1)(e), Systems Act	Addendum to fixed term employment contract	22/10/19	24/10/19	Resolved
24/10/19	MM122	Section 115(1)(a), MFMA	Invoice: Auditor General – R136 364.13	22/10/19	24/10/19	Resolved
25/10/19	MM122	Section 115(1)(a), MFMA	➤ Travel Claim: WESGRO Municipal Workshop, Mossel Bay ➤ Travel Claim: CWDM – LED application launch	24/10/19	25/10/19	Resolved

25/10/19	HR2	Conditions of Service (SALGBC)	Standby pre-approval x7	24/10/19	25/10/19	Resolved
25/10/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Yolanda General Trading – R13 500.00</li> <li>➤ NQ Ngoza Construction – R6 663.00</li> <li>➤ NQ Ngoza Construction – R 12 088.50</li> <li>➤ Man 4 S Trading – R753.00</li> <li>➤ Mi Life Buglar – R11 300.00</li> </ul>	24/10/19	25/10/19	Resolved
25/10/19	MM122	Section 115(1)(a), MFMA	Travel Claim: Government Technology Conference (GovTech 2019)	23/10/19	25/10/19	Resolved
25/10/19	MM9	Section 55(1)(e), Systems Act	Contract of Employment: EPWP	23/10/19	25/10/19	Resolved
28/10/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Boland Badge – R373.25</li> </ul>	25/10/19	28/10/19	Resolved
28/10/19	MM9	Section 55(1)(e), Systems Act	Offer of Employment: Senior Town Planner	25/10/19	28/10/19	Resolved
28/10/19	MM122	Section 115(1)(a), MFMA	Invoice: Andre's Catering- R6 600.00	25/10/19	28/10/19	Resolved
28/10/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Broll – R87 845.62</li> <li>➤ CSM – R51 620.63</li> <li>➤ Octofin – R807 165.03</li> <li>➤ Attacq – R485 740.46</li> <li>➤ Independent Newspaper – R7 536.25</li> <li>➤ Servest – R129 806.25</li> <li>➤ Servest – R5 600.50</li> </ul>	25/10/19	28/10/19	Resolved
29/10/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Diaz Hotel (35570) – R3 980.00</li> <li>➤ Dr GJ Vermeulen (355703) – R4 245.20</li> <li>➤ Memorandum: LGSETA (SDF Forum)</li> <li>➤ Dr GJ Vermeulen – R4 245.20</li> </ul>	28/10/19	29/10/19	Resolved
29/10/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Swartz Bus Service (357534)</li> <li>➤ Keep the dream (357533)</li> </ul>	28/10/19	29/10/19	Resolved

29/10/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Rail hub – R26 523.20</li> <li>➤ Rail hub – R126 432.97</li> <li>➤ Rail hub – R33 779.50</li> </ul>	28/10/19	29/10/19	Resolved
29/10/19	MM122	Section 115(1)(a), MFMA	Invoice: Park Avenue – R1 205.49	28/10/19	29/10/19	Resolved
30/10/19	MM10	Section 55(1)(f)- (h), Systems Act	Incapacity hearing	29/10/19	30/10/19	Resolved
30/10/19	MM24	Section 66(1)(d), Systems Act	Evaluation of job descriptions	29/10/19	30/10/19	Resolved
30/10/19	HR2	Conditions of Service (SALGBC)	Memorandum: SAMWU time-off request	30/10/19	30/10/19	Resolved
31/10/19	MM122	Section 115(1)(a), MFMA	Erg Construction – R11 010.00	30/10/19	31/10/19	Resolved

**DELEGATIONS EXERCISED FOR PERIOD: NOVEMBER 2019**  
**DIRECTORATE: CORPORATE SERVICES**

<b>DATE</b>	<b>Delegation</b>	<b>Category</b>	<b>Report Subject and Recommendations</b>	<b>Date Received</b>	<b>Date Resolved</b>	<b>Resolution and Comments (if any)</b>
01/11/19	MM122	Section 115(1)(a), MFMA	Memorandum: Outstanding payment of Bergzicht Furnishers	30/10/19	01/11/19	Resolved
01/11/19	MM9	Section 55(1)(e), Systems Act	Memorandum: Contract of Employment – Programme Manager		01/11/19	Resolved
01/11/19	HR2	Conditions of Service (SALGBC)	Memorandum: Essential User Scheme	29/10/19	01/11/19	Resolved
01/11/19	HR2	Conditions of Service (SALGBC)	Discretionary Grant Awards 2019/2020	30/10/19	01/11/19	Resolved
01/11/19	HR2	Conditions of Service (SALGBC)	Pre-approvals: Overtime x5 (ICT)	30/10/19	01/11/19	Resolved
04/11/19	MM122	Section 115(1)(a), MFMA	Requisition Book - Invoices ➤ Drakenstein Municipality- R38 110.00 (355704) ➤ Witzenberg Municipality- R1 610.25 (355705)	01/11/19	04/11/19	Resolved
04/11/19	MM122	Section 115(1)(a), MFMA	Invoice: ➤ Independent Newspaper- R7 895.12	04/11/19	04/11/19	Resolved
04/11/19	MM122	Section 115(1)(a), MFMA	Invoice: ➤ CSM – R51 620.63	22/10/19	04/11/19	Resolved
04/11/19	MM122	Section 115(1)(a), MFMA	Invoices: ➤ LJA Construction – R53 785.50 ➤ LJA Construction – R262 982.85	01/11/19	04/11/19	Resolved

04/11/19	MM122	Section 115(1)(a), MFMA	➤ Computer Mania – R267.00	01/11/19	04/11/19	Resolved
04/11/19	MM122	Section 115(1)(a), MFMA	Payment: (Makpula) (period for August 2019 to September 2019)	01/11/19	04/11/19	Resolved
04/11/19	MM122	Section 115(1)(a), MFMA	Contempt of Court: R66 900.00	01/11/19	04/11/19	Resolved
04/11/19	MM9	Section 55(1)(e), Systems Act	Approval and confirmation of offer of employment: ➤ Superintendent: Lines and Cables ➤ Superintendent: Metering and Loss control	24/10/19	04/11/19	Resolved
04/11/19		Legal Services	Memorandum: Eben Klue Attorneys- Cape Perfect Health CC	04/11/19	04/11/19	Resolved
04/11/19	MM9	Section 55(1)(e), Systems Act	Approval of Recruitment and Selection process: ➤ Senior Clerk Recruitment and selection ➤ Senior Electricians	01/11/19	04/11/19	Resolved
04/11/19	MM122	Section 115(1)(a), MFMA	Invoice: Idas Car and Maintenance – R8000.00	01/11/19	04/11/19	Resolved
05/11/19	MM9	Section 55(1)(e), Systems Act	Approval of contract of Employment: x 2 (Planning and Economic Development)	26/10/19	05/11/19	Resolved
05/11/19	MM122	Section 115(1)(a), MFMA	Bergzicht furnishers – R1 294.60	05/11/19	05/11/19	Resolved
06/11/19	MM122	Section 115(1)(a), MFMA	Requisition book (369864) ➤ Approval for payment: Fuel, oil and maintenance ➤ Sasfin – R2 756.99 ➤ Infuno distributors – R166.00	05/11/19	06/11/19	Resolved
06/11/19		Property Management	Proposed deed of Lease with regards to office space, Octofin	-	06/11/19	Resolved
06/11/19	MM122	Section 115(1)(a), MFMA	MBD7 Forms – Webber Wentzel BSM 32/20	07/11/19	06/11/19	Resolved

06/11/19	MM122	Section 115(1)(a), MFMA	Invoices <ul style="list-style-type: none"> <li>➤ Media 24 – R5 903.85</li> <li>➤ Media 24 – R5 903.99</li> <li>➤ Media 24 – R5 903.86</li> <li>➤ Cassie Gerber – R8 290.00</li> <li>➤ Afriwire – R32 648.16</li> </ul>	05/11/19	06/11/19	Resolved
07/11/19	MM9	Section 55(1)(e), Systems Act	Advertisement: Director Planning and Economic Development	01/11/19	07/11/19	Resolved
07/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Matu Construction projects – R110 962.50</li> <li>➤ Windeed – R286.16</li> <li>➤ Masiqhame – R169 575.47</li> <li>➤ Pendo Properties – R9 424.25</li> </ul>	07/11/19	07/11/19	Resolved
07/11/19	MM122	Section 115(1)(a), MFMA	Travelling Claim form	05/11/19	07/11/19	Resolved
07/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Telkom – R301.65 (x2)</li> <li>➤ Telkom – R301.60 (x2)</li> <li>➤ Telkom – R603.25</li> <li>➤ Telkom – R2 812.00</li> <li>➤ Telkom – R301.65</li> <li>➤ Telkom – R301.60</li> <li>➤ Telkom – R5 583.35</li> <li>➤ Telkom – R301.60</li> <li>➤ Telkom – R730.35</li> <li>➤ Telkom – R63 022.45</li> <li>➤ Sure Travel – R1 778.20</li> <li>➤ Liquid Telecom – R12 301.77</li> <li>➤ Liquid Telecom – R79 964.80</li> <li>➤ XON system – R71 389.86</li> <li>➤ Sure Travel – R1 139.00</li> <li>➤ Sure Travel – R2 649.85</li> </ul>	07/11/19	07/11/19	Resolved



11/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ LJA Construction – R143 982.90</li> <li>➤ Vision Elevators – R2 932.50</li> <li>➤ Liso Lokhanyo Holdings (Pty) Ltd – R12 350.00</li> <li>➤ NQ NGOZA Construction and Solutions – R20 914.45</li> </ul>	07/11/19	11/11/19	Resolved
11/11/19	HR2	Conditions of Service (SALGBC)	Time sheets (Registry and auxiliary services)	07/11/19	11/11/19	Resolved
11/11/19	HR2	Conditions of Service (SALGBC)	Time sheets (Council support)	07/11/19	11/11/19	Resolved
11/11/19	MM122	Section 115(1)(a), MFMA	Media 24 – R8 280.00	07/11/19	11/19/19	Resolved
11/11/19	MM10	Section 55(1)(f)-(h), Systems Act	Approval of grievance procedure	06/11/19	11/11/19	Resolved
11/11/19	MM9	Section 55(1)(e), Systems Act	Contract of employment (Infrastructure services)	05/11/19	11/11/19	Resolved
13/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Attacq – R200 546.15</li> <li>➤ Mason – R1 122.40</li> </ul>	12/11/19 13/11/19	13/11/19	Resolved
13/11/19	MM122	Section 115(1)(a), MFMA	Approval of payment Gene Louw Traffic College (order nr 356738) – R14 701.71	08/11/19	13/11/19	Resolved
13/11/19	MM122	Section 115(1)(a), MFMA	Approval of MBD7 Forms- Avail 406 cc t/a CAF Contractors – Comp 9/2018	13/11/19	13/11/19	Resolved
13/11/19	MM122	Section 115(1)(a), MFMA	Invoice: Bidvest Office Pty Ltd – R643.52	13/11/19	13/11/19	Resolved
13/11/19	MM122	Section 115(1)(a), MFMA	Invoice: Telkom – 301.60 (Invoice nr: 911B10000419)	13/11/19	13/11/19	Resolved

13/11/19	HR2	Conditions of Service (SALGBC)	Approval of switching allowance	08/11/19	13/11/19	Resolved
13/11/19		Property Management	Approval of Lease Agreement: Kayamandi Police Station (Erf 62)	08/11/19	13/11/19	Resolved
13/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Massive Quantum (PTY) – R160 641.20</li> <li>➤ Payday software systems (Invoice nr: INA48046) – R7950.00</li> <li>➤ Payday software systems (Invoice nr: INA47887)- R7 590.00</li> <li>➤ Coalition Training (order nr: 356683) – R20 700.00</li> </ul>	07/11/19	13/11/19	Resolved
14/11/19	MM10	Section 55(1)(f)-(h), Systems Act	Approval of Grievance hearing	12/11/19	14/11/19	Resolved
14/11/19	-	Legal and Compliance Services	Certificate i.t.o S118(4)A (MSA) – Pniel Housing Development on subdivision of Erf 274 (Pniel)	12/11/19	14/11/19	Resolved
14/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Liquid Telecom (Invoice nr: 825297) – R89 773.20</li> <li>➤ Liquid Telecom (Invoice nr: 822749) – R12 518.90</li> </ul>	14/11/19	14/11/19	Resolved
14/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ TQ &amp;S Holdings (Order nr:357341) – R 12 955.50</li> <li>➤ NQ Ngoza (Order nr: 357603) – R3 600.00</li> <li>➤ PHK Construction (Order nr: 357422) – R8 500.00</li> <li>➤ PHK Construction (Order nr: 357421) – R8 500.00</li> <li>➤ PHK Construction (Order nr: 357423) – R8 500.00</li> <li>➤ Requisition book: 345955, 345956, 345957</li> </ul>	14/11/19	14/11/19	Resolved
14/11/19	MM122	Section 115(1)(a), MFMA	Requisition book: R760.00 (Hotel Portao, Diaz Accommodation)	14/11/19	14/11/19	Resolved
	MM122	Section 115(1)(a), MFMA	PD Awesome Cuisine (PTY) (order nr: 357799) – R4 000.00	14/11/19	14/11/19	Resolved

15/11/19	MM122	Section 115(1)(a), MFMA	Coalition Training and Skills Development – R14 490.00	08/11/19	15/11/19	Resolved
15/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Rufus Derckson Attorneys – R2 205.07</li> <li>➤ Webber Wentzel – R202 351.70</li> <li>➤ Yvette Cloete and Partners – R26 386.25</li> <li>➤ Webber Wentzel – R154 399.58</li> <li>➤ Webber Wentzel – R441 600.00</li> <li>➤ Webber Wentzel – R27 510.19</li> </ul>	15/11/19	15/11/19	Resolved
18/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Van der Spuy Ingelyf – R6 133.33</li> <li>➤ Webber Wentzel – R70 298.35</li> <li>➤ Van der Spuy Ingelyf – R194 829.25</li> <li>➤ Yvette Cloete Attorneys – R11 039.50</li> </ul>	15/11/19	18/11/19	Resolved
18/11/19	MM122	Section 115(1)(a), MFMA	Invoice: <ul style="list-style-type: none"> <li>➤ Avalon Technology Group – R98 900.00</li> </ul>	18/11/19	18/11/19	Resolved
18/11/19	MM122	Section 115(1)(a), MFMA	Approval of MBD 7 forms (BSM 46/19, Swey Design)	15/11/19	18/11/19	Resolved
19/11/19	MM9	Section 55(1)(e), Systems Act	Approval of Recruitment and selection process: <ol style="list-style-type: none"> <li>1. Senior Town Planner</li> <li>2. Senior Clerk: Labour Relations</li> <li>3. Driver: Water Services</li> </ol>	18/11/19	19/11/19	Resolved
19/11/19	RS1	MSA	Appointment: Driver/ Supervisor – Sports and Facilities	19/11/19	19/11/19	-
19/11/19	MM9	Section 55(1)(e), Systems Act	Confirmation of Offer of Employment: Senior Town Planners x2	18/11/19	19/11/19	
19/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Western Cape Stationers (WCD2267B) – R1 029.18</li> <li>➤ Dynamic Toners – R74.20</li> <li>➤ Bidvest Waltons – R643.17</li> </ul>	12/11/19	19/11/19	Resolved

19/11/19	MM122	Section 115(1)(a), MFMA	Vlottenburg Primary School – R3 240.00	11/11/19	19/11/19	Resolved
19/11/19	MM122	Section 115(1)(a), MFMA	<p>Eskom Invoices:</p> <ul style="list-style-type: none"> <li>➤ 703230972074 – R2 611.85</li> <li>➤ 799092581924 – R6 898.70</li> <li>➤ 799039995573 – R3 570.75</li> </ul> <p>➤ Masiqhame Trading (10752) – R169 575.47</p> <p>➤ MBA Construction (006)</p> <p>Bidvest Execu Flora Invoices (order nr 356499):</p> <ul style="list-style-type: none"> <li>➤ 440392 – R3 790.40 (November 2019)</li> <li>➤ 439341 – R3 790.40 (October 2019)</li> <li>➤ 433236 – R3 790.40 (August 2019)</li> <li>➤ 436293 – R3 790.40 (September 2019)</li> </ul>	12/11/19	19/11/19	Resolved
19/11/19	MM122	Section 115(1)(a), MFMA	<p>Invoices:</p> <ul style="list-style-type: none"> <li>➤ Payday (INA 48253) – R7 590.00</li> <li>➤ Payday (INA 48390) – R7 590.00</li> </ul>	12/11/19	19/11/19	Resolved
20/11/19	MM9	Section 55(1)(e), Systems Act	Fixed term contract: Temp Administrative Support, Office of DCS	18/11/19	20/11/19	Resolved
20/11/19	MM122	Section 115(1)(a), MFMA	<p>Invoices:</p> <ul style="list-style-type: none"> <li>➤ Infuno Distributors – R1 065.50 (357274)</li> <li>➤ Avalon Technology Group – R29 499.43 (356341)</li> </ul>	18/11/19	20/11/19	Resolved
20/11/19	MM10	Section 55(1)(f)-(h), Systems Act	Notification of disciplinary hearing	18/11/19	20/11/19	Resolved
20/11/19	VRP2	Paragraph 6f	<p>Budget virementation – R600 000.00</p> <p>Budget virementation – R900 000.00</p>	18/11/19	20/11/19	Resolved
21/11/19	MM122	Section 115(1)(a), MFMA	<p>Invoices:</p> <ul style="list-style-type: none"> <li>➤ MMPA – R14 116.25 (5977)</li> </ul> <p>➤ Premier Attraction (CLEO 007) R677 130.04</p> <p>➤ Premier Attraction (CLEO 008) R502 456.82</p>	21/11/19	21/11/19	Resolved

21/11/19	HR2	Conditions of Service (SALGBC)	Approval of resignation	11/11/19	21/11/19	Resolved
21/11/19	HR2	Conditions of Service (SALGBC)	Timesheet	21/11/12	21/11/19	Resolved
22/11/19	VRP2	Paragraph 6f	Approval for budget virementation - long service award ceremony	21/11/19	22/11/19	Resolved
22/11/19	MM122	Section 115(1)(a), MFMA	Catering requested for the hand-over of the tendering process training certificates to entrepreneurs (DCS as Acting MM)	22/11/19	22/11/19	Resolved
22/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Attacq (7782) – R281 974.87</li> <li>➤ Eskom – R10 801.50</li> <li>➤ DDP Valuation and Advisory Services – R8 625.00</li> <li>➤ Independent Newspaper (357850) – R8 971.73</li> <li>➤ Media24 (357848) – R10 350.00</li> <li>➤ IKG (355959) – R70 358.31</li> <li>➤ MBA Construction (357189) – R264 362.05</li> </ul>	22/11/19	22/11/19	Resolved
22/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Vodacom (357323) – R753.25</li> <li>➤ Vodacom (355997) – R13 081.97</li> <li>➤ Vodacom (377411) – R96 367.63</li> </ul>	22/11/19	22/11/19	Resolved
22/11/19	MM122	Section 115(1)(a), MFMA	Approval of Travelling claim (candidate to attend interview: Senior Town Planner)	22/11/19	22/11/19	Resolved
22/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Payday – R7 590.00 (July 2019)</li> <li>➤ Payday – R7 590.00 (August 2019)</li> </ul> *Requisition book (R15 180)	22/11/12	22/11/19	Resolved
22/11/19	MM122	Section 115(1)(a), MFMA	Travelling claim (Provincial public participation forum – Mosselbay)	19/11/19	22/11/19	Resolved

22/11/19	MM122	Section 115(1)(a), MFMA	Fatima Nell t/a Cinnamon Caterers – R10 050.00	21/11/19	22/11/19	Resolved
22/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Business Engineering (356930) – R53 332.03 (Sep 2019)</li> <li>➤ Business Engineering (356930) – R53 332.03 (Oct 2019)</li> <li>➤ Dimension data (366787) – R3 881.25</li> </ul>	22/11/19	22/11/19	Resolved
25/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Auditor General (INV337028) – R131 174.08</li> <li>➤ Auditor General (INV337029) – R3 352.37</li> </ul>	22/11/19	25/11/19	Resolved
MM122	Section 115(1)(a), MFMA	MM122	Section 115(1)(a), MFMA	MM122	Section 115(1)(a), MFMA	MM122
26/11/19	MM9	Section 55(1)(e), Systems Act	Approval of appointments: <ul style="list-style-type: none"> <li>➤ Driver/ Supervisor: Sports and Facilities</li> <li>➤ Law enforcement officers x3</li> <li>➤ Driver/ Supervisor (Environmental)</li> </ul>		26/11/19	Resolved
26/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ LJA Construction – R117 642.41</li> <li>➤ AR Projects – R480 000.00</li> </ul>	26/11/1	26/11/19	Resolved
26/11/19	MM122	Section 115(1)(a), MFMA	<ul style="list-style-type: none"> <li>➤ Gourmet Coffee Roasters – R439.30</li> <li>➤ Requisition book: Consumable items</li> </ul>	26/11/19	26/11/19	Resolved
26/11/19	MM122	Section 115(1)(a), MFMA	Requisition book (355707), Payday – (R7 590x10, for the period September 2019 to June 2020)	26/11/19	26/11/19	Resolved
26/11/19	MM9	Section 55(1)(e), Systems Act	Approval of appointment: Operator – Sports and Facilities x3	26/11/19	26/11/19	Resolved
28/11/2019	HR2	Conditions of Service (SALGBC)	<ul style="list-style-type: none"> <li>➤ Memo: Discretionary grant funding award (LGSETA: Progress report)</li> </ul>	27/11/19	28/11/19	Resolved

28/11/19	TR1	Skills Development Act /MSA	➤ Memo: Artisan Training: Northlink College	27/11/19	28/11/19	Resolved
28/11/19	MM122	Section 115(1)(a), MFMA	Requisition book (324543) – Consumable items	27/11/19	28/11/19	Resolved
28/11/19	MM9	Section 55(1)(e), Systems Act	Confirmation of Offer of employment: ➤ Driver (Water Services) ➤ Law Enforcement Officers x3 ➤ Manager – Planning Development ➤ Driver Environmental Management ➤ Driver - Sports and facilities  Approval of advertisements: ➤ Senior Manager: Development Planning x2 ➤ Senior Manager: Development Management	26/11/19	28/11/19	Resolved
28/11/19	MM9	Section 55(1)(e), Systems Act	Approval of fixed term contract (planning and economic development)		28/11/19	Resolved
28/11/19	MM122	Section 115(1)(a), MFMA	Invoices: Bidvest Waltons – R544.43 Park Avenue – R128.11	27/11/19	28/11/19	Resolved
28/11/19	MM122	Section 115(1)(a), MFMA	Invoices: ➤ Rhode Security R19 182.00 ➤ Mahanyela Construction – R21 865.00 ➤ Universal Trading – R5 635.00 ➤ Gourmet Coffee roasters R1 976.85 ➤ Octofin – R678 225.18 ➤ Broll – R82 737.55 ➤ KPI – R37 256.23 ➤ Windded – R244.81	26/11/19	28/11/19	Resolved
28/11/19	HR2	Conditions of Service (SALGBC)	Approval of termination letters – NRM fixed term contracts x 39	27/11/19	28/11/19	Resolved

28/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Graylink (357973) – R603.75</li> <li>➤ Business Engineering (355988) – R93 150.00</li> <li>➤ Vodacom (Invoice nr: B412159208) – R94 309.93</li> </ul>	27/11/19	28/11/19	Resolved
28/11/19	HR2	Conditions of Service (SALGBC)	Approval of Switching Allowance	26/11/19	28/11/19	Resolved
28/11/19	TR1	Skills Development Act /MSA	Approval of Workplace-based learning programme agreement - LGSETA	26/11/19	28/11/19	Resolved
28/11/19	HR2	Conditions of Service (SALGBC)	Approval of encashment of leave	26/11/19	28/11/19	Resolved
28/11/19	VRP2	Paragraph 6f	Approval of budget virementation (Legal services)	26/11/19	28/11/19	Resolved
29/11/19		ICT	Letter: Mime-cast super administrator for Stellenbosch Municipality (ICT Manager)	26/11/19	29/11/19	Resolved
29/11/19	MM122	Section 115(1)(a), MFMA	Invoice: <ul style="list-style-type: none"> <li>➤ Gourmet coffee roasters R878.60</li> </ul>	26/11/19		Resolved
29/11/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Cedume Construction PTY LTD – R17 540.00</li> <li>➤ Pin-Point Leak Detection – R1 100.00</li> <li>➤ Universal Trading – R1 610.00</li> </ul>	26/11/19	29/11/19	Resolved
29/11/19	HR2	Conditions of Service (SALGBC) / HR Policies	Standby pre-approvals	28/11/19	29/11/19	Resolved



**DELEGATIONS EXERCISED FOR PERIOD: DECEMBER 2019**

**DIRECTORATE: CORPORATE SERVICES**

<b>DATE</b>	<b>Delegation</b>	<b>Category</b>	<b>Report Subject and Recommendations</b>	<b>Date Received</b>	<b>Date Resolved</b>	<b>Resolution and Comments (if any)</b>
02/12/19	MM9	Section 55(1)(e), Systems Act	Confirmation of offer of employment: Assistant Superintendent Area Cleaning	02/12/19	02/12/19	Approved
02/12/19	MM9	Section 55(1)(e), Systems Act	Request for compilation of employment contract: Temporary position at stores	02/12/19	02/12/19	Approved
02/12/19	MM9	Section 55(1)(e), Systems Act	Approval of recruitment and selection process: Driver/ Supervisor (Environmental Management)	27/11/19	02/12/19	Approved
03/12/19	MM9	Section 55(1)(e), Systems Act	Approval of advertisements: <ul style="list-style-type: none"> <li>➤ Artisan carpenter: Integrated human settlements</li> <li>➤ Senior clerk pollution control – Water services</li> <li>➤ Sampler – Water and waste water services</li> <li>➤ Process controller class III x2</li> <li>➤ Operator/ Driver – Electricity department</li> <li>➤ Process controller IV x2</li> <li>➤ Housing officer – Housing Administration</li> <li>➤ Foreman – Sport, recreation and halls x2</li> </ul>	03/12/19	03/12/19	Approved
03/12/19	MM122	Section 115(1)(a), MFMA	Invoice: <ul style="list-style-type: none"> <li>➤ Anne's catering services (357554) – R6 600.00</li> </ul>	03/12/19	03/12/19	Approved
04/12/19	Section 55(1)(f)-(h), Systems Act	Manage staff / Maintain staff discipline / Promote sound labour relations	Request for appointment of presiding officer and initiator for Incapacity Hearing x2	27/11/19	04/12/19	Approved
04/12/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ PHK construction (66/2019) – R7 000.00</li> <li>➤ Condume construction – R101 025.00</li> <li>➤ Universal trading (A22556)</li> <li>➤ Universal trading (357621) – R98 946.00</li> </ul>	03/12/19	04/12/19	Approved

			<ul style="list-style-type: none"> <li>➤ Mahanyela construction (257616) – R21 865.00</li> <li>➤ Business Engineering (356930) – R53 332.03</li> </ul>			
04/12/19	MM122	Section 115(1)(a), MFMA	Requisition book (342706)	04/12/19	04/12/19	Approved
04/12/19	MM9	Section 55(1)(e), Systems Act	Approval of Offer of Employment: <ul style="list-style-type: none"> <li>➤ Operator, Sports and facilities x2</li> </ul>	04/12/19	04/12/19	Approved
05/12/19	MM122	Section 115(1)(a), MFMA	Approval of petty-cash, Caltex – R300.00	05/12/19	05/12/19	Approved
05/12/19	MM9	Section 55(1)(e), Systems Act	Confirmation of offer of employment: <ul style="list-style-type: none"> <li>➤ Law enforcement officer</li> <li>➤ Operator (Sports and facilities)</li> <li>➤ Driver/ supervisor (Sports and facilities)</li> <li>➤ Driver/ supervisor (Environmental management)</li> <li>➤ Assistant superintendent: Area cleaning</li> </ul>	04/12/19	05/12/19	Approved
05/12/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Nu law firearms compliance (356295) – R18 445.00</li> <li>➤ Keep the dream (358030) – R2 900.00</li> </ul>	04/12/19	05/12/19	Approved
05/12/19	MM122	Section 115(1)(a), MFMA	<ul style="list-style-type: none"> <li>➤ Contempt of court, November 2019 (direct payment request) – R56 700.00</li> </ul>	04/12/19	05/12/19	Approved
05/12/19	HR2	Conditions of Service (SALGBC)	Timesheets x4	04/12/19	05/12/19	Approved
05/12/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Universal trading (357621) – R92 218.50</li> <li>➤ Rail hub Africa – R38 366.02</li> <li>➤ Inqubela cleaning (357607) – R5 980.00</li> <li>➤ Independent newspaper (357947) – R12 558.00</li> <li>➤ Vision elevators (357048) – R2 932.50</li> <li>➤ SBI properties (357150) – R20 000.00</li> <li>➤ Bidvest execu flora (356499) – 3 790.40</li> <li>➤ John C. Pheiffer (358168) – R44 000.00</li> </ul>	04/12/19	05/12/19	Approved

			<ul style="list-style-type: none"> <li>➤ KI developers – R90 066.03</li> <li>➤ Media 24 (357945) – R15 180.00</li> </ul>			
05/12/19	MM122	Section 115(1)(a), MFMA	Requisition book (345959)	04/12/19	05/12/19	Approved
05/12/19	MM122	Section 115(1)(a), MFMA	MBD 7.2 contract form – Elim Roof-thatchers	04/12/19	05/12/19	Approved
09/12/19	MM60	Section 62(1)(e), MFMA	Approval of outcome: Incapacity hearing	05/12/19	09/12/19	Approved
09/12/19	MM122	Section 115(1)(a), MFMA	<ul style="list-style-type: none"> <li>➤ Requisition book (355708), Drakenstein Municipality with regards to SAMWU contributions – R7 622.00</li> <li>➤ Requisition book (352197 and 352198)</li> </ul>	05/12/19	09/12/19	Approved
09/12/19	MM122	Section 115(1)(a), MFMA	Approval of Travelling claim: SDF forum, Mosselbay (28-29 November)	05/12/19	09/12/19	Approved
09/12/19	HR2	Conditions of Service (SALGBC)	➤ Approval of Medical claim	05/12/19	09/12/19	Approved
09/12/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Media 24 (358160) – R10 038.60</li> <li>➤ Ebee's food delight (00655) – R71 850.00</li> </ul>	05/12/19	09/12/19	Approved
09/12/19	MM122	Section 115(1)(a), MFMA	Memorandum: Payment of LGSETA bursary application	05/12/19	09/12/19	Approved
09/12/19	HR2	Conditions of Service (SALGBC)	Overtime pre-approvals x5	06/12/19	09/12/19	Approved
09/12/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Gene Louw traffic college –</li> <li>➤ Grade F-A EDL course – R14 701.71</li> <li>➤ Grade B EDL course – R1 267.45</li> </ul>	06/12/19	09/12/19	Approved

09/12/19	MM9	Section 55(1)(e), Systems Act	Approval of adverts: <ul style="list-style-type: none"> <li>➤ Assistant superintendent- Halls</li> <li>➤ Chief engineering technician</li> </ul>	09/12/19	09/12/19	Approved
10/12/19	MM122	Section 115(1)(a), MFMA	Invoice: <ul style="list-style-type: none"> <li>➤ Laundry cooperation – R180.00</li> <li>➤ Panda awesome cuisine (358197) – R3 750.00</li> <li>➤ Flowers in the foyer (357954) – R1 300.00</li> <li>➤ Universal trading, credit note, A22556 (357621) – R36 949.50</li> <li>➤ P2M engineering consultations (2019001) – R80 000.00</li> </ul>	06/12/19	10/12/19	Approved
06/12/19	HR2	Conditions of Service (SALGBC)	Timesheets X38	06/12/19	10/12/19	Approved
10/12/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ CHM Vuwani computer solutions (357898)- R54 941.11</li> <li>➤ Gijima Technology (357809) – R131 114.32</li> <li>➤ Liquid telecom (357597) – R86 761.22</li> <li>➤ Liquid telecom (357597) – R13 458.67</li> <li>➤ Telkom – R301.65</li> <li>➤ Telkom – R5 583.35</li> <li>➤ Telkom – R301.60</li> <li>➤ Telkom – R136.18</li> <li>➤ Telkom – R730.35</li> <li>➤ Telkom – R301.65</li> <li>➤ Telkom – R301.60</li> <li>➤ Telkom – R301.60</li> <li>➤ Telkom – R301.60</li> <li>➤ Telkom – R301.65</li> <li>➤ Telkom – R603.25</li> <li>➤ Telkom – R207 473.75</li> <li>➤ Telkom – R2 053.10</li> </ul>	09/12/19	10/12/19	Approved
10/12/19	MM9	Section 55(1)(e), Systems Act	Approval of appointment: <ul style="list-style-type: none"> <li>➤ Manager- Budget and costing</li> <li>➤ Senior clerk- Labour relations</li> <li>➤ Clerk – Recruitment and selection</li> </ul>	09/12/19	10/12/19	Approved

10/12/19	HR2	Conditions of Service (SALGBC)	Timesheets x3	09/12/19	10/12/19	Approved
11/12/19	MM122	Section 115(1)(a), MFMA	<p>Invoices:</p> <ul style="list-style-type: none"> <li>➤ Coalition training and skills and development (314576) – R19 573.00</li> <li>➤ Zenith property consulting (358275) – R18 000.00</li> <li>➤ Servest (357043) – R34 309.10</li> <li>➤ Servest – R5 600.00</li> <li>➤ Servest – R5 600.00</li> <li>➤ Servest – R34 309.10</li> <li>➤ Avalon technology group (356745) – R151 800.00</li> <li>➤ Avalon technology group (357138) – R98900.00</li> <li>➤ Avalon technology group (350001) – R1 995.25</li> <li>➤ Webber Wentzel (1064861) – R254 798.89</li> <li>➤ Webber Wentzel (1065803) – R199 306.50</li> <li>➤ Webber Wentzel (1065808) – R170 357.55</li> <li>➤ Van der Spuy Attorneys (1065797) – R6 5981.25</li> <li>➤ Van der Spuy Attorneys (1065796) – R9 200.00</li> <li>➤ Van der Spuy Attorneys (1065798) – R128 848.00</li> <li>➤ Webber Wentzel (1065809) – R138 903.47</li> </ul>	06/12/19	11/12/19	Approved
13/12/19	VRP2	Paragraph 6f	<p>Invoice:</p> <ul style="list-style-type: none"> <li>➤ Sure travel Stellenbosch – R22 120.00 (interviewees x2)</li> <li>➤ Introstat (358258) – R16 601.67</li> <li>➤ Vision elevators (357048) – R2 519.08</li> <li>➤ Eskom (703893140579) – R8 381.45</li> </ul> <p>Approval of budget virementation: Maintenance to material and supplies – R300 000.00</p>	12/12/19	13/12/19	Approved
13/12/19	MM122	Section 115(1)(a), MFMA	<p>Invoice:</p> <ul style="list-style-type: none"> <li>➤ Eskom – R301.65</li> </ul>	11/12/19	13/12/19	Approved
13/12/19	HR2	Conditions of Service (SALGBC)	Memorandum: Application for Acting allowance	10/12/19	13/12/19	Approved

13/12/19	MM122	Section 115(1)(a), MFMA	Invoice: ➤ Avalon technology group – R151 800.00	10/12/19	13/12/19	Approved
13/12/19	HR2	Conditions of Service (SALGBC)	Approval of termination of contract of employment (council support) x10	11/12/19	13/12/19	Approved
13/12/19	HR2	Conditions of Service (SALGBC)	Notification of early retirement	13/12/19	13/12/19	Approved
13/12/19	MM122	Section 115(1)(a), MFMA	Invoices: ➤ Bidvest waltons (356794) – R150.79 ➤ Bidvest waltons – R523.16 ➤ Liso lokhanyo holdings (PTY) ➤ Helderberg product solutions (357835) _ R2 103.12 ➤ Auditor General (358443) – R46 817.19 ➤ Eikestad Bolt (358167) – R12 590.00 ➤ NQ Nogoza construction (358079) – R28 598.32 ➤ XON systems (355992) – R501 013.34	06/12/19	13/12/19	Approved
13/12/19		Council Support	Lease Agreement: Vlottenburg primary	10/12/19	13/12/19	Approved
13/12/19	MM9	Section 55(1)(e), Systems Act	Letters of Appointment: EPWP x10	11/12/19	13/12/19	Approved
13/12/19	MM9	Section 55(1)(e), Systems Act	Contract of employment: ➤ Temp – Stores and Disposal Management ➤ Library Assistant ➤ Office Assistant	-	13/12/19	Approved
13/12/19	MM9	Section 55(1)(e), Systems Act	Addendum to fixed term contract x2	-	13/12/19	Approved
13/12/19	MM9	Section 55(1)(e), Systems Act	Offer of employment: Manager – Budget and costing	12/12/19	13/12/19	Approved
13/12/19	MM122	Section 115(1)(a), MFMA	Memorandum: Approval of payment to ward committee members (Ward 1-20) – R105 000.00	11/12/19	13/12/19	Approved

17/12/19	MM122	Section 115(1)(a), MFMA	Invoice: <ul style="list-style-type: none"> <li>➤ Avalon technology group – R151 800.00</li> <li>➤ Red landscape architects (1591) – R63 498.40</li> </ul>	12/12/19	17/12/19	Approved
17/12/19	C142	Section 8(1), OHASA	Memorandum: OHS concerns at Stellenbosch Traffic Department	12/12/19	17/12/19	Approved
17/12/19	HR2	Conditions of Service (SALGBC)	Approval of remuneration request: Driver – Water services	13/12/19	17/12/19	Approved
17/12/19	MM122	Section 115(1)(a), MFMA	Requisition book (369867 and 369868)	17/12/19	17/12/19	Approved
17/12/19	MM9	Section 55(1)(e), Systems Act	Addendum to fixed term contract x2	17/12/19	17/12/19	Approved
18/12/19	MM122	Section 115(1)(a), MFMA	Memorandum: Payment of Ward Committee members (Ward 3,4,8,12,17,19,21,22) R 38 150.00	18/12/19	18/12/19	Approved
18/12/19	MM9	Section 55(1)(e), Systems Act	Contract of Employment: <ul style="list-style-type: none"> <li>➤ Clerk/ field worker</li> <li>➤ Clerk – Meter reading</li> </ul>	-	18/12/19	Approved
18/12/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ MJ events (358186) – R1 250.00</li> <li>➤ Vodacom (355997) – R13 081.97</li> <li>➤ Vodacom (357323) – R1 169.69</li> <li>➤ Attacq (7954) – R281 960.27</li> <li>➤ Cassie Gerber (351501) – R8 290.00</li> <li>➤ Transit solutions (clearance request) – R793.50</li> </ul>	17/12/19	18/12/19	Approved
18/12/19	RM1	Section 9(5)(a) & Part 4, Provincial Archives Act, 2005 / CR 10/09/2008	<ul style="list-style-type: none"> <li>➤ Transfer of records: Central (number T/2019), Western Cape Archives and Records services</li> <li>➤ Destruction of records: Central records (Pniel, number D2/2020)</li> <li>➤ Destruction of records: Central (destruction certificate number D3/2019)</li> </ul>	17/12/19	18/12/19	Approved

			<ul style="list-style-type: none"> <li>➤ Destruction of records: Financial services (Town Hall number D3/2020)</li> <li>➤ Current file classification system - approved amendments and additions (replacement pages No1/2019)</li> <li>➤ Amendment and additions No 1/2020</li> </ul>			
18/12/19		Municipal Court	Memorandum of Understanding between Stellenbosch Municipality and Department of Justice and Constitutional Development: Western Cape	12/12/19	18/12/19	Approved
19/12/19	RS1	MSA	Approval of appointment Clerk: Rates and Taxes	18/12/19	19/12/19	Approved
19/12/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Broll (2372) – R101 148.62</li> <li>➤ Octofin (104558) – R728 102.02</li> <li>➤ Eqtech Africa (PST109/19) – R96 151.10</li> </ul>	18/12/19	19/12/19	Approved
19/12/19	HR2	Conditions of Service (SALGBC)	Memorandum: Application for special leave	29/11/19	19/12/19	Approved
19/12/19	-	Human Resources	Memorandum: IMATU parking dispute conciliation	18/12/19	19/12/19	Approved
19/12/19	MM122	Section 115(1)(a), MFMA	Requisition book (352196)	19/12/19	19/12/19	Approved
19/12/19	MM10	Section 55(1)(f)-(h), Systems Act	Grievance: Unfair labour practice	12/12/19	19/12/19	Approved
20/12/19	MM122	Section 115(1)(a), MFMA	Petty cash – R1 850.00	19/12/19	20/12/19	Approved
20/12/19	MM9	Section 55(1)(e), Systems Act	Confirmation of offer of employment: <ul style="list-style-type: none"> <li>➤ Operator - Sport and facilities</li> </ul>	19/12/19	20/12/19	Approved
20/12/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Madge Computers (358259) – R4 416.88</li> <li>➤ Independent newspaper (358251)- R7 536.25</li> <li>➤ Eskom (799912264532) – R7 242.35</li> </ul>	20/12/19	20/12/19	Approved



20/12/19	MM9	Section 55(1)(e), Systems Act	<ul style="list-style-type: none"> <li>➤ Contract of employment x2</li> <li>➤ Addendums to fixed term contracts x8</li> </ul>	-	20/12/19	Approved
23/12/19	HR2	Conditions of Service (SALGBC)	Memorandum: Counselling services for personnel x2	-	23/12/19	Approved
23/12/19	MM9	Section 55(1)(e), Systems Act	Memorandum: Appointment of electrical assistants x2	20/12/19	23/12/19	Approved
23/12/19	MM9	Section 55(1)(e), Systems Act	Offer of employment: <ul style="list-style-type: none"> <li>➤ Senior Clerk: Labour relations</li> <li>➤ Clerk: Recruitment and selection</li> </ul>	19/12/19	23/12/19	Approved
23/12/19	MM9	Section 55(1)(e), Systems Act	Contract of employment x2	-	23/12/19	Approved
23/12/19	MM122	Section 115(1)(a), MFMA	Memorandum: Payment of ward committee members (ward 19) – R2 100.00	23/12/19	23/12/19	Approved
23/12/19	HR2	Conditions of Service (SALGBC)	Approval: Termination of contract x1 (council support)	23/12/19	23/12/19	Approved
23/12/19	MM122	Section 115(1)(a), MFMA	Invoices: <ul style="list-style-type: none"> <li>➤ Premier attraction (356634) – R903 454.26 (CLEO 009)</li> <li>➤ MMPA (5991) – R73 217.05</li> </ul>	02/12/19	23/12/19	Approved
24/12/19	MM9	Section 55(1)(e), Systems Act	Confirmation of offer of employment: <ul style="list-style-type: none"> <li>➤ Clerk: Rates and taxes</li> <li>➤ Senior Clerk: Labour relations</li> <li>➤ Driver: Water services</li> </ul> Approval of appointment: <ul style="list-style-type: none"> <li>➤ Senior Manager: Development Management</li> <li>➤ Senior Manager: Development Planning</li> </ul> Revised offer of employment <ul style="list-style-type: none"> <li>➤ Manager: Budget and costing</li> </ul>	24/12/19	24/12/12	Approved
24/12/19	HR2	Conditions of Service (SALGBC)	Memorandum: Application for special leave	24/12/19	24/12/19	Approved

31/12/19	HR2	Conditions of Service (SALGBC)	Standby pre-approvals	24/12/19	31/12/19	Approved
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**DELEGATIONS EXERCISED FOR PERIOD: OCTOBER 2019**  
**DIRECTORATE: PLANNING AND ECONOMIC DEVELOPMENT**

Date	Delegation	Authorised official	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
<b>LETTER APPROVAL</b>							
	LUP1	Director: PED	Sections 14, 16, 18 of LUPO	To consider applications in terms of section 15 (2) (b) of the Land Use Planning By-Law, October 2015 for a building line relaxation on a street boundary and/ or a common boundary on the following properties:			
01/10/2019				Application for Departure, Farm 1528	01/10/2019	01/10/2019	Approved
01/10/2019				Application for Departure, Erf 12041	01/10/2019	01/10/2019	Approved
01/10/2019				Application for Departure, Erf 8295	01/10/2019	01/10/2019	Approved
01/10/2019				Application for Departure, Erf 9626	01/10/2019	01/10/2019	Approved
01/10/2019				Application for Departure, Erf 9741	01/10/2019	01/10/2019	Approved
01/10/2019				Application for Departure, Erf 254	01/10/2019	01/10/2019	Approved
01/10/2019				Application for Departure, Erf 2211	01/10/2019	01/10/2019	Approved
01/10/2019				Application for Rezoning, Farm 167/1	01/10/2019	01/10/2019	Approved
10/10/2019				Application for Departure, Erf 1004	10/10/2019	10/10/2019	Approved

10/10/2019				Application for Consent, Erf 5500	10/10/2019	10/10/2019	Approved
10/10/2019				Application for Consent, Erf 1037	10/10/2019	10/10/2019	Approved
10/10/2019				Application for Consent, Erf 140	10/10/2019	10/10/2019	Approved
10/10/2019				Application for Departure, Erf 15430	10/10/2019	10/10/2019	Approved
10/10/2019				Application for Consent, Erf 221	10/10/2019	10/10/2019	Approved
10/10/2019				Application for Amendmend, Erf 1632	10/10/2019	10/10/2019	Approved
10/10/2019				Application for Departure, Erf 14559	10/10/2019	10/10/2019	Approved
11/10/2019				Application for Amendmend, Erf 17274	11/10/2019	11/10/2019	Approved
22/10/2019				Exemption Certificate, Farm 682	22/10/2019	22/10/2019	Approved
22/10/2019				Application for Special Dev. & Departure, Erf 8963	22/10/2019	22/10/2019	Approved
08/10/2019	MM122	Director: PED	Section 115(1)(a), MFMA	Invoice: <ul style="list-style-type: none"> <li>• Media 24 – Eikestad Nuus (Informal Trading)</li> <li>• Media 24 (356695)</li> <li>• Bergzicht</li> <li>• Azorra Technologies</li> <li>• Group Afrique Consulting &amp; Projects</li> <li>• Cleaning of Franschoek Informal Trading</li> <li>• Head Nylon Marunyama</li> <li>• Linamandla Enterprise</li> <li>• Media 24 – Die Burger Wes</li> </ul>	08/10/2019	08/10/2019	Approved
01/10/2019		Director: PED	HR	Termination of Contracts	01/10/2019	01/10/2019	Approved
01/10/2019	108	Director: PED	S67 MFMA	Travel Form: <ul style="list-style-type: none"> <li>• Spatial planning</li> <li>• Land use Management</li> <li>• Housing Development</li> </ul>	11/10/2019	11/10/2019	Approved

10/10/2019		Director: PED	HR	Motivation to have Essential User – Land use Management	10/10/2019	10/10/2019	Supported
20/09/2019	645	Director: PED	HR	Overtime Approval + Standby – October & November 2019 <ul style="list-style-type: none"> <li>Informal Human Settlement</li> </ul>	08/10/2019	08/10/2019	Approved
08/10/2019	645	Director: PED	HR	Overtime Pre approval – October 2019 <ul style="list-style-type: none"> <li>Housing Administration</li> </ul>	08/10/2019	08/10/2019	Approved
08/10/2019	645	Director: PED	HR	Overtime Time off – October 2019 <ul style="list-style-type: none"> <li>Housing Administration</li> </ul>	08/10/2019	08/10/2019	Approved
08/10/2019	645	Director: PED	HR	Overtime Pre approval – October 2019 <ul style="list-style-type: none"> <li>Informal settlement</li> </ul>	08/10/2019	08/10/2019	Approved
01/10/2019	HO1	Director: PED	Housing Act, 1997	Power of Attorney & 1 Contract	01/10/2019	01/10/2019	Supported
01/10/2019		Director: PED	LED	Item: Merging co-operation between Dwarsriver Tourism & Franschoek Wine Valley Tourism	01/10/2019	01/10/2019	Supported
01/10/2019		Director: PED	HA	Capacity Building Clerk – Progress Report May – Jul 2019	01/10/2019	02/10/2019	Approved
01/10/2019	5	Director: PED	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	Extension of Existing EPWP Contracts: Administrator – Parks Stellenbosch	01/10/2019	01/10/2019	Approved
08/10/2019		Director: PED	Legal	4x Power of Attorney	08/10/2019	08/10/2019	Supported
08/10/2019		Director: PED	HA	Time Sheet: Housing Administration – Sept/Oct 2019	08/10/2019	10/10/2019	Approved
08/10/2019		Director: PED	Housing Act, 1997	8x Contracts: Deeds of Sale	10/10/2019	10/10/2019	Supported

10/10/2019		Director: PED	LED	EPWP Contracts Submission	10/10/2019	10/10/2019	Approved
10/10/2019	5	Director: PED	Various legal provisions and the Law of Contract and Basic Common Law Principles and S59(1) of MSA	Letter of Appointment: EPWP Fixed Contract: Mountain Bike Guide	10/10/2019	10/10/2019	Approved
10/10/2019	MFM01	Director: PED	Section 118 MFMA	3x Rates Clearance Certificate	10/10/2019	10/10/2019	Supported
10/10/2019		Director: PED	LED	Business Writing Report Course – LED	10/10/2019	10/10/2019	Approved
10/10/2019	HO1	Director: PED	Housing Act, 1997	1x Purchase Contract 3x Power of Attorney	10/10/2019	10/10/2019	Supported
16/10/2019	MM122	Director: PED	Section 115(1)(a), MFMA	Tender: BSM 105/19	16/10/2019	18/10/2019	Approved
16/10/2019	HR2	Director: PED	Conditions of Service (SALGBC)	Addendum Contract: Land Use Management Addendum Contract: Land use Management	16/10/2019	18/10/2019	Supported
22/10/2019	RS1	Director: PED	MSA	Contract Appointment of a Programme Mangers	22/10/2019	22/10/2019	Supported
29/10/2019	MM122	Director: PED	Section 115(1)(a), MFMA	FQ: Ground repairs & maintenance service – Kayamandi	29/10/2019	29/10/2019	Approved
30/10/2019	MM13	Director: PED	Section 55(1)(k), Systems Act	Item: Groendal (Franschhoek) Informal Trading Site: Increase of Project Cost	30/10/2019	30/10/2019	Supported

**DELEGATIONS EXERCISED FOR PERIOD: NOVEMBER 2019**  
**DIRECTORATE: PLANNING AND ECONOMIC DEVELOPMENT**

Date	Delegation	Authorised official	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
<b>LETTER APPROVAL</b>							
	LUP1	Director: PED	Sections 14, 16, 18 of LUPO	To consider applications in terms of section 15 (2) (b) of the Land Use Planning By-Law, October 2015 for a building line relaxation on a street boundary and/ or a common boundary on the following properties:			
13/11/2019				Application for Departure, Erf 676	13/11/2019	13/11/2019	Approved
13/11/2019				Compliance Notice Served on Farm, 75/2; Farm 387/10; Erf 3383, 3385 & 3386; Erf 215	13/11/2019	13/11/2019	Approved
13/11/2019				Application for Consent Use, Farm 65/30	13/11/2019	13/11/2019	Approved
13/11/2019				Application for Consent Use, Erf 172	13/11/2019	13/11/2019	Approved
13/11/2019				Application for Departure, Erf 16003	13/11/2019	13/11/2019	Approved
13/11/2019				Application No. LU/7898, Farm 393/11	13/11/2019	13/11/2019	Approved
22/11/2019				Application for Departure, Erf 11376	22/11/2019	22/11/2019	Approved

22/11/2019				Application for Departure, Erf 141	22/11/2019	22/11/2019	Approved
22/11/2019				Land Use Compliance Notice, Farm 749	22/11/2019	22/11/2019	Approved
28/11/2019				Exemption Certificate, Farm 220	28/11/2019	28/11/2019	Approved
28/11/2019				Application for Rezoning, Farm 85 & Erf 14425	28/11/2019	28/11/2019	Approved
01/11/2019	MM122	Director: PED	Section 115(1)(a), MFMA	Invoice: <ul style="list-style-type: none"> <li>• Sosebenza (SL-025)</li> <li>• Media 24 (357687) (357695) (356694)</li> <li>• Signage Boards as per specs (357403)</li> <li>• Installation of water points (357401)</li> <li>• 8x Rim night latch 20x lever locks</li> <li>• Key cut – lever ¾ butler lock x2</li> <li>• Key cut – lever ¾ butler lock x6</li> <li>• Siyazama &amp; Sons Maintenance</li> <li>• Sure travel (D00029)</li> <li>• Finecut Solutions (KLP005)</li> <li>• Prima J Constructions Works</li> <li>• Memotek Trading</li> <li>• Boland Promotions</li> </ul>	01/11/2019	01/11/2019	Approved
13/11/2019	HR2	Director: PED	Conditions of Service (SALGBC)	Termination of Contracts	13/11/2019	13/11/2019	Approved
07/11/2019	HR2	Director: PED	Conditions of Service (SALGBC)	Travel Form: <ul style="list-style-type: none"> <li>• Travel Cost – MPT Members <ul style="list-style-type: none"> <li>- Housing Administration</li> <li>- Local Economic Development</li> </ul> </li> </ul>	05/11/2019	07/11/2019	Approved
08/11/2019	HR2	Director: PED	Conditions of Service (SALGBC)	Motivation to have Essential User – Collin	08/11/2019	08/11/2019	Approved
07/11/2019	HR2	Director: PED	Conditions of Service (SALGBC)	Overtime Approval + Standby – Dec 2019 & Jan2020 <ul style="list-style-type: none"> <li>• Informal Human Settlements</li> </ul>	07/11/2019	07/11/2019	Approved



01/11/2019	HR2	Director: PED	Conditions of Service (SALGBC)	Overtime Pre-approval – November 2019 <ul style="list-style-type: none"> <li>Informal Human Settlements</li> </ul>	01/11/2019	04/11/2019	Approved
19/10/2019	MM13	Director: PED	Section 55(1)(k), Systems Act	Item: Feedback on the public participation on an appropriate process for the outsourcing & management of Kayamandi Economic & Tourism Corridor	19/10/2019	19/10/2019	Supported
07/11/2019		Director: PED	BDM	ICT Forms <ul style="list-style-type: none"> <li>Building Development</li> </ul>	07/11/2019	07/11/2019	Approved
07/11/2019		Director: PED	Legal	Indemnity: Mc Clusky Attorneys & Conveyancers	05/10/2019	07/10/2019	Supported
07/11/2019	MM122	Director: PED	Section 115(1)(a), MFMA	Requisition 18 – 22 Nov 2019 – Laerskool Bruckner de Villiers	07/11/2019	07/11/2019	Approved
11/11/2019	HR2	Director: PED	Conditions of Service (SALGBC)	Grievance: Land Use Management	08/10/2019	11/11/2019	Signed
13/11/2019	MM122	Director: PED	Section 115(1)(a), MFMA	Catering request for District Forum Meeting	13/11/2019	13/11/2019	Supported
21/11/2019	MM122	Director: PED	Section 115(1)(a), MFMA	Catering request for the hand over tendering process trading certificates to entrepreneurs	21/11/2019	21/11/2019	Supported
28/11/2019	MFM01	Director: PED	Section 118 MFMA	1x Rates Clearance	21/11/2019	21/11/2019	Supported
28/10/2019	HR2	Director: PED	Conditions of Service (SALGBC)	Contracts for Field workers	27/10/2019	28/10/2019	Approved

**DELEGATIONS EXERCISED FOR PERIOD: OCTOBER 2019**  
**DIRECTORATE: COMMUNITY AND PROTECTION SERVICES**

<b>DATE</b>	<b>Delegation</b>	<b>Category</b>	<b>Report Subject and Recommendations</b>	<b>Date Received</b>	<b>Date Resolved</b>	<b>Resolution and Comments (if any)</b>
30/09/2019	645	Basic Conditions of Service	Memo: Approval of overtime and standby: Parks Stellenbosch (October 2019)	30/09/2019	01/10/2019	Approved
30/09/2019	645	Basic Conditions of Service	Memo: Pre-approval of standby duties – Traffic Services (October 2019)	30/09/2019	01/10/2019	Approved
30/09/2019	643 (g)	S67 of MSA	Acting allowance: (1-30 September 2019)	30/09/2019	01/10/2019	Approved
30/09/2019	645	Basic Conditions of Service	Memo: Overtime Pre-approvals – Ornamental Horticulture (October 2019)	30/09/2019	01/10/2019	Approved
30/09/2019	645	Basic Conditions of Service	Memo: Overtime Pre-approvals – Nature Conservation (October 2019)	30/09/2019	01/10/2019	Approved
30/09/2019	645	Basic Conditions of Service	Memo: Overtime Pre-approvals – Urban Forestry (October 2019)	30/09/2019	01/10/2019	Approved
30/09/2019	645	Basic Conditions of Service	Memo: Overtime Pre-approvals – Senior Manager: Community Services (October 2019)	30/09/2019	01/10/2019	Approved
30/09/2019	645	Basic Conditions of Service	Memo: Overtime Pre-approvals – Workshop (October 2019)	30/09/2019	01/10/2019	Approved

30/09/2019	645	Basic Conditions of Service	Memo: Overtime Pre-approvals – Environmental Management (October 2019)	30/09/2019	01/10/2019	Approved
30/09/2019	645	Basic Conditions of Service	Memo: Overtime Pre-approvals – Parks Franschhoek (October 2019)	01/10/2019	01/10/2019	Approved
30/09/2019	643	HR	Letter: Notice of termination: Tender B/SM 87/18: Security services within WC024	01/10/2019	01/10/2019	Approved
30/09/2019	645	Basic Conditions of Service	Overtime Pre-approval & Leave in lieu: Community Development (October 2019)	01/10/2019	01/10/2019	Approved
01/10/2019	643	Basic Conditions of Service	Leave in lieu in overtime: Community Development (October)	01/10/2019	01/10/2019	Approved
01/10/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 18: Womens Event – Hydroponic demo (Consumables: Standard Rated)	01/10/2019	01/10/2019	Supported
01/10/2019	139 S69 and 70 of MFMA	Finance	Veriment: Ward 18: Womens Event – Hydroponic demo (Consumables: Standard Rated) – R20 000	03/10/2019	03/10/2019	Supported
01/10/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 18: Senior Citizens Program (Consumables: Standard Rated)	03/10/2019	03/10/2019	Supported
01/10/2019	139 S69 and 70 of MFMA	Finance	Veriment: Ward 18: Senior Citizens Program (Consumables: Standard Rated) – R10 000	03/10/2019	03/10/2019	Supported
01/10/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 18: Senior Citizens Program (Stage and Sound)	03/10/2019	03/10/2019	Supported
01/10/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 18: Senior Citizens Program (Stage and Sound) – R10 000	03/10/2019	03/10/2019	Supported
		S67 of MSA				

03/10/2019	643 (g)		Acting allowance (1-30 September 2019)	03/10/2019	03/10/2019	Approved
01/10/2019	643	Basic Conditions of Service	Memo: Pre-approval of Standby and Overtime (October)	01/10/2019	01/10/2019	Approved
03/10/2019	179	S65(1)of MFMA	Hall Deposit refunds: T Juries, P Adonis, A Jefthas, K Smit, A Manuel, E Solomons	03/10/2019	03/10/2019	Approved
03/10/2019	179	S65(1)of MFMA	Hall Deposit refunds: S Adonis, Christ Peacefull Heart Ministries, P Parks, C Kammies	03/10/2019	03/10/2019	Approved
03/10/2019	643 (g)	S67 of MSA	Acting Allowance: (23 Sept – 6 Oct)	03/10/2019	03/10/2019	Approved
03/10/2019	643 (g)	S67 of MSA	Acting Allowance: (1-22 September)	03/10/2019	03/10/2019	Approved
03/10/2019	643 (g)	S67 of MSA	Acting Allowance: (1-30 September)	03/10/2019	03/10/2019	Approved
03/10/2019	643	Basic Conditions of Service	Memo: Approval of overtime and standby – Halls (October 2019)	03/10/2019	03/10/2019	Approved
07/10/2019	SCM	SCM	Questionnaire: JOJO tanks 1000l vertical tank in green or brown	07/10/2019	07/10/2019	Approved
26/08/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 11: Neighbourhood watch (Uniforms and Protective Clothing)	07/10/2019	07/10/2019	Supported
26/08/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 16: Neighbourhood Watch (Uniforms and Protection Clothing)	07/10/2019	07/10/2019	Supported
26/08/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 17: Neighbourhood Watch (Uniforms and Protective Clothing)	07/10/2019	07/10/2019	Supported
26/08/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 19: Neighbourhood Watch (Uniforms and Protective Clothing)	07/10/2019	07/10/2019	Supported
	139					

26/08/2019	S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 1: Neighbourhood Watch (Uniforms and Protective Clothing)	07/10/2019	07/10/2019	Supported
26/08/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 5: Neighbourhod Watch (Uniforms and Protective Clothing)	07/10/2019	07/10/2019	Supported
26/08/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 6: Uniforms and Protective Clothing	07/10/2019	07/10/2019	Supported
07/10/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Ward 16: Senior Citizens Program	07/10/2019	07/10/2019	Supported
31/08/2019	643	Basic Conditions of Service	Memo: Approval of overtime and standby – Parks Stellenbosch (September 2019)	07/10/2019	08/10/2019	Approved
07/10/2019	643	HR	Memorandum of Agreement: Community and Protection Services	07/10/2019	08/10/2019	Approved
07/10/2019		Finance	Memo: Grant in Aid payment: Stellenbosch Night Shelter September 2019	07/10/2019	08/10/2019	Approved
08/10/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey + Veriment: Consumables Zero Rated (R20 000)	08/10/2019	08/10/2019	Supported
08/10/2019	643	HR	Memorandum of Agreement: V Lerabe (Qombo)	08/10/2019	08/10/2019	Approved
08/10/2019		SCM	Memorandum: Supply and installation of artificial grass with or without edging in the Greater Stellenbosch until 30 June 2019)	08/10/2019	08/10/2019	Approved
08/10/2019		SCM	MDB 7.2 Contract Form – EAS Infrastructure Engineers x2	08/10/2019	09/10/2019	Approved
08/10/2019		SSM Reg	Memo: Request for catering: Ida's Valley 60 <sup>th</sup> Birthday Celebration	08/10/2019	09/10/2019	Approved
08/10/2019	646	HR	Training: Diggerloader	08/10/2019	09/10/2019	Approved
		S65(1)of MFMA				

09/10/2019	179		Hall deposit refunds: Bloehof High School, Dae Young Hong, Janine White, Elvida Boonzaaier	09/10/2019	09/10/2019	Approved
09/10/2019		Finance	Tax invoices: Media 24 (R6 210.00, R8 280.00)	09/10/2019	09/10/2019	Approved
10/10/2019		Finance	Memo: Refund payment for the use of public open space (Die Braak) – L Loubser	11/10/2019	11/10/2019	Approved
11/10/2019		Finance	Memo: Refund payment for the use of Paradyskloof Clubhouse facility – R Africa	11/10/2019	11/10/2019	Approved
12/09/2019		Finance	Tax invoice: Media 24 (R8 856.00)	11/10/2019	11/10/2019	Approved
13/10/2019	645	Basic Conditions of Service	Standby: Senior Manager Protection Services	11/10/2019	11/10/2019	Approved
10/09/2019		Finance	Tax invoice: Cinnamon Caterers (R3 400.00)	11/10/2019	11/10/2019	Approved
09/10/2019	MM122	Section 115(1)(a), MFMA	Tax invoice: Knights Catering Services (R16 502.50)	11/10/2019	11/10/2019	Approved
15/10/2019		Finance	Grant in aid payment (R941 000) – Animal Welfare Society	16/10/2019	16/10/2019	Approved
15/10/2019		Finance	Grant in aid payment (R172 000) – SPCA Franschoek	16/10/2019	16/10/2019	Approved
15/10/2019		Finance	PrDP Refund – ZS Goeieman	16/10/2019	16/10/2019	Approved
15/10/2019	179	S65(1)of MFMA	Hall Deposit refunds: J le Roux, H Edom, J Moos, B Madlebe	16/10/2019	16/10/2019	Approved
15/10/2019	645	Basic Conditions of Service	Memo: Standby Motivation – Fire and Disaster (November 2019)	16/10/2019	16/10/2019	Approved

16/10/2019	645	Basic Conditions of Service	Memo: Standby Law Enforcement (Langenhoven & Thorpe)	16/10/2019	16/10/2019	Approved
16/10/2019	139 S69 and 70 of MFMA	Finance	Veriment: Purchase of specialised equipment (R25 000)	16/10/2019	16/10/2019	Approved
16/10/2019	648(a)	By-law and Policy	Cell phone application forms	16/10/2019	16/10/2019	Approved
18/10/2019	643	HR	Appointment Certificates: Servicing of summonses –	21/10/2019	21/10/2019	Approved
22/10/2019		Finance	S & T: Community Development (National Golden Games – Eastern Cape)	23/10/2019	23/10/2019	Approved
18/10/2019	139 S69 and 70 of MFMA	Finance	Creation of Ukey: Rehabilitation and Beautification of Vleiland at Huis Horison – Ward 11	23/10/2019	23/10/2019	Approved
18/10/2019	139 S69 and 70 of MFMA	Finance	Veriment: Rehabilitation and Beautification of Vleiland at Huis Horison – Ward 11 (R40 000)	23/10/2019	23/10/2019	Approved
18/10/2019	139 S69 and 70 of MFMA	Finance	Veriment: Maintenance of Buildings and Facilities (R300 000)	23/10/2019	23/10/2019	Approved
22/10/2019		SCM	MBD 7.2 – Contract Form: Kentey & Templer (x2)	23/10/2019	23/10/2019	Approved
22/10/2019	MM13	Section 55(1)(k), Systems Act	Item + Route Form: Monthly Report – Traffic Services (September 2019)	23/10/2019	23/10/2019	Approved
23/10/2019	C146	Section 12 FBSA	MOU: The South African Social Security Agency	23/10/2019	23/10/2019	Approved
22/10/2019	HR2	Conditions of Service (SALGBC)	Memo: Request for back-pay of overtime sheets for July and August Environmental Services	23/10/2019	23/10/2019	Approved
			Hall Deposit Refund: E Adams, C Segers, Jamestown Golf Club, Evangelie Boedskappers, J Cijster, F Elias,			

23/10/2019			F Newman	23/10/2019	23/10/2019	Approved
23/10/2019	MM82	Section 65(2)(d), MFMA	Tax invoice: Green Outdoor Gyms (R187 793.85, R40 9985.20, R119 038.80, R50 747.20)	23/10/2019	23/10/2019	Approved
23/10/2019			Tjek aanvraag: Licence fees for period 14/10 – 20/10 (R606 850.04)	23/10/2019	23/10/2019	Approved
24/10/2019	MM122	Section 115(1)(a), MFMA	MDB 7.2 Contract Form – PE Streicher T/A Auto Door	24/10/2019	24/10/2019	Approved
24/10/2019	AD3	General	Approval of advertised: Driver/Supervisor, Handyman, Forepersons	24/10/2019	24/10/2019	Approved
28/10/2019	AD3	General	Approval of advertisement: General Workerx2 (Parks and Cemeteries)	28/10/2019	28/10/2019	Approved
16/10/2019			Letter: Application for the use of council property: Ida's Valley Plantations (Initiation)	28/10/2019	28/10/2019	Approved
28/10/2019	MM122	Section 115(1)(a), MFMA	Questionnaire: Specifications for horticultural maintenance of various parks throughout Stellenbosch	28/10/2019	28/10/2019	Approved
22/10/2019	HR2	Conditions of Service (SALGBC)	Memo: Approval of overtime and standby – Cemeteries (November 2019)	28/10/2019	28/10/2019	Approved
28/10/2019	HR2	Conditions of Service (SALGBC)	Letter: Use Agreement: Sport Field at Luckhoff Secondary School	28/10/2019	28/10/2019	Approved
24/10/2019	MM122	Section 115(1)(a), MFMA	Creation of Ukey: Ward 16: Senior citizens wellness event (Catering)	28/10/2019	28/10/2019	Supported
24/10/2019	VRP2	Paragraph 6f	Veriment: Ward 16: Senior citizens wellness event (R30 000)	28/10/2019	28/10/2019	Supported
	VRP2	Paragraph 6f				



24/10/2019			Creation of Ukey: Ward 16 Senior citizens wellness event (Transport)	28/10/2019	28/10/2019	Supported
24/10/2019	VRP2	Paragraph 6f	Veriment: Ward 16 Senior citizens wellness event (R5 000)	28/10/2019	28/10/2019	Supported
24/10/2019	VRP2	Paragraph 6f	Creation of Ukey: Ward 16 Senior citizens wellness event (Stage and sound)	28/10/2019	28/10/2019	Supported
24/10/2019	VRP2	Paragraph 6f	Veriment: Ward 16 Senior citizens wellness event (R5 000)	28/10/2019	28/10/2019	Supported
24/10/2019	VRP2	Paragraph 6f	Creation of Ukey: Ward 5 Childrens Event (Transport)	28/10/2019	28/10/2019	Supported
24/10/2019	VRP2	Paragraph 6f	Veriment: Ward 5 Childrens Event (R5 000)	28/10/2019	28/10/2019	Supported
28/10/2019	VRP2	Paragraph 6f	Creation of Ukey: Ward 5 Childrens Event (Consumables standard rated)	28/10/2019	28/10/2019	Supported
28/10/2019	VRP2	Paragraph 6f	Veriment: Ward 5 Childrens Event (R7 644)	28/10/2019	28/10/2019	Supported
28/10/2019	VRP2	Paragraph 6f	Creation of Ukey: Ward 5 Elderly Event (Transport)	28/10/2019	28/10/2019	Supported
28/10/2019	VRP2	Paragraph 6f	Veriment: Ward 5 Elderly Event (R8 000)	28/10/2019	28/10/2019	Supported
28/10/2019	VRP2	Paragraph 6f	Creation of Ukey: Ward 5: Elderly Event (Consumables standard rated)	28/10/2019	28/10/2019	Supported
28/10/2019	VRP2	Paragraph 6f	Creation of Ukey: Ward 5: Elderly Event (R32 000)	28/10/2019	28/10/2019	Supported
28/10/2019	MM122	Section 115(1)(a), MFMA	Tax Invoices: Apex	28/10/2019	28/10/2019	Approved

26/10/2019	HR2	Conditions of Service (SALGBC)	Memo: Approval of overtime and standby – Sport and Facilities (November 2019)	28/10/2019	28/10/2019	Approved
24/10/2019	HR2	Conditions of Service (SALGBC)	Memo: Approval of overtime and standby – Halls (November 2019)	28/10/2019	28/10/2019	Approved
28/10/2019	HR2	Conditions of Service (SALGBC)	Memo: Shortlisting motivation: Community and Protection Services	28/10/2019	28/10/2019	Approved
28/10/2019	MM122	Section 115(1)(a), MFMA	Tax invoice: Eureka	28/10/2019	28/10/2019	Approved
28/10/2019	MM122	Section 115(1)(a), MFMA	Memo: Approval of catering for staff event (Comm Dev)	28/10/2019	28/10/2019	Approved
28/10/2019	VRP2	Paragraph 6f	Creation of Ukey: Annual Stellenbosch Festival of Lights (Events/Festival)	29/10/2019	29/10/2019	Approved
28/10/2019	VRP2	Paragraph 6f	Creation of Ukey: Annual Stellenbosch Festival of Lights (Transport)	29/10/2019	29/10/2019	Approved
29/10/2019	MM122	Section 115(1)(a), MFMA	Tax invoice: Green Outdoor Gyms (R19 006.05, R187 793.85)	29/10/2019	29/10/2019	Approved
29/10/2019	HR2	Conditions of Service (SALGBC)	Memo: Overtime approvals – Fire and Disaster (November 2019)	29/10/2019	29/10/2019	Approved
30/10/2019		Finance	Memo: Fire Brigade allowance for Community and Protection Services	29/10/2019	29/10/2019	Approved
29/10/2019		EPWP	Letter of appointment: EPWP contract worker	29/10/2019	29/10/2019	Approved
29/10/2019	179	S65(1) of MFMA	Hall deposit refund: S Etson	29/10/2019	29/10/2019	Approved

29/10/2019	MM122	Section 115(1)(a), MFMA	Form A1: B/SM 99/19	30/10/2019	30/10/2019	Approved
29/10/2019	VRP2	Paragraph 6f	Veriment: Transport (R70 000)	30/10/2019	30/10/2019	Supported
30/10/2019		EPWP	Letter of appointment: EPWP contract workers	30/10/2019	30/10/2019	Approved
30/10/2019	HR2	Conditions of Service (SALGBC)	Attendance Register: Community Services	30/10/2019	30/10/2019	Approved
30/10/2019	HR2	Conditions of Service (SALGBC)	Overtime sheet: Environmental Services (October 2019)	30/10/2019	30/10/2019	Approved
29/10/2019		Finance	Memo: Emergency towing of vehicle	30/10/2019	30/10/2019	Approved
29/10/2019	HR2	Conditions of Service (SALGBC)	Memo: Overtime Pre-approvals – Traffic Services (November 2019)	30/10/2019	30/10/2019	Approved
30/10/2019	HR2	Conditions of Service (SALGBC)	Approval of advertisement: Assistant Supt: Halls	30/10/2019	30/10/2019	Approved
30/10/2019	VRP2	Paragraph 6f	Veriment: Hiring Charges (R60 000)	30/10/2019	30/10/2019	Supported
30/10/2019	VRP2	Paragraph 6f	Creation of Ukey: Hiring Charges	30/10/2019	30/10/2019	Supported
30/10/2019	VRP2	Paragraph 6f	Veriment: Various items (R1 055 470)	30/10/2019	30/10/2019	Supported
30/10/2019	VRP2	Paragraph 6f	Creation of Ukey: Festival of Lights (Various Items)	30/10/2019	30/10/2019	Supported
30/10/2019	HR2	Conditions of Service (SALGBC)	Memorandum of Agreements: R van Staden, T Somdaka, A Abrahams, C Telemachus, T Metshane, B Heathcote, D Pritchard, C Abrahams, E Jooste, F Robyn, R Jacobs N Peteni	30/10/2019	30/10/2019	Approved
		Finance				

30/10/2019			Memo: Refund payment for the use of the Paradyskoof Clubhouse Facility (J September)	31/10/2019	31/10/2019	Approved
30/10/2019		Finance	Memo: Refund payment for the use of the Paradyskoof Clubhouse Facility	31/10/2019	31/10/2019	Approved
30/10/2019	RS1	MSA	Approval of shortlist: Driver/Supervisor	31/10/2019	31/10/2019	Approved

**DELEGATIONS EXERCISED FOR PERIOD: OCTOBER 2019**

**DIRECTORATE: FINANCIAL SERVICES**

<b>Delegation</b>	<b>Category</b>	<b>Report Subject and Recommendations</b>	<b>Date Received</b>	<b>Date Resolved</b>	<b>Resolution and Comments (if any)</b>
643	HR	Overtime pre –approval Various finance departments	04/10/2019	04/10/2019	Approved
VRP1	Paragraph 6f	Capital Virementations various Directorates	04/10/2019	04/10/2019	Approved
211	SCM Reg	B/SM 92/19 Supply, Delivery And Off-Loading Of Coffee, Tea, Sugar, Coffee Creamer And Long-Life Milk	04/10/2019	04/10/2019	Approved
643	HR	Overtime / Standby pre –approval Various finance departments	04/10/2019	04/10/2019	Approved
211	SCM	SCM Letters approved Tenderer's	07/10/2019	07/10/2019	Approved
MM82	Section 65(2)(d), MFMA	Payment of Cornerstone Environmental Consultants R 17 619, 84	16/10/2019	16/10/2019	Approved
643	HR	Overtime & Standby pre-approval various departments within Finance	16/10/2019	16/10/2019	Approved
643	HR	Overtime and standby pre-approvals various departments within Finance	16/10/2019	16/10/2019	Approved
VRP1	Paragraph 6f	Capital Virementations various Directorates	16/10/2019	16/10/2019	Approved
211	SCM	B/SM 46/19 "Website Redevelopment, Intranet Development, Maintenance & Support Services	18/10/2019	18/10/2019	Approved
211	SCM Reg	SCM Letters approved Tenderer's	21/10/2019	21/10/2019	Approved
MM82	Section 65(2)(d), MFMA	Payment Request Adenco – Engineering Services R217 085,50	24/10/2019	24/10/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 32/20 For The Appointment Of A Service Provider To Oppose The Declaratory Application Instituted By Lj Turnkey Investments (Proprietary) Limited / Stellenbosch Municipality	25/10/2019	25/10/2019	Approved
MM82	Section 65(2)(d), MFMA	Apex Payment of Invoices – Finance	29/10/2019	29/10/2019	Approved

MM82	Section 65(2)(d), MFMA	Bergzicht Furniture Prior Book year Invoices – Corporate Services R1294,00	31/10/2019	31/10/2019	Approved
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**DELEGATIONS EXERCISED FOR PERIOD: NOVEMBER 2019**  
**DIRECTORATE: FINANCIAL SERVICES**

<b>Delegation</b>	<b>Category</b>	<b>Report Subject and Recommendations</b>	<b>Date Received</b>	<b>Date Resolved</b>	<b>Resolution and Comments (if any)</b>
HR2	Conditions of Service (SALGBC)	Overtime pre –approval Various finance departments	01/11/2019	01/11/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 07/20 Supply and Delivery of Major 4 X 4 Rescue Pumper with Cafs Pumps and Medium 4 X 4 Pumper /Riv.	01/11/2019	01/11/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 12/20 "Replacement of Existing Thatch Roofs at The Youth Trust Building and Old Parsonage Building (Rhenish Complex) In Markstreet	01/11/2019	01/11/2019	
MM122	Section 115(1)(a), MFMA	Demand Management Plan Quarter 1	05/11/2019	05/11/2019	Approved
HR2	Conditions of Service (SALGBC)	Overtime / Standby pre –approval Various finance departments	06/11/2019	06/11/2019	Approved
MM122	SCM	SCM Letters approved Tenderer's	01/11/2019	01/11/2019	Approved
HR2	Conditions of Service (SALGBC)	Standby J Stanfield for November 2019	07/11/2019	07/11/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 11/20 Provision of Disaster Recovery Colocation, Wan & Internet Services for A Period	08/11/2019	08/11/2019	
MM122	Section 115(1)(a), MFMA	SCM Letters approved Tenderer's	08/11/2019	08/11/2019	Approved
MM122	Section 115(1)(a), MFMA	Stores invoices R144 3543,25	05/11/2019	07/11/2019	Approved

HR2	Conditions of Service (SALGBC)	Overtime & Standby pre-approval various departments within Finance	08/11/2019	08/11/2019	Approved
REV15	MFMA, Section 64(1).	Debtor Schedule's – PT / NT October 2019	08/11/2019	08/11/2019	Approved
MM122	Section 115(1)(a), MFMA	SCM Letters approved Tenderer's	08/11/2019	08/11/2019	Approved
VRP1	Paragraph 6f	Capital Verimentation Engineering Services	07/11/2019	08/11/2019	Approved
MM122	Section 115(1)(a), MFMA	SCM Letters approved Tenderer's			Approved
REV1	Irrecoverable Debts Policy, Section 3	Debt Write Off – Acc 10434615 – R40 688,98	07/11/2019	08/11/2019	Approved
MM84	Section 66, MFMA	Trip Approval – SCM Indaba – Mosselbay DJ/TR/BL 14 -15 November 2019	08/11/2019	08/11/2019	Approved
VRP1	Paragraph 6f	Capital Verimentations Various Directorates	14/11/2019	14/11/2019	Approved
HR2	Conditions of Service (SALGBC)	Attendance Registers – Snr Management	14/11/2019	14/11/2019	Approved
HR2	Conditions of Service (SALGBC)	Overtime & Standby Pre-Approvals – Income & credit Control Section	14/11/2019	14/11/2019	Approved
VRP1	Paragraph 6f	Capital Verimentations – Community & Protection Services	18/11/2019	18/11/2019	Approved
MM84	Section 66, MFMA	Trip Approval – MRPA Worcester – PW, AL & SF	18/11/2019	18/11/2019	Approved
MM122	Section 115(1)(a), MFMA	SCM Letters approved Tenderer's	18/11/2019	18/11/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 19/20 Appointment of A Quantity Surveyor and Team of Specialists: Upgrade of Traffic Offices	22/11/2019	22/11/2019	Approved



MM122	Section 115(1)(a), MFMA	B/SM 16/20 The Steps/Orlean Lounge, Cloetesville, Stellenbosch: Rectification Of 161 Houses	22/11/2019	22/11/2019	Approved
MM122	Section 115(1)(a), MFMA	SCM Letters approved Tenderer's	22/11/2019	22/11/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 01/20 Supply, Delivery, Installation and Maintenance of Air Conditioners	22/11/2019	22/11/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 41/20 Supply and Delivery of Festive Lights	22/11/2019	22/11/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 03/20 The Supply and Delivery of Emergency Food Parcels for Social Relief of Distress, Within Wc024 Area	22/11/2019	22/11/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 93/19 Supply, Delivery and Off-Loading of Cleaning Materials as Per Specifications	29/11/2019	29/11/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 21/20 Supply and Delivery of Protective Firefighting Clothes	29/11/2019	29/11/2019	Approved
MM122	Section 115(1)(a), MFMA	SCM Letters approved Tenderer's	29/11/2019	29/11/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 98/19 Supply and Delivery O 2 Way Tetra Radios and Pagers Until 30 June 2022	29/11/2019	29/11/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 85/19 Supply and Erecting of Fences as And When Required for Various Projects	29/11/2019	29/11/2019	Approved
MM122	Section 115(1)(a), MFMA	SCM Letters approved Tenderer's	29/11/2019	29/11/2019	Approved

**DELEGATIONS EXERCISED FOR PERIOD: DECEMBER 2019**

**DIRECTORATE: FINANCIAL SERVICES**

<b>Delegation</b>	<b>Category</b>	<b>Report Subject and Recommendations</b>	<b>Date Received</b>	<b>Date Resolved</b>	<b>Resolution and Comments (if any)</b>
HR2	Conditions of Service (SALGBC)	Overtime pre –approval Various finance departments	06/12/2019	06/12/2019	Approved
VRP1	Paragraph 6f	Capital Virementations various Directorates	06/12/2019	06/12/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 10/20 Supply and Delivery of Four (4) Free Standing Ablution Facilities at Klapmuts and Kayamandi Taxi Ranks	06/12/2019	06/12/2019	Approved
HR2	Conditions of Service (SALGBC)	Overtime / Standby pre –approval Various finance departments	10/12/2019	10/12/2019	Approved
MM122	Section 115(1)(a), MFMA	SCM Letters approved Tenderer's			Approved
MM122	Section 115(1)(a), MFMA	B/SM 13/20 Maintenance and Operation of Public Ablution Facilities at Franschoek and Klapmuts Informal Settlement	20/12/2019	20/12/2019	Approved
MM122	Section 115(1)(a), MFMA	SCM Letters approved Tenderer's	20/12/2019	20/12/2019	Approved
MM122	Section 115(1)(a), MFMA	B/SM 82/19 Supply and Delivery of Personal Protective Clothing and Personal Protective Equipment	20/12/2019	20/12/2019	Approved
HR2	Conditions of Service (SALGBC)	Overtime & Standby pre-approval various departments within Finance	20/12/2019	20/12/2019	Approved

MM122	Section 115(1)(a), MFMA	SCM Letters approved Tenderer's	20/12/2019	20/12/2019	Approved
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10.3.2	<b>REPORTING ON THE RELIEF AND CHARITABLE FUND (MAYORAL FUND) 2019</b>
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**Collaborator No:**

**IDP KPA Ref No:**

**Good governance and compliance**

**Meeting Date:**

**29 January 2020**

**1. REPORTING ON THE RELIEF AND CHARITABLE FUND (MAYORAL FUND) – 2019**

**2. PURPOSE**

To report to Council on the donations that have been paid out to applicants in line with the guidelines approved by Council.

**3. DELEGATED AUTHORITY**

Council

**4. EXECUTIVE SUMMARY**

The fund was established during 2017. The purpose of the item is to provide feedback on the donations that have been paid out to applicants in line with the Guidelines approved by Council.

**5. RECOMMENDATION**

That Council takes note of the donations that have been paid from the Relief and Charitable Fund up to December 2019.

**6. DISCUSSION / CONTENTS**

**6.1 Background**

The Executive Mayor receives on a regular basis requests for grants, donations and financial assistance from various organisations, groups and individuals. Most of these are dealt with through the normal Grants-in-Aid Policy, but some deserving requests fall outside the ambit of the policy.

It is thus along these lines that a mechanism was put in place that could address these deserving relief and / or charitable cases. In this regard a "Relief and / or Charitable Fund" was established for this purpose.

**6.2 DISCUSSION**

The Municipal Manager must report to Council in respect of the status of the "Fund" including amounts withdrawn, and the names and amounts of the beneficiaries. Any donation(s) received must also be reported.

On 25 April 2019, a Mayoral Golf Day was again held at the Stellenbosch Golf Club and R75 000, 00 was pledged towards the fund.

**ANNEXURES**

**Appendix 1:** List of funds paid out 2019

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler
<b>POSITION</b>	Municipal Manager
<b>DIRECTORATE</b>	Municipal Manager
<b>CONTACT NUMBERS</b>	021 808 8025
<b>E-MAIL ADDRESS</b>	<a href="mailto:municipal.manager@stellenbosch.gov.za">municipal.manager@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	22 January 2020

# APPENDIX 1



STELLENBOSCH  
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MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

2019 – DONATION REQUESTS APPROVED – MAYORAL FUND				
NAME OF APPLICANT	DATE OF APPLICATION	DATE OF APPROVAL	FUNDING APPROVED FOR	AMOUNT APPROVED
Solomon Funerals [Klapmuts]	07/01/2019	09/01/2019	Move of body and burial [cremation] – indigent family.	R 6 000.00
Cloeteville High School [Cloeteville]	14/01/2019	28/01/2019	Athletics meeting	R9 960.92
K Lamberts [IdasValley]	28/02/2019	11/03/2019	SASA II National Summer Games, Kimberley	R 2000.00
Trevor J's Shuttle [Franschhoek]	01/03/2019	01/03/2019	Urgent transport for beneficiaries of title deeds at Franschhoek title deeds handover.	R 2000.00
Rev D Heugh [Klapmuts]	05/03/2019	08/03/2019	Ellen Pakkies event, Klapmuts	R 1750.00
K. Isaacs	20/03/2019	25/03/2019	Music and sound for Jamestown title deeds handover event.	R 1 500.00
G. Sauls [Pniel]	15/04/2019	17/05/2019	Assistance with travel with Arthur Johnson Rugby team International tour to Italy, September 2019.	R 2 500.00
Stellenzicht Sen Sec School Ladies Football team [Jamestown]	29/04/2019	20/05/2019	Procure accommodation to participate in Gothia Cup Youth Soccer tournament, Sweden, July 2019.	R 5 000.00



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NAME OF APPLICANT	DATE OF APPLICATION	DATE OF APPROVAL	FUNDING APPROVED FOR	AMOUNT APPROVED
Kusasa Stars [Franschhoek]	06/05/2019	27/05/2019	Assist with travel costs for team to participate in Gothia Cup Youth Soccer tournament, Sweden, July 2019.	R 5 000.00
Lanquedoc family [Lanquedoc]	06/05/2019	28/05/2019	Assist with construction material for roof damaged house during storm, April 2019.	R 1 500.00
De Tuine Bejaardeklub [Kylemore]	10/05/2019	28/05/2019	Assist with transport for elderly weekend outing to Swellendam.	R 5 000.00
Mr A Fortuin [Cloetesville]	19/06/2019	01/07/2019	Assist with visa application costs to tour with U/16 soccer tour to Holland.	R 2 500.00
R. Ntshokolwana [Kayamandi]	27/05/2019	01/07/2019	Assist with visa application costs and funding for tourism days during educational trip to Oxford University in conjunction with an American school, August 2019.	R 5 000.00
P. Davids & F vd Merwe [Cloetesville & Stellenbosch]	30/05/2019	01/07/2019	Athlete and coach to participate at Nottwill 2019 World Para Athletics Junior Championships, Switzerland.	R 5 000.00
N. Kampher [Cloetesville]	10/06/2019	01/06/2019	Attend 5 day training course to operate forklift. Course was success.	R 780.00
Sales Funerals [Kayamandi]	30/05/2019	01/07/2019	Indigent family – burial of fire victims.	R 5 000.00



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NAME OF APPLICANT	DATE OF APPLICATION	DATE OF APPROVAL	FUNDING APPROVED FOR	AMOUNT APPROVED
Young Tigers FC [Cloetesville]	15/03/2019	01/07/2019	Procurement of soccer kits and balls for new soccer team.	R 3 429.00
De Novo Netball Club [De Novo]	22/07/2019	24/07/2019	Procurement of netball uniforms for new club.	R 2 500.00
Cape Winelands Farmworkers Sport and Recreation Association [Stellenbosch]	11/07/2019	31/07/2019	Transport for players to attend Rural Sport Development programme, August 2019, Drakenstein.	R 2 500.00
Z. Reinhardt [Cloetesville]	02/08/2019	13/08/2019	Assist with travel costs and visa application for soccer tour to Holland, September 2019.	R 2 500.00
R. Muller [Stellenbosch]	07/08/2019	13/08/2019	Assist with travelling costs to represent SA at 7 <sup>th</sup> FINA World Junior Swimming Champs, Hungary, August 2019.	R 2 500.00
Benga Boys [Klapmuts]	21/11/2019	26/11/2019	Benga Boys is a group of young kids with unique dancing and drama talent and was in need of a decent uniform when they performed at the Stellenbosch festival of Lights.	R 5 015.76
Independent Movers	26/11/2019	02/12/2019	Assisting Independent Movers from ward 16, Cloetesville to take 200 underprivileged children as well as 60 caregivers on an outing to Harmony Park on 15 December 2019.	R 5 000.00





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NAME OF APPLICANT	DATE OF APPLICATION	DATE OF APPROVAL	FUNDING APPROVED FOR	AMOUNT APPROVED
W. Gezwint	28/11/2019	02/12/2019	Assisting this learner from Cloeteville to participate in an event where she was representing Cloeteville. She has already proven that she is an active ambassador for Cloeteville and adds value through her projects in the community.	R 1500.00

11.	ITEMS FOR CONSIDERATION FROM THE EXECUTIVE MAYOR OR MAYORAL COMMITTEE: [ALD. G VAN DEVENTER (MS)]
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11.1	COMMUNITY AND PROTECTION SERVICES: (PC : CLLR FJ BADENHORST)
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NONE

11.2	CORPORATE SERVICES: (PC: CLLR AR FRAZENBURG)
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11.2.1	PROPOSED RENEWAL OF LEASE AGREEMENT: BURGERHUIS: HISTORIESE HUISE VAN SUID-AFRIKA BEPERK: ERF 3389, STELLENBOSCH AND 607, STELLENBOSCH
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Collaborator No: 674945  
IDP KPA Ref No: *Good Governance*  
Meeting Date: 22 January 2020

1. **SUBJECT: PROPOSED RENEWAL OF LEASE AGREEMENT: BURGERHUIS: HISTORIESE HUISE VAN SUID-AFRIKA BEPERK: ERF 3389, STELLENBOSCH AND 607, STELLENBOSCH**

2. **PURPOSE**

To obtain Council's final approval for the renewal of the Lease Agreement on erven 3389 and 607, also known as Burgerhuis with Historiese Huise.

3. **DELEGATED AUTHORITY**

Council.

4. **EXECUTIVE SUMMARY**

On 2019-09-25 Council, in principle, agree to the renewal of this Lease Agreement for a further period of 9 years and 11 months, with a 3 months' early termination clause, subject to Council's intention to enter into the lease being advertised for public comments/inputs/objections.

An official notice was published in the local media on 31 October 2019 soliciting public input by not later than 21 November 2019. A copy of the notice is attached as **APPENDIX 3**. No comment/inputs or objections were received.

Following the public notice period, Council must now make a final determination in this regard. The valuation indicates a market related rental of R25 950.00 (excluding VAT). Council in principle approved a 50% percentage of the market related rental in view of the money the Historiese Huise invest into the maintenance of the property and the fact that it is used for the greater Stellenbosch community. 50% of the market related rental is R12 975.00 (Excluding of VAT). The current rental amount is R5 429.48 (Excluding of VAT).

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## 5. RECOMMENDATIONS

that Council takes note of the fact that no written submissions were received;

- (a) that Council approves the renewal of the Lease Agreement with Historiese Huise van Suid Afrika Beperk i.r.t erven 3389 and 607, for a period of 9 year and 11 months, subject to a 3 months' early termination; and
- (b) that Council determines the monthly rental.

## 6. DISCUSSION / CONTENTS

### 6.1 Background

#### 6.1.1 Council resolution

On 2019-09-25 Council considered a request from Historiese Huise Beperk for the renewal of the Lease Agreement in relation to erven 3389 and 607, commonly referred to as Burgerhuis.

Having considered the report, Council resolved as follows:

**RESOLVED** (majority vote)

- (a) *that erven 3389 and 607, Stellenbosch, be identified as land not needed for use to provide basic services during the period for which such rights are to be granted, as provided for in Regulation 36 of the Asset Transfer Regulations;*
- (b) *that Council, in principle approves that a lease agreement for 9 years and 11 months to be concluded on a private treaty basis with Historiese Huise van Suid-Afrika Beperk, as provided for in Regulation 34 (1) (b), but subject thereto that Council's intention be advertised for public inputs/comments/objections, as provided for in paragraph 9.2.2 of the Property Management Policy;*
- (c) *that an independent valuer be appointed to determine the fair market rentals for the properties referred to in (a);*
- (d) *that the lease agreement provides for a 3 months' notice period to terminate the lease agreement;*
- (e) *that Council, in principle, approves the rental at 50% of the fair market rental payable by Historiese Huise, as provided for in paragraph 22.1.4 of the Property Management Policy; and*
- (f) *that a draft agreement be submitted with the return item.*

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

#### 6.1.2 Appointment of Valuer

Following the above decision on independent valuer was appointed to determine the fair market rental for the property.

Hereto attached as **APPENDIX 2** a valuation report compiled by Pendo Property Valuers. In terms hereof the fair market rental is R25 950.00 (Excluding of VAT) per month. Should the 50%, as previously be approved by Council, be applied the monthly rental will amount to R12 975.00 (Excluding of VAT).

The current monthly rental is R5 429.48 (Excluding of VAT). Should Council approve the above tariff, it will amount to an increase of 139%.

### 6.1.3 Public Notice

Following the above resolution, an official notice was published in the local media on 31 October 2019 soliciting public input by not later than 21 November 2019. A copy of the notice is attached as **APPENDIX 3**.

No comment/inputs or objections were received.

### 6.1.4 Draft Lease Agreement

Hereto attached as **APPENDIX 4** a copy of a Draft lease agreement.

## 6.2 Discussion

### 6.2.1 Location and context

#### 6.2.1.1 Burgerhuis

Burgerhuis is situated on erf 3389 and 607, Stellenbosch as indicated on Fig 1 and 2, below.



**Fig 1: Location and context**



Fig 2: Extent of property

## 6.2.2 Legal requirements

### Asset Transfer Regulation

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

- a) The Accounting officer has concluded a public participation process\*; and
- b) The municipal council has approved in principle that the right may be granted. \*Sub regulation (1) (a) (public participation process), however, must be complied with only if-
  - The capital asset in respect of which the right is to be granted has a value in excess of R10M\*; and
  - A long-term right is proposed to be granted (i.e. longer than 10 years).

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

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

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

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

- a) the value of the asset; or
- b) the period for which the right is granted

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

### **Policy on the Management of Council owned property**

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

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

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

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

In terms of the current Lease Agreement Historiese Huise is only using a portion of the house for office space, the remainder portion is managed as a living museum with public ablution facilities. For this reason, it is recommended that they be responsible to pay 50% of market rental, to be determined by an independent valuer.

### **6.3 Financial Implications**

The maintenance of old buildings is a specialised skill and expensive. It is in council's interest to leasing to a lessee who is prepared and geared to maintaining an historical asset. It is also managed as a living museum for the greater good of the residents of Stellenbosch.

### **6.4 Legal Implications**

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

### **6.5 Staff Implications**

This report has no additional staff implications to the Municipality.

### **6.6 Previous Council resolution**

See par. 6.1.1 (*supra*)

### **6.7 Risk Implications**

The risks are addressed in the item.

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

Agree with the recommendations

**6.8.2 Director: Planning and Economic Development**

No comments received

**6.8.3 Chief Financial Officer:**

No comments received

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.2.1**

- (a) that Council take note of the fact that no written submissions were received;
- (b) that council note the amount of the fair market value and the implications the 50% rate has for the applicants;
- (c) that Council approves the renewal of the Lease Agreement with Historiese Huise van Suid Afrika Beperk in regard to erven 3389 and 607, for a period of 9 year and 11 months, subject to a 3 months' early termination;
- (d) that given the fair market value amount and amounts spend on maintenance by the applicants the rate be reduced to 25% of the fair market value;
- (e) that given the reduction in rate the intention to enter in to an agreement at the reduced rate be advertised again for any objections. Should no objections be received the Municipal Manager to be mandated to continue with the finalisation of the lease agreement.

**ANNEXURES:**

Appendix 1: Agenda item that served before Council

Appendix 2: Valuation report

Appendix 3: Official notice

Appendix 4: Draft Lease Agreement

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<b>PIET SMIT</b>
<b>POSITION</b>	<b>MANAGER: PROPERTY MANAGEMENT</b>
<b>DIRECTORATE</b>	<b>CORPORATE SERVICES</b>
<b>CONTACT NUMBERS</b>	<b>021-8088189</b>
<b>E-MAIL ADDRESS</b>	<b><a href="mailto:Piet.smit@stellenbosch.gov.za">Piet.smit@stellenbosch.gov.za</a></b>
<b>REPORT DATE</b>	<b>2019-11-27</b>

# APPENDIX 1





Collaborator No: *(To be filled in by administration)*  
 IDP KPA Ref No: **GOOD GOVERNANCE**  
 Meeting Date: **11 September 2019 and 25 September 2019**

**1. SUBJECT:**  
**PROPOSED RENEWAL OF LEASE AGREEMENT: BURGERHUIS: HISTORIESE HUISE VAN SUID-AFRIKA BEPERK: ERF 3389, STELLENBOSCH**

**2 PURPOSE**

To obtain Council's approval for the renewal of the Lease Agreement on erven 3389 and 607, also known as Burgerhuis with "Historiese Huise".

**3. DELEGATED AUTHORITY**

Council must consider the matter.

**4. EXECUTIVE SUMMARY**

"Historiese Huise" has been renting the properties since 1960. The agreement was renewed on various occasions. The last lease agreement for erven 3389 and 607 with "Historiese huise" lapsed in 2009. "Historiese Huise" continued to maintain the property also known as "burgerhuis" and pay the rent. As the Municipality accepted the rent and the lease agreement therefore continued on a silent month to month basis. It is however necessary that the leasing of the property is formalised again.

The new Property Management Policy allow for a process whereby Council can lease a property after Council's intention so lease to a specific company was advertised for public inputs/comments or alternative proposals, before making a final decision.

In terms of the last Lease Agreement Historiese Huise is using a portion of the house for their office space, the remainder portion is managed as a living museum. For this reason it is recommended that they be responsible to pay 50% of market rental, to be determined by an independent valuer.

An application has been received from Historiese Huise van Suid-Afrika Beperk to renew the lease agreement in relation to Die Burgerhuis (erf 3389 and 607 Stellenbosch) for a period of 9 years and 11 months. They are proposing a rental agreement from 1 July 2016 and indicate that they spend

R70 000 per year on the maintenance of the buildings and a further R40 000 per year on the gardens.

An audit was done on the historical properties belonging to the municipality and a decision on the management of all the properties will be taken in due course. The lease agreement with the applicants will make provision for a termination if the management of this property changes during the proposed lease period.

## 5. RECOMMENDATIONS

- a) that erven 3389 and 607, Stellenbosch, be identified as land not needed for use to provide basic services during the period for which such rights are to be granted, as provided for in Regulation 36 of the Asset Transfer Regulations;
- b) that Council, **in principle** approve that a lease agreement for 9 years and 11 months to be concluded on a private treaty basis with Historiese Huise van Suid-Afrika Beperk, as provided for in Regulation 34 (1) (b), but subject thereto that Council's intention be advertised for public inputs/comments/objections, as provided for in paragraph 9.2.2 of the Property Management Policy;
- c) that an independent valuer be appointed to determine the fair market rentals for the properties referred to in (a),
- d) that the lease agreement provides for a 3 months' notice period to terminate the lease agreement should Council decide to make changes to the management of the historical properties belonging to the Municipality;
- e) that Council, in principle, approve the rental at 50% of the fair market rental payable by Historiese Huise, as provided for in paragraph 22.1.4 of the Property Management Policy, and
- f) That a draft agreement be submitted with the return item.

## 6. DISCUSSION / CONTENTS

### 6.1. Background

Stellenbosch Municipality and Historiese Huise concluded a Lease Agreement in relation to Erf 3389 and 607, during March 1960 for a period of 9 years and 11 months. The agreement was subsequently renewed on various occasions, and the last agreement lapsed in 2009. Historiese Huise continued to pay the rent and maintain the property. It is however necessary to again formalize the rental situation.

### 6.2 Discussion

## 6.2.1 Burgerhuis

Burgerhuis is situated on erf 3389 and 607, Stellenbosch as indicated on Fig 1 and 2, below. In terms of the last Lease Agreement Historiese Huis is using a portion of the house for office space, the remainder portion is managed as a living museum and also has public ablution facilities. For this reason it is recommended that they be responsible to pay 50% of market rental, to be determined by an independent valuer.

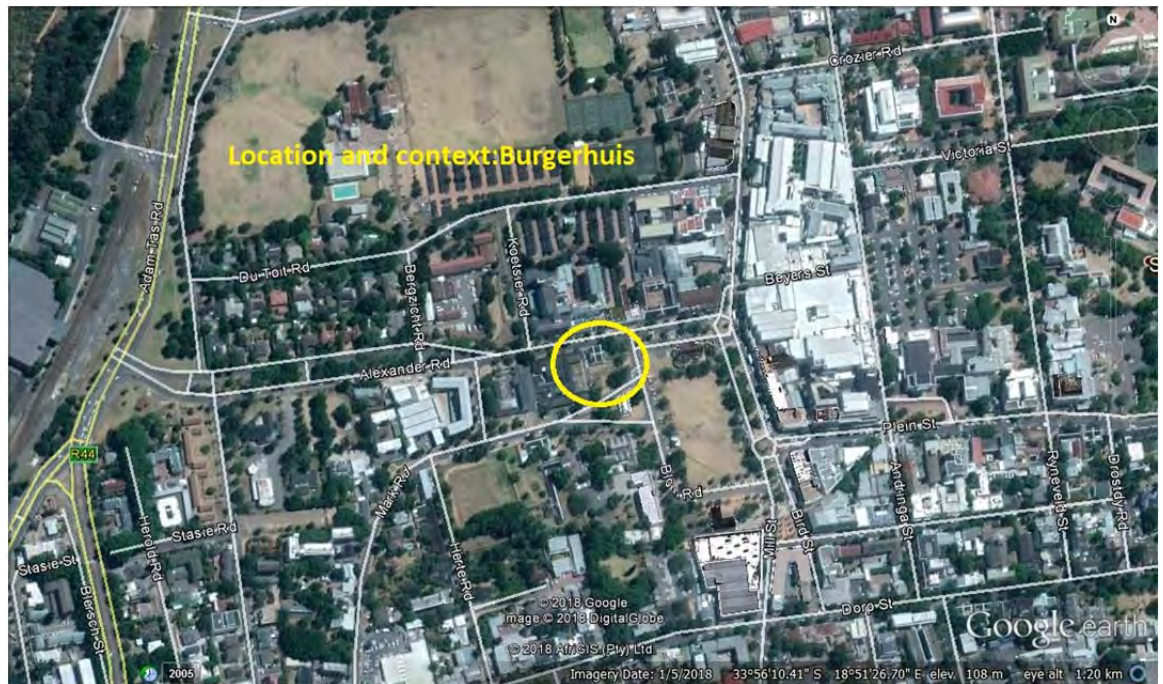


Fig 1: Location and context



## Fig 2: Extent of property

### 6.2.2 Legal requirements

#### Asset Transfer Regulation

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

- a) The Accounting officer has concluded a public participation process\*; and
- b) The municipal council has approved in principle that the right may be granted. \*Sub regulation (1) (a) (public participation process), however, must be complied with only if-
  - The capital asset in respect of which the right is to be granted has a value in excess of R10M\*; and
  - A long-term right is proposed to be granted (i.e. longer than 10 years).

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

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

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

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

- a) the value of the asset; or
- b) the period for which the right is granted

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

#### Policy on the Management of Council owned property

In terms of paragraph 9.2.2 of the Policy, the Municipal Council may dispense with the prescribed, competitive process, and may enter into a

private treaty agreement through any convenient process, which may include direct negotiations, but only in specific circumstances, and only after having advertised Council's intention.

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

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

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

In terms of the current Lease Agreement Historiese Huise is only using a portion of the house for office space, the remainder portion is managed as a living museum with public ablution facilities. For this reason it is recommended that they be responsible to pay 50% of market rental, to be determined by an independent valuer.

### **6.3. Financial Implications**

The maintenance of old buildings is a specialised skill and expensive. It is in council's interest to leasing to a lessee who is prepared and geared to maintaining an historical asset. It is also managed as a living museum for the greater good of the residents of Stellenbosch.

### **6.4 Legal Implications**

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

### **6.5 Staff Implications**

This report has no additional staff implications to the Municipality.

### **6.6 Risk Implications**

The risks are addressed in the item.

**6.7 Comments from Senior Management:****6.7.1 Director: Infrastructure Services**

Agree with the recommendations

**6.7.2 Director: Planning and Economic Development**

No comments received

**6.7.3 Chief Financial Officer:**

No comments received

**ANNEXURES:**                      **Appendix 1 Request for renewal of lease**

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<b>PIET SMIT</b>
<b>POSITION</b>	<b>MANAGER: PROPERTY MANAGEMENT</b>
<b>DIRECTORATE</b>	<b>CORPORATE SERVICES</b>
<b>CONTACT NUMBERS</b>	<b>021-8088189</b>
<b>E-MAIL ADDRESS</b>	<b><a href="mailto:Piet.smit@stellenbosch.gov.za">Piet.smit@stellenbosch.gov.za</a></b>
<b>REPORT DATE</b>	<b>2019-02-07</b>

# APPENDIX 2





## VALUATION REPORT

DETERMINATION OF THE MARKET RENTAL OF:

**BURGERHUIS**

**LOCATED ON ERF 3389 STELLENBOSCH**

Client:

**STELLENBOSCH MUNICIPALITY**

8 October 2019

Compiled by:

**Johan Klopper**

Professional Valuer

Member of the SA Institute of Valuers

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





8 October 2019

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

## VALUATION CERTIFICATE

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

**THE 'BURGERHUIS' LOCATED ON ERF 3389 STELLENBOSCH,  
 STELLENBOSCH REGISTRATION DIVISION, in the WESTERN CAPE**

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

<b>R 25 950.00</b>	<b>Twenty Five Thousand Nine Hundred and Fifty Rand (Excluding VAT)</b>
--------------------	---

As at: **7 October 2019**

Signed at Stellenbosch this 8<sup>th</sup> day of October 2019.

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

**J. Klopper**  
 Professional Valuer  
 Registration Number: 6372/0

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

Verified Level 4 B-BBEE Contributor

## VALUATION REPORT

### 1. GENERAL INFORMATION

#### 1.1 Instructions

Instructions were received from the Stellenbosch Municipality to determine the fair market rental of the Burgerhuis, located on Erf 3389 Stellenbosch. The Stellenbosch Municipality is in the process of negotiations to determine a market related rental for purposes of conclusion of a lease agreement with the Historical Houses of South Africa Limited.

Definition of market rental: *"The estimated amount for which the property should be leased on the date of valuation between a willing lessor and a willing lessee in an arm's length transaction after property marketing, wherein the parties acted knowledgeably, prudently and without compulsion."*

#### 1.2 Inspection date

7 October 2019

#### 1.3 Effective date of valuation

7 October 2019

#### 1.4 Limiting conditions

Information was received from third parties regarding the comparable properties. No warranty as to the accuracy of this information can be made.

In this report all values referred to exclude VAT, unless expressly stated otherwise.

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

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

Maps and sketches that form part of this report are included for illustration purposes only and are not necessarily to scale.

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

## 2. PHYSICAL FEATURES

### 2.1 Situation / Locality

The subject property is located on the corner of Alexander and Blom Streets in the Stellenbosch CBD, adjacent to the Magistrates Court and 'Die Braak'. See location map below:



### 2.2 Description of the site and improvements

The site is a rectangular shaped tract of land with a level gradient. The improvements comprise a plastered and painted single storey building with a pitched thatch roof. This historical building, known as 'Burgerhuis', offers a total rentable area of approximately 173 m<sup>2</sup>, comprising an entrance foyer, two offices, two exhibition rooms and separate male and female WC's. The building is utilised for both office and museum purposes. The accommodation can generally be described as dated, but in a good state of repair, with the tenant (Historical Houses of South Africa) attending to the general maintenance and upkeep. See aerial photograph below:



Refer to **Annexure A** for photographs of the subject property.

### 3. VALUATION METHOD

The direct comparison approach is deemed the most suitable valuation method in determining the market rental of the subject property. This approach is based on the principle of comparability and substitution. The assumption is that if similar assets in a similar market place are leased at a particular value, then the comparable asset will be leased at a similar price. Specific note was taken of the site specific characteristics, location and market conditions when determining the market rental of the subject property.

### 4. VALUE DETERMINATION

#### 4.1 Market research

The property market in the immediate vicinity was investigated, and the valuer liaised with local role players to ascertain acceptable market levels for the subject property. The following relevant market information was obtained and applied in the valuation process:

Description	Monthly Rate (Excl. VAT)	Remarks
25 Market Street	R 150 / m <sup>2</sup>	These premises are located in close proximity to the subject property and offers 147m <sup>2</sup> office accommodation and 6 covered parking bays at a monthly rental of R 25 150. Analysis of the rental points to an apportionment of R 150/m <sup>2</sup> for the offices and R 525 per parking bay.
Herold Street	R 175 / m <sup>2</sup>	Office accommodation located in historical building on the western periphery of the Stellenbosch CBD. Good comparison in terms of location but the accommodation offered is considered superior.
Oewerpark Office Park	R 150 / m <sup>2</sup>	Decentralised offices located in Die Boord node of Stellenbosch.
Lutz Building	R 149 / m <sup>2</sup>	Basic office accommodation located adjacent to the Eikestad Mall municipal parking area.
Ryneveld Street	R 180 / m <sup>2</sup>	Furnished offices with fibre located in historical building in the Stellenbosch CBD. Downward adjustment justified for the subject property.
178 Dorp Street	R 232 / m <sup>2</sup>	Office / Retail accommodation located in the sought-after Dorp Street. Downward adjustment justified for the subject property.

#### 4.2 Determination of value

The market information above gives a good indication of the rate to be applied to the subject property. After making the necessary adjustment for the site specific characteristics, location and other value forming characteristics, and taking note that tenant is responsible for the general upkeep of the building, the valuer is of the opinion that a market rental at the lower end of the range would be justified. In this regard a market rate of R 150 / m<sup>2</sup> would be fair and reasonable for the subject property, based on the available market information. The monthly market rental can therefore be calculated as follows:

$$173 \text{ m}^2 @ \text{ R } 150 / \text{m}^2 = \text{ R } 25\,950$$

## 5. DECLARATION

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

Based on our research and experience, we are of the opinion that the **MONTHLY MARKET RENTAL** of the 'Burgerhuis' located on Erf 3389 Stellenbosch, as at 7 October 2019, amounts to:

Amount	In words
R 25 950	Twenty Five Thousand Nine Hundred and Fifty Rand (Excluding VAT)

Signed at STELLENBOSCH on this the 8<sup>th</sup> day of October 2019.

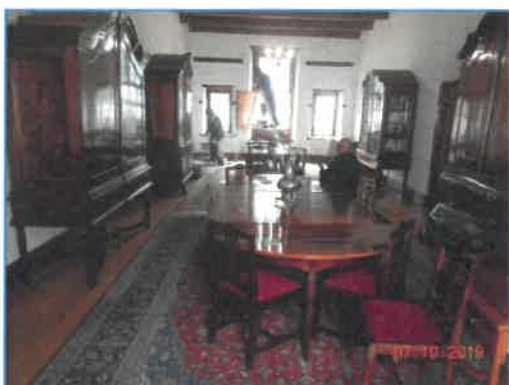


J. Klopper

Professional Valuer (Reg. No. 6372/0)  
Member of the SA Institute of Valuers  
BCom (Law); NDip (Property Valuation)



ANNEXURE A: PHOTOGRAPHS OF SUBJECT PROPERTY



End of report

# APPENDIX 3



**STELLENBOSCH**  
 STELLENBOSCH • PNIEL • FRANSCHHOEK  
 MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

31/10/2019

**OFFICIAL NOTICE**

**PROPOSED RENEWAL OF LEASE AGREEMENT: BURGERHUIS:  
 HISTORIESE HUISE VAN SUID-AFRIKA BEPERK: ERVEN 3389 AND 607,  
 STELLENBOSCH**

Notice is hereby given in terms of par. 9.2.2 of Stellenbosch Municipality's Policy on the Management of Council-owned property of the Municipality's intention to renew a lease agreement with Burgerhuis: Historiese Huise Van Suid-Afrika Beperk, Erven 3389 and 607, Stellenbosch.

**Background**

"Historiese Huise" has been renting the properties since 1960. The agreement was renewed on various occasions. The last lease agreement for erven 3389 and 607 with "Historiese Huise" lapsed in 2009. "Historiese Huise" continued to maintain the property also known as "Burgehuis" and pay the rent.

On 2019-09-25 Council considered a request for the renewal of the Lease Agreement, Council resolved, *inter alia*, as follows:

- a) That erven 3389 and 607, Stellenbosch, be identified as land not needed for use to provide basic services during the period for which such rights are to be granted, as provided for in Regulation 36 of the Asset Transfer Regulations;
- b) That Council's in principle approves that the lease agreement for 9 years and 11 months to be concluded on a private treaty basis with Historiese Huise van Suid-Afrika Beperk, as provided for in Regulation 34 (1) (b), but subject thereto that Council's intention be advertised for public comment/inputs/objections, as provided for in paragraph 9.2.2 of the Property Management Policy.
- c) That an independent valuer be appointed to determine the fair market rentals for the properties referred to in (a);
- d) That the lease agreement provides for a 3 months' notice period to terminate the lease agreement;
- e) That Council, in principle, approves the rental at 50% of the fair market rental payable by Historiese Huise, as provided for in paragraph 22.1.4 of the Property Management Policy; and
- f) That a draft agreement be submitted with the return item.

**Further Particulars:**

Further particulars, including the agenda item that served before Council, are available at the office of the Manager: Property Management during office hours.

**Invitation to submit written inputs**

Any interested and effected party who wishes to submit comment/inputs/objections to the proposed transfer can do so by submitting it in writing to the Manager: Property Management within 21 days of date of publication.

Any such inputs/comments/objections can be submitted by hand, posted or by e-mail to:

Physical Address: 3rd Floor  
 Absa (Oude Bloemhof) Building, Corner of Plein and Rhyneveld Street  
 Stellenbosch  
 7600

Postal address: PO Box 17  
 Stellenbosch  
 7599

e-mail: piet.smit@stellenbosch.gov.za

In terms of the provisions of Section 21(4) of the Municipal Systems Act, anyone who cannot read or write is welcome to contact the office of the Manager: Property Management for assistance.

**G METTLER**  
**MUNICIPAL MANAGER**

**DATE**



# APPENDIX 4

**LEASE AGREEMENT**

between

**STELLENBOSCH MUNICIPALITY**

(Hereinafter referred to as the “**Lessor**”)

and

**HISTORIESE HUISE VAN SUID-AFRIKA LIMITED**

Registration number 1966/002641/06

(Hereinafter referred to as the “**Lessee**”)

1. **PARTIES**

1.1. The Parties to this Agreement are –

1.1.1. STELLENBOSCH MUNICIPALITY; and

1.1.2. HISTORIESE HUISE VAN SUID-AFRIKA LIMITED.

1.2. The Parties agree as set out below.

2. **INTERPRETATION**

2.1. In this Agreement, unless the context indicates a contrary intention, the following words and expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings –

2.1.1. "**Agreement**" or "**Lease**" means the lease agreement contained in this document;

2.1.2. "**Commencement Date**" means the 1 day of the month following the Council resolution.

2.1.3. "**Lessee**" means HISTORIESE HUISE VAN SUID-AFRIKA, registration number 1966/002641/06, a company duly registered in the Republic of South Africa;

2.1.4. "**Lessor**" means STELLENBOSCH MUNICIPALITY;

2.1.5. "**Parties**" means the parties to this Agreement, and "**Party**" means any one of them, as the context may require;

2.1.6. "**Prime Rate**" means the publicly quoted basic rate of interest, compounded monthly in arrears and calculated on a 365 (three hundred and sixty five) day year irrespective of whether or not the year is a leap year, from time to time published by the Lessor's bank as being its prime overdraft rate, as certified by any representative of that bank whose appointment and designation will not be necessary to prove;

2.1.7. "**Property**" means the immovable property described as Erf 3389 Stellenbosch and Erf 607 Stellenbosch, which for the sake of clarity, includes the Premises;

2.1.8. "**Premises**" means that portion of the Property from which, as at the Signature Date, the business of offices and museum are being conducted, measuring 258 m<sup>2</sup>;

2.1.9. "**Rental**" means the rental payable in terms of this Lease;

2.1.10. "**Signature Date**" means the date of signature of this agreement by the party last signing;

2.1.11. "**VAT**" means Value-Added Tax charged in terms of the provisions of the VAT Act; and

2.1.12. "**VAT Act**" means the Value Added Tax Act, No 89 of 1991.

- 2.2. In this Agreement -
- 2.2.1. clause headings and the heading of the Agreement are for convenience only and are not to be used in its interpretation;
- 2.2.2. an expression which denotes-
- 2.2.2.1. any gender includes the other genders;
- 2.2.2.2. a natural person includes a juristic person and vice versa;
- 2.2.2.3. the singular includes the plural and vice versa; and
- 2.2.2.4. a Party includes a reference to that Party's successors in title and assigns allowed at law.
- 2.3. Any reference in this Agreement to –
- 2.3.1. "**business hours**" shall be construed as being the hours between 08h00 and 16h30 on any business day. Any reference to time shall be based upon South African Standard Time;
- 2.3.2. "**days**" shall be construed as calendar days unless qualified by the word "business", in which instance a "**business day**" will be any day other than a Saturday, Sunday or public holiday as gazetted by the government of the Republic of South Africa from time to time;
- 2.3.3. "**law**" means any law of general application and includes the common law and any statute, constitution, decree, treaty, regulation, directive, ordinance, by- law, order or any other enactment of legislative measure of government (including local and provincial government) statutory or regulatory body which has the force of law;
- 2.3.4. "**person**" means any person, company, close corporation, trust, partnership or other entity whether or not having separate legal personality; and
- 2.3.5. "**communication**" means any communication as contemplated in the Electronic Communications and Transactions Act, No 25 of 2002.
- 2.4. The words "include" and "including" means "include without limitation" and "including without limitation". The use of the words "include" and "including" followed by a specific example or examples shall not be construed as limiting the meaning of the general wording preceding it.
- 2.5. Any substantive provision, conferring rights or imposing obligations on a Party and appearing in any of the definitions in this clause 2 or elsewhere in this Agreement, shall be given effect to as if it were a substantive provision in the body of the Agreement.
- 2.6. Words and expressions defined in any clause shall, unless the application of any such word or expression is specifically limited to that clause, bear the meaning assigned to such word or expression throughout this Agreement.
- 2.7. A reference to any statutory enactment shall be construed as a reference to that enactment as at the Signature Date and as amended or substituted from time to time.

- 2.8. Unless specifically otherwise provided, any number of days prescribed shall be determined by excluding the first and including the last day or, where the last day falls on a day that is not a business day, the next succeeding business day.
- 2.9. If the due date for performance of any obligation in terms of this Agreement is a day which is not a business day then (unless otherwise stipulated) the due date for performance of the relevant obligation shall be the immediately preceding business day.
- 2.10. Where figures are referred to in numerals and in words, and there is any conflict between the two, the words shall prevail, unless the context indicates a contrary intention.
- 2.11. The rule of construction that this Agreement shall be interpreted against the Party responsible for the drafting of this Agreement, shall not apply.
- 2.12. The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.
- 2.13. Any reference in this Agreement to "this Agreement" or "this Lease" or any other agreement or document shall be construed as a reference to this Agreement or, as the case may be, such other agreement or document, as amended, varied, novated or supplemented from time to time.
- 2.14. In this Agreement the words "clause" or "clauses" refer to clauses in this Agreement.

### 3. **LEASE**

The Lessor hereby leases to the Lessee, which hereby takes on hire from the Lessor, the Premises.

### 4. **COMMENCEMENT OF AND DURATION OF LEASE**

- 4.1. This Lease shall commence on the Commencement Date and shall, subject to clause 14, continue for nine (9) years and eleven (11) months ("**Initial Lease Period**").

4.2 If the Parties agree in writing within 3 (three) months prior to the expiry of the Initial Lease Period or a Further Lease Period, as the case may be, that they wish to renew the Lease, then this Lease will not terminate at the end of the Initial Lease Period or a Further Lease Period, as the case may be, but will continue for another 12 (twelve) month period or any other such period as the Parties may agree upon ("Further Lease Period"), subject *mutatis mutandis* to the provisions of this Agreement, provided that the Rental payable by the Lessee to the Lessor during the Further Lease Period shall be such amount as may be agreed in writing between the Lessee and the Lessor at the time when they agree on the renewal of the Lease.

4.3 Either Party may terminate this Agreement, at any time and for any reason, with three (3) months' written notice to the other Party.

## 5. RENTAL

5.1. Rent payable per month will be as follows:

5.2. **R..... ("Rental")** The Rental shall be payable monthly in advance on the 7<sup>th</sup> (seventh) day of each month with effect from the Commencement Date, pro-rata for any portion of the first month, without deduction for any cause whatsoever, free of exchange at such place in the Republic of South Africa as the Lessor may from time to time appoint in writing.

5.3. The rental may be annually increased with 6 % on the 1<sup>st</sup> day of March of each year.

## 6. LESSOR'S OBLIGATIONS

6.1. The Lessor shall —

6.1.1. maintain the main drains and water system, the structure and thatch roof, guttering, down pipes and exterior main walls of the Premises in good order and repair unless the necessity therefor arises from any negligent or wilful act on the part of the Lessee or agents;

6.1.2. be obliged to maintain the boundary walls, fences and gates, concrete, paving and asphalt, and other external surface finishes and air conditioning units (only those installed by the Lessor) in good order and condition; and

6.1.3. bear the costs associated with maintenance of the central building management system, which amongst others centrally controls the water and electricity supply, and ventilation on the Property.

## 7. LESSEE'S OBLIGATIONS

7.1. In addition to the Rental, the Lessee shall punctually and monthly in arrears, within 14 (fourteen) days of receipt of the invoice by the Lessor, pay all charges in respect of water, electricity and other services in respect of the Premises, and shall, upon demand, furnish the Lessor with copies of the receipts for such payments.

7.2. The Lessee shall-

- 7.2.1. not make any alterations or additions of any nature whatsoever (e.g. installation of air conditioning) to the Premises without the Lessor's prior written consent;
- 7.2.2. if it obtains the prior written consent of the Lessor to install air conditioning units, maintain such new air conditioning units, installed by the Lessee at the Lessee's cost, in good order and condition;
- 7.2.3. clean the exterior (including the glass) of the Premises and the signs and keep the exterior of the Premises in a clean and orderly state;
- 7.2.4. bear the costs associated with the cleaning of the parking bays and other common areas;
- 7.2.5. keep all the carpets and other floor coverings in the Premises clean and in good repair, to the same condition as they were at the Commencement Date;
- 7.2.6. refrain from removing and/or altering any electrical fittings on the Premises;
- 7.2.7. use and maintain the garden and grounds of the Property in a neat and orderly manner at all times and at its own costs;
- 7.2.8. use its best efforts to prevent any blockage of sewerage or water pipes or drains in, or used in connection with, the Property and shall at its cost remove any obstruction or blockage in any sewer, water pipe or drain serving the Premises exclusively and, where necessary, shall repair or replace the sewer;
- 7.2.9. not store or use any chemicals, hazardous or other substances in or upon the water pipe or drain on the Property, which may jeopardise the insurability of the Property and if such substances are stored in the normal course of the Lessee's business resulting in increased insurance premiums to be paid by the Lessor, the Lessee shall remunerate the Lessor for such increase, and the Lessee shall at all times inform the Lessor if it intends to store any of the aforementioned substances;
- 7.2.10. be obliged to maintain the interior of the Premises and all parts thereof including, all floors, internal walls, ceilings and all appurtenances in good order and condition and for such purpose shall attend to such repairs and provide such replacements as may be required and/or requested by the Lessor from time to time or in accordance with a maintenance schedule provided by the Lessor. Upon the termination of this Lease, the Lessee shall deliver the Premises and all parts thereof as aforesaid and the appurtenances to the Lessor in good order and condition and maintained as aforesaid, fair wear and tear only excepted;
- 7.2.11. not make a fire of any nature, including in a fire-place and/or braai, on the Property and not do anything which might damage the Property or do anything which might increase the risk of fire in the buildings on the Property, and any damage so caused shall be made good at cost of the Lessee;
- 7.2.12. be liable for damage caused to the Property by the Lessee, its customers, agents, staff, guests, contractors or other persons coming onto the Property, and at the Lessee's own cost and expense make good any damage which may be so caused to the Property;

- 7.2.13. remove any sign at the expiration or earlier cancellation or termination of this Lease, and reinstate any damage to the Property;
- 7.2.14. not contravene or permit the contravention of any of the conditions of title under which the Property is held by the Lessor or any of the provisions of the town-planning schemes applicable to the Property;
- 7.2.15. not permit the accumulation of refuse in or outside the Property and comply with the rules concerning refuse determined by the Lessor and the local authority. The Lessee shall be responsible at all times, for depositing the Lessee's refuse at the Stellenbosch Municipality's designated collection point for collection of refuse;
- 7.2.16. keep the Property free from infestation by such pests and/or pets as may be indicated by the Lessor from time to time, to the reasonable satisfaction of the Lessor, failing which the Lessor shall be entitled to take such reasonable steps as may be necessary in this regard at the cost of the Lessee;
- 7.2.17. maintain adequate public liability insurance;
- 7.2.18. at its own expense, repair any damage caused to the Premises by forcible entry;
- 7.2.19. make good any damage caused to the Premises as a result of the removal of fittings, fixtures and equipment;
- 7.2.20. assume full control of the Premises for purposes of the Occupational Health and Safety Act, No 85 of 1993 relating to the Premises and shall furthermore indemnify the Lessor against any claims that may be instituted against the Lessor in terms of the said Act; and
- 7.2.21. pay for all fluorescent bulbs, starters, ballasts and incandescent bulbs used in the Property and shall at its own cost maintain all light fittings in the Property in proper and working order and clean condition.

## 8. **USE OF PREMISES**

- 8.1. The Lessee shall use the Premises solely for the purpose of offices and a museum.
- 8.2. The Premises shall be used for no other purpose whatsoever without the Lessor's prior written consent.

## 9. **EXCLUSION OF LIABILITY**

- 9.1. The Lessee shall not, under any circumstances, have any claim or right of action whatsoever against the Lessor for damages, loss or otherwise, nor shall it be entitled to withhold or defer payment of any Rental or any portion thereof, by reason of the Property (or the Premises only) being in a defective condition or falling into disrepair or any particular repairs not being effected by the Lessor or for the Lessee not complying with its obligations.
- 9.2. The Lessor shall not be responsible for any damage to or the loss of any equipment, machinery, raw materials, papers or other articles kept on the Property (whether such items belong to the Lessee or anyone else) by rain, hail, lightning or fire or by reason of riot, strikes or State



enemies or as a result of theft or burglary, with or without forcible entry, or through any other cause whatsoever, nor shall the Lessor be responsible for any personal injury which may be sustained in or about the Property by any of the trustees, servants, agents, customers or invitees of the Lessee or any other person whomsoever or howsoever such injury may be caused, and the Lessee indemnifies the Lessor against any claim of whatsoever nature that may be made against the Lessor by any of the trustees, servants, agents, customers or invitees of the Lessee in respect of personal injuries sustained or in respect of the loss or any damage to anything contained on the Property.

- 9.3. All the provisions of this clause shall apply and be fully operative notwithstanding that any loss, damage or injury hereinbefore referred to may occur or be sustained in consequence of anything done or omitted by the Lessor or any of its directors, servants or agents, whether negligently or otherwise and notwithstanding that the Lessor may have been in breach of any of its obligations hereunder.

10. **INDEMNITY**

The Lessee hereby indemnifies the Lessor and undertakes to keep the Lessor indemnified against all liability howsoever caused or arising, and all actions, suits, proceedings, claims, demands, costs and expense whatsoever, which may be taken or made against the Lessor or become payable by the Lessor at the suit of any person that may be the direct or indirect result of the Lease and/or any activity carried on by the Lessee or the Lessee's employees or invitees on the Property.

11. **ACCESS TO PREMISES**

The Lessor shall have full power and authority to enter the Premises in order to view the state and condition thereof and to satisfy itself that the terms and conditions of this Lease are being duly observed, and/or to make repairs. If the Lessee fails within a reasonable time to carry out any repair or other maintenance specified herein, then, without prejudice to the Lessor's rights hereunder, the Lessor, its agents or workmen may enter the Premises and carry out the necessary work, and the Lessor may recover the cost of so doing from the Lessee. If any dispute should arise as to the extent of or necessity for such work and the cost thereof, the decision of the Lessor's architect shall be final and binding on the Parties.

12. **INSURANCE**

- 12.1. The Lessor shall be under no obligation to make good to the Lessee any loss or damage which the Lessee may sustain as a result of fire, theft, acts of God, flooding, storms, riots or insurrection.

- 12.2. The Lessee shall:

- 12.2.1. in addition to clause 8, not do or omit to do anything or allow anything to be done on the Property which, in terms of any insurance policy held from time to time by the Lessor in respect of the Property may not be done thereon, or which may render any policy void or voidable, and the Lessee shall comply in all respects with the terms of any such policy;

- 12.2.2. be responsible for any increase in premiums, which may be recovered by the Lessor from the Lessee, if the insurance premiums in respect of the Property are increased as a result of the trade which the Lessee conducts on the Premises; and
- 12.2.3. at its risk and cost, insure its goods against all normal commercial risks including fire, explosion, special perils, theft, riots and strikes, malicious damage, earthquakes and political risks.

### 13. **SUB-LETTING**

- 13.1. The Lessee shall not:
  - 13.1.1. sub-let or give up possession of the Premises or any portion thereof; nor
  - 13.1.2. cede or assign or pledge this Lease or any rights hereunder, nor
  - 13.1.3. be entitled to profit from the sub-lease, without the Lessor's prior written consent.
- 13.2. If consent to subletting is given by the Lessor, the Lessee must enter into written contracts with all tenants sub-leasing from him/her, on substantially the same terms and conditions as this Lease.
- 13.3. No sub-lease may endure for any period longer than the Lease Period.

### 14. **BREACH**

- 14.1. If the Lessee –
  - 14.1.1. fails to pay an amount due in terms of this Lease on due date thereof or commits any other breach of the terms and conditions of this Lease and then fails to remedy such breach within a period of 14 (fourteen) days (or if the breach cannot be remedied within the aforesaid 14 (fourteen) day period, then within such additional reasonable time as may in the circumstances be reasonable) after the posting of a written notice by the Lessor to the Lessee calling on the Lessee to do so; and/or
  - 14.1.2. is placed under business rescue or liquidation, whether provisional or final, as the case may be, then the Lessor shall have the right, but shall not be obliged, by written notice to the Lessee at its *domicilium citandi et executandi*;
  - 14.1.3. forthwith to cancel the Lease and to resume possession of the Property, but without prejudice to its claim for arrears of Rental and other amounts owing hereunder or for damages which it may have suffered by reason of the Lessee's breach of contract or of the premature cancellation; or
  - 14.1.4. to enforce compliance by the Lessee of all of its obligations under this Lease, whether or not the due date for payment and/or performance shall have arrived, in either event without prejudice to the rights to claim damages.
- 14.2. In the event of the breach of this Lease or business rescue or liquidation of the Lessee, resulting in the subsequent cancellation of this Lease, then notwithstanding anything to the contrary

herein contained, the Lessee shall not be entitled to claim compensation for any improvements that have been made to the Property with the consent of the Lessor.

- 14.3. In the event of the Lessor cancelling this Lease and the Lessee disputing the right to cancel and remaining in occupation of the Property, the Lessee shall, pending the determination of such dispute by litigation or otherwise, continue to pay to the Lessor an amount equivalent to the monthly Rental and other sums payable hereunder on the date or dates on which such Rental and other sums would have been due but for the cancellation, and the Lessor shall be entitled to accept and recover such payments, and the acceptance thereof shall be without prejudice to and shall not in any way whatsoever affect the Lessor's cancellation then in dispute. Should the dispute be determined in favour of the Lessor, the payments made and received in terms of this clause shall be deemed to be amounts paid by the Lessee on account of damages suffered by the Lessor by reason of the cancellation of the Lease and/or the unlawful holding over by the Lessee.
- 14.4. The Lessee agrees to pay all costs incurred by the Lessor in any action instituted against the Lessee in connection with this Lease, including attorney and own client legal costs, costs of tracing agents, collection commission and any other similar costs.
- 14.5. Without detracting from the rights of the Lessor in terms of clause 14.1, if either Party ("Defaulting Party") commits any breach of this Agreement and fails to remedy such breach within 14 (fourteen) business days ("Notice Period") of written notice requiring the breach to be remedied, then the Party giving the notice ("Aggrieved Party") will be entitled, at its option-
- 14.5.1. to claim immediate specific performance of all or any of the Defaulting Party's obligations under this Agreement, with or without claiming damages, whether or not such obligation has fallen due for performance; or
- 14.5.2. to cancel this Agreement, with or without claiming damages, in which case written notice of the cancellation shall be given to the Defaulting Party, and the cancellation shall take effect on the giving of such notice. Neither Party shall be entitled to cancel this Agreement unless the breach is a material breach.
- 14.6. The Lessor's or Aggrieved Party's, as the case may be, remedies in terms of this clause 14.4 are without prejudice to any other remedies to which the Aggrieved Party may be entitled in law.

15. **DAMAGE OR DESTRUCTION**

- 15.1. If, as a consequence of force majeure, fire, flooding, storms, riots, acts of God or insurrection, the Premises is –
- 15.2. wholly destroyed and un-tenantable, this Lease shall terminate; or
- 15.3. partially destroyed the Lessee shall enjoy an abatement in Rental in proportion to the extent to which the Lessee is deprived of the use and enjoyment of the Premises until the partial destruction is remedied.

## 16. MEDIATION AND ARBITRATION

16.1. Save in respect of those provisions of this Lease which provide for their own remedies which would be incompatible with arbitration, a dispute which arises in regard to:

16.1.1. the interpretation of; or

16.1.2. the carrying into effect of; or

16.1.3. any of the Parties' rights and obligations arising from; or

16.1.4. the termination or purported termination of or arising from the termination of; or

16.1.5. the rectification or proposed rectification of, this Lease or out of or pursuant to this Lease (other than where an interdict is sought or urgent relief may be obtained from a court of competent jurisdiction), the Parties shall endeavour to resolve the dispute (the "Dispute") by negotiation.

16.2. This entails one of the Parties inviting the other in writing to meet and to attempt to resolve the Dispute within 14 (fourteen) days from date of written invitation.

16.3. If the Dispute has not been resolved by such negotiation within 14 (fourteen) days of the commencement thereof by agreement between the Parties, then the Parties shall submit the dispute to arbitration for final resolution in accordance with the rules of the Arbitration Foundation of Southern Africa by an arbitrator.

16.4. If the Dispute is:

16.4.1. of a legal nature, then the arbitrator shall be a senior partner having not less than 10 (ten) years' experience in commercial law of any of the larger law firms in Stellenbosch; or

16.4.2. of an accounting nature, then the arbitrator shall be a senior partner of any of the international firms of accountants practicing in Stellenbosch.

16.5. The Parties shall jointly nominate the arbitrator, provided that if the Parties are unable to agree either on the category in which the Dispute falls or the identity of the arbitrator, within 14 (fourteen) days of the expiry of the period referred to in 16.3, then the arbitrator shall be nominated by the President for the time being of the Cape Law Society or its successor-in-title.

16.6. The provisions of this clause 16 shall not preclude either party from approaching any Court of competent authority for an interdict or other injunctive relief of an urgent nature.

16.7. Save to the extent that they shall become obliged to make disclosure thereof, the Parties undertake to keep the arbitration, including the subject matter of and evidence heard during the arbitration, confidential and not to disclose same to any other entity save for the purpose of any court proceedings.

## 17. NOTICES AND DOMICILIA

17.1. The Parties select as their respective domicilia citandi et executandi the following physical addresses, and for the purposes of giving or sending any notice provided for or required under this Agreement, the said physical addresses as well as the following e-mail addresses -

17.1.1. **Lessor:**

Stellenbosch Municipality, Plein Street, Stellenbosch, 7600

E-mail: Director Property Management: Annalene.debeer@stellenbosch.gov.za

17.1.2. **Lessee:**

Burgerhuis, c/o Alexander en Blom Street, Stellenbosch, 7600

E-mail: Company Secretary: hvzeuner@remgro.com

provided that a Party may change its *domicilium* or its address for the purposes of notices to any other physical address or e-mail address by written notice to the other Party to that effect. Such change of address will be effective 7 (seven) business days after receipt of the notice of the change.

17.2. All notices to be given in terms of this Agreement will be given in writing and will -

17.2.1. be delivered by hand or sent by telefax;

17.2.2. if delivered by hand during business hours, be presumed to have been received on the date of delivery. Any notice delivered after business hours or on a day which is not a business day will be presumed to have been received on the following business day; and

17.2.3. if sent by e-mail during business hours, be presumed to have been received on the date of successful transmission of the e-mail. Any e-mail sent after business hours or on a day which is not a business day will be presumed to have been received on the following business day.

17.3. Notwithstanding the above, any notice given in writing, and actually received by the Party to whom the notice is addressed, will be deemed to have been properly given and received, notwithstanding that such notice has not been given in accordance with this clause 17.

18. **BENEFIT OF THE AGREEMENT**

This Agreement will also be for the benefit of and be binding upon the successors in title and permitted assigns of the Parties or either of them.

19. **APPLICABLE LAW AND JURISDICTION**

19.1. This Agreement will in all respects be governed by and construed under the laws of the Republic of South Africa.

19.2. At the option of the Lessor, any action or application arising out of this Lease may be brought in any Magistrate's Court having jurisdiction in respect of either Party notwithstanding that the amount in issue may exceed the jurisdiction of such court.

20. **GENERAL**

20.1. Whole Agreement

20.1.1. This Agreement constitutes the whole of the agreement between the Parties relating to the matters dealt with herein and, save to the extent otherwise provided herein, no undertaking,

representation, term or condition relating to the subject matter of this Agreement not incorporated in this Agreement shall be binding on either of the Parties.

20.1.2. This Agreement supersedes and replaces any and all agreements between the Parties (and other persons, as may be applicable) and undertakings given to or on behalf of the Parties (and other persons, as may be applicable) in relation to the subject matter hereof.

## 20.2. Variations to be in Writing

No addition to or variation, deletion, or agreed cancellation of all or any clauses or provisions of this Agreement will be of any force or effect unless in writing and signed by the Parties.

## 20.3. No Indulgences

No latitude, extension of time or other indulgence which may be given or allowed by any Party to the other Parties in respect of the performance of any obligation hereunder, and no delay or forbearance in the enforcement of any right of any Party arising from this Agreement, and no single or partial exercise of any right by any Party under this Agreement, shall in any circumstances be construed to be an implied consent or election by such Party or operate as a waiver or a novation of or otherwise affect any of the Party's rights in terms of or arising from this Agreement or estop or preclude any such Party from enforcing at any time and without notice, strict and punctual compliance with each and every provision or term hereof.

## 20.4. Provisions Severable

20.4.1. All provisions and the various clauses of this Agreement are, notwithstanding the manner in which they have been grouped together or linked grammatically, severable from each other. Any provision or clause of this Agreement which is or becomes unenforceable in any jurisdiction, whether due to voidness, invalidity, illegality, unlawfulness or for any other reason whatever, shall, in such jurisdiction only and only to the extent that it is so unenforceable, be treated as *pro non scripto* and the remaining provisions and clauses of this Agreement shall remain of full force and effect. The Parties declare that it is their intention that this Agreement would be executed without such unenforceable provision if they were aware of such unenforceability at the time of execution hereof.

## 20.5. Continuing Effectiveness of Certain Provisions

The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.

## 21. COSTS

Each Party will bear and pay its own legal costs and expenses of and incidental to the negotiation, drafting, preparation and implementation of this Agreement.

## 22. SIGNATURE

22.1. This Agreement is signed by the Parties on the dates and at the places indicated below.

- 22.2. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts.
- 22.3. The persons signing this Agreement in a representative capacity warrant their authority to do so.
- 22.4. The Parties record that it is not required for this Agreement to be valid and enforceable that a Party shall initial the pages of this Agreement and/or have its signature of this Agreement verified by a witness.

SIGNED AT STELLENBOSCH ON THIS ..... DAY OF \_\_\_\_\_ 2019

Witness

.....

.....

**ANNALENE DE BEER**  
on behalf of  
**STELLENBOSCH MUNICIPALITY**  
duly authorised and warranting such authority

Witness

.....

.....

**PIETER KOTZÉ**  
on behalf of  
**HISTORIESE HUISE VAN SUID-AFRIKA LIMITED**  
duly authorised and warranting such authority

11.2.2	<b>PROPOSED RENEWAL OF LEASE AGREEMENT: BERGZICHT TRAINING CENTRE: PORTION OF REMAINDER ERF 235, STELLENBOSCH</b>
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Collaborator No: 674948  
IDP KPA Ref No: *Good Governance*  
Meeting Date: 22 January 2020

**1. SUBJECT: PROPOSED RENEWAL OF LEASE AGREEMENT: BERGZICHT TRAINING CENTRE: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

**2 PURPOSE**

To obtain Council's final approval for the renewal of the Lease Agreement with Bergzicht Training Centre – erf 235 Stellenbosch.

**3. DELEGATED AUTHORITY**

Council must consider the matter.

**4. EXECUTIVE SUMMARY**

On 2019-09-25 Council considered a request from Bergzicht Training Centre for the renewal of their Lease Agreement for a further period of 9 years and 11 months.

Council approved, in principle, the renewal of the Lease Agreement for a 2 year period, subject to Council's intention to enter into the lease agreement being advertised for public input/comment/objections.

On 31 October 2019 an official notice was published in the local media, soliciting public inputs, comments, objection by not later than 21 November 2019. A copy of the notice is attached as **APPENDIX 3**. A number of inputs were received – see paragraph 6.1.2 below. The comments/inputs mostly deal with the proposed short period of the Lease, i.e. 2 years with early termination clause of 3 months written notice. They request a 9 year and 11 months period with a 6 months early termination clause.

A valuation report dated 08 October 2019, compiled by Pendo Property Valuers. In terms hereof the monthly fair market rental is determined at R67 700 (Exclusive of VAT). Council in principle approved a 20% rate of the market related rental given the role the training centre plays for the bigger community. This will amount to a monthly rental of R13540.00 (Exclusive of VAT). The current monthly rental is R10 604.45(Exclusive of VAT).

Following the public participation process, Council must now consider the inputs received. Council must also consider the fair market rental for the property.

**5. RECOMMENDATIONS**

- (a) that Council considers the comment/inputs received;
- (b) that Council makes a final determination on the period of the renewal of the Lease Agreement; and
- (c) that Council determines the rental for the period.



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## 6. DISCUSSION / CONTENTS

### 6.1 Background

#### 6.1.1 In principle decision

On 2019-09-25 Council considered a request from the Bergzicht Training Centre requesting the renewal of their lease agreement for a further period of 9 years and 11 months.

Having considered the report, Council resolved as follows:

*“RESOLVED (majority vote)*

- (a) that the portion of Remainder erf 235, Stellenbosch, as indicated on fig 2 be identified as land not needed for own use during the period for which such rights are to be granted, as provided for in Regulation 36 of the Asset Transfer Regulations;*
- (b) that Council, in principle approves that a lease agreement for 2 years be concluded on a private treaty basis with Bergzicht, Training Centre, as provided for in Regulation 34 (1) (b), **subject thereto that Council’s intention be advertised for public inputs/comments/objections**, as provided for in paragraph 9.2.2 of the Property Management Policy;*
- (c) that an independent valuer be appointed to determine the fair market rental for the property referred to in (a);*
- (d) that the lease agreement provides for a 3 months’ notice period to terminate the lease agreement;*
- (e) that Council, in principle, approves 20% of the fair market value to be the rental payable by Bergzicht Training Centre, as provided for in paragraph 22.1.4 of the Property Management Policy; and*
- (f) that a draft agreement be submitted with the return item”.*

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

#### 6.1.2 Valuation report

Following the above, an independent valuer was appointed to determine a fair market rental. Hereto attached as **APPENDIX 2** a valuation report dated 08 October 2019, compiled by Pendo Property Valuers. In terms hereof the monthly fair market rental is determined at R67 700 (Exclusive of VAT).

\*Should Council approve the 20%, as previously indicated, the monthly rental will be R13540.00 (Exclusive of VAT)

The current monthly rental is R10 604.45(Exclusive of VAT).

Should Council approve the above rental, it will amount to a 28% increase.

#### 6.1.3 Public Notice

On 31 October 2019 an official notice was published in the local media, soliciting public inputs, comments, objection by not later than 21 November 2019. A copy of the notice is attached as **APPENDIX 3**.

Hereto attached as **APPENDIX 4**, copies of the written submissions received:

- Bergzicht Training Centre
- Remgro Limited
- Amicus Trust S.A
- Hanns Seidel Foundation South Africa
- Global Business Stay Specialist
- Prof. A van Wyk
- The Fat Butcher
- Chairman: Tasting Stellenbosch
- Muratie Farm kitchen
- Geratec
- La Clemence
- Geluksoord
- Junior Akademie
- Frialcare Mentor
- Stellenbosch Hospice NPC
- Stellenbosch Civil Advocacy Network
- Usiko Stellenbosch
- University of Stellenbosch Business School
- Bergzicht Students

The comments/inputs mostly deals with the proposed short period of the Lease, i.e. 2 years with early termination clause of 3 months written notice. They request a 9 year and 11 months period with a 6 months early termination clause.

#### 6.1.4 Draft Lease Agreement

Hereto attached as **APPENDIX 5** a Draft Lease Agreement, as per Council's request.

## 6.2 DISCUSSION

### 6.2.1 Location and context

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

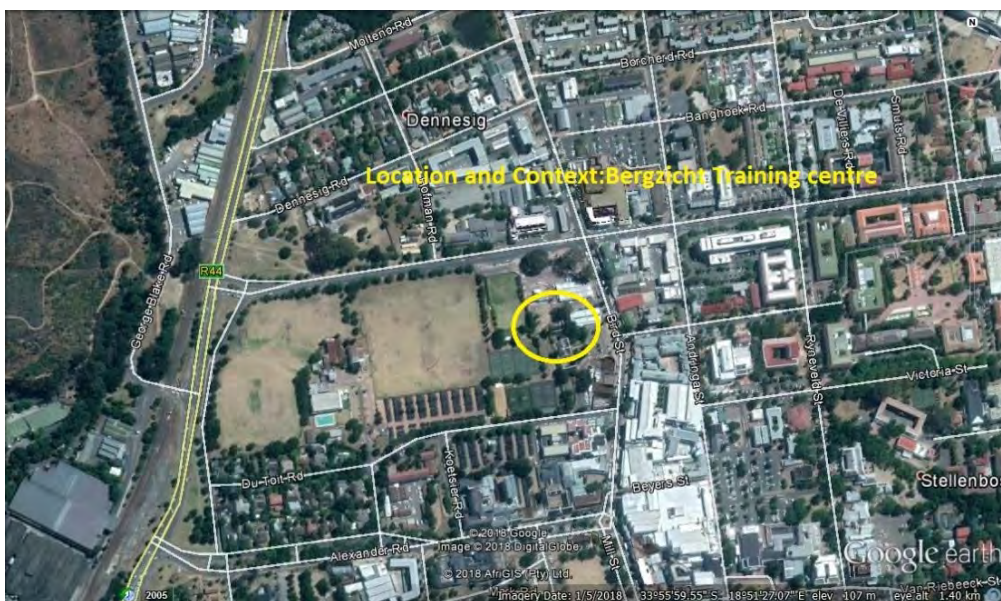


Fig 1: Location and context



**Fig 2: Extent of property**

## 6.2.2 Legal requirements

### 6.2.2.1 Asset Transfer Regulation

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

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

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

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

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

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

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

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

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

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

### **6.3 Financial Implications**

The request for renewal of lease agreement hereto attached as **APPENDIX 1**, a self-explanatory request received from Bergzicht Training Centre for the renewal of their lease agreement. The current rental is R12 195.12/month.

### **6.4 Legal Implications**

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

### **6.5 Staff Implications**

This report has no additional staff implications to the Municipality.

### **6.6 Previous/relevant Council resolutions**

See par. 6.1.1 (*supra*)

### **6.7 Risk Implications**

The risks has been addressed in the item.

### **6.8 Comments from Senior Management:**

#### **6.8.1 *Director: Infrastructure Services***

Agree with the recommendations

#### **6.8.2 Director: Planning and Economic Development**

No comments received

#### **6.8.3 Chief Financial Officer:**

No comments received

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.2.2**

- (a) that Council take note of the comment/inputs received;
- (b) that given the input Council approves the renewal of the lease with the Bergzicht Training Centre for period of 9 Years and 11 months;
- (c) that the lease is subject thereto that when a new premises become available the transfer of the lease to a new premises be considered; and
- (d) that Council the rental be determined at 20 % of the market related rental (R13540.00 exclusive of VAT).

**ANNEXURES:**

- Appendix 1: Agenda item that served before Council
- Appendix 2: Valuation report
- Appendix 3: Official notice
- Appendix 4: Written submissions received
- Appendix 5: Draft Lease Agreement

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	PIET SMIT
<b>POSITION</b>	<b>MANAGER: PROPERTY MANAGEMENT</b>
<b>DIRECTORATE</b>	<b>CORPORATE SERVICES</b>
<b>CONTACT NUMBERS</b>	<b>021-8088189</b>
<b>E-MAIL ADDRESS</b>	<a href="mailto:Piet.smit@ Stellenbosch.gov.za">Piet.smit@ Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	<b>2019-11-27</b>

# APPENDIX 1



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Collaborator No: *(To be filled in by administration)*  
 IDP KPA Ref No: **GOOD GOVERNANCE**  
 Meeting Date: **14 and 28 August 2019**

**1. SUBJECT:**  
**PROPOSED RENEWAL OF LEASE AGREEMENTS: BERGZICHT TRAINING CENTRE: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

**2 PURPOSE**

To obtain Council's approval for the renewal of the Lease Agreement with Bergzicht Training Centre – erf 235 Stellenbosch. .

**3. DELEGATED AUTHORITY**

**Council**

**4. EXECUTIVE SUMMARY**

Stellenbosch Municipality and the Bergzicht Training Centre concluded a Lease Agreement during 1992 for a 9 years and 11 months period in relation to a portion of erf 235, Stellenbosch. The agreement was renewed in 2002 for a further period of 9 years and 11 months. The agreement, however lapsed in 2013. Bergzicht however continued to lease and use the property as a training center and paid the rent and an informal agreement therefore continued on a month to month basis. It is however necessary to formalize the lease arrangement.

An application has now been received from Bergzicht Training Centre to renew the lease agreement for a further term of 9 years and 11 months. Council must now consider this request in terms of the Property Management Policy.

Seeing that the Training Centre is a NPO, it is used for the benefit of the community and it is maintained and have been updated by the lessee it is recommended that Bergzicht Training Centre pay 20% of market rental, to be determined by an independent valuer.

The property under discussion is one of the historical properties belonging to the municipality. An audit was done on the historical properties belonging to the municipality and a decision on the management of all the properties will



be taken in due course. The lease agreement with the applicants will make provision for a termination if the management of this property changes during the proposed lease period.

## 5. RECOMMENDATIONS

- a) that the portion of Remainder erf 235, Stellenbosch, as indicated on fig 2 be identified as land not needed for own use during the period for which such rights are to be granted, as provided for in Regulation 36 of the Asset Transfer Regulations;
- b) that Council, **in principle** approve that a lease agreement for 9 years and 11 months be concluded on a private treaty basis with Bergzicht, Training Centre, as provided for in Regulation 34 (1) (b), subject thereto that Council's intention be advertised for public inputs/comments/objections, as provided for in paragraph 9.2.2 of the Property Management Policy;
- c) that an independent valuer be appointed to determine the fair market rental for the property referred to in (a),
- d) that the lease agreement provides for a 3 months' notice period to terminate the lease agreement should Council decide to make changes to the management of the historical properties belonging to the Municipality;
- e) that Council, in principle, approve 20% of the fair market value to be the rental payable by Bergzicht Training Centre, as provided for in paragraph 22.1.4 of the Property Management Policy; and
- f) That a draft agreement be submitted with the return item.

## 6. DISCUSSION / CONTENTS

### 6.1. Background

#### 6.1.1 Initial Lease Agreement

Stellenbosch Municipality and the Bergzicht Training Centre concluded a Lease Agreement during 1992 for a 9 years and 11 months period in relation to a portion of erf 235, Stellenbosch. The agreement was renewed in 2002 for a further period of 9 years and 11 months. The agreement, however lapsed in 2013. Bergzicht continued to use the property and all rentals were paid to date.

### 6.2 Discussion



## 6.2.1 Location and context

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



**Fig 1: Location and context**



**Fig 2: Extent of property**

## 6.2.1 Legal requirements

### 6.2.2.1 Asset Transfer Regulation

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

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

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

- a) The capital asset in respect of which the right is to be granted has a value in excess of R10M\*; and
- b) A long-term right is proposed to be granted (i.e. longer than 10 years). None of the assets has a value in excess of R10M.

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

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

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

- a) the value of the asset; or
- b) the period for which the right is granted

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

#### 6.2.1.2 Policy on the Management of Council owned property

In terms of paragraph 9.2.2 of the Policy, the Municipal Council may enter into an agreement with a lessee without a tender process only after having advertised Council's intention.

One of the circumstances listed is lease contracts with existing tenants of immovable properties, not exceeding ten (10) years. Such agreements

may be renegotiated where Council is of the opinion that public competition would not serve a useful purpose, subject to such renewal being advertised, calling for public comment.

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

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

Seeing that the Training Centre is a NPO and is used as a training centre through which the community in the municipality benefits it is recommended that Bergzicht Training Centre pay 20% of market rental, to to be determined by an independent valuer.

### 6.3. Financial Implications

The request for renewal of lease agreement hereto attached as APPENDIX 1, a self-explanatory request received from Bergzicht Training Centre for the renewal of their lease agreement. The current rental is R12 195.12/month.

### 6.4 Legal Implications

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

### 6.5 Staff Implications

This report has no additional staff implications to the Municipality.

### 6.6 Risk Implications

The risks has been addressed in the item.

### 6.7 Comments from Senior Management:

#### 6.7.1 Director: Infrastructure Services

Agree with the recommendations

**6.7.2 Director: Planning and Economic Development**

No comments received

**6.7.3 Chief Financial Officer:**

No comments received

**ANNEXURES:**      **Appendix 1: Application for renewal**

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	PIET SMIT
<b>POSITION</b>	<b>MANAGER: PROPERTY MANAGEMENT</b>
<b>DIRECTORATE</b>	<b>CORPORATE SERVICES</b>
<b>CONTACT NUMBERS</b>	<b>021-8088189</b>
<b>E-MAIL ADDRESS</b>	<a href="mailto:Piet.smit@ Stellenbosch.gov.za">Piet.smit@ Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	<b>2019-08-01</b>

# APPENDIX 2



## VALUATION REPORT

DETERMINATION OF THE MARKET RENTAL OF:  
**BERGZICHT TRAINING CENTRE**  
LOCATED ON A PORTION OF ERF 235 STELLENBOSCH

Client:

**STELLENBOSCH MUNICIPALITY**

8 October 2019

Compiled by:

**Johan Klopper**

Professional Valuer

Member of the SA Institute of Valuers

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



8 October 2019

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

## VALUATION CERTIFICATE

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

**THE BERGZICHT TRAINING CENTRE LOCATED ON A PORTION OF ERF 235 STELLENBOSCH,  
 STELLENBOSCH REGISTRATION DIVISION, in the WESTERN CAPE**

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

<b>R 67 700.00</b>	<b>Sixty Seven Thousand Seven Hundred Rand (Excluding VAT)</b>
--------------------	--

As at: **7 October 2019**

Signed at Stellenbosch this 8<sup>th</sup> day of October 2019.

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

**J. Klopper**  
 Professional Valuer  
 Registration Number: 6372/0

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

Verified Level 4 B-BBEE Contributor



## VALUATION REPORT

### 1. GENERAL INFORMATION

#### 1.1 Instructions

Instructions were received from the Stellenbosch Municipality to determine the fair market rental of the Bergzicht Training Centre premises, located on a portion of Erf 235 Stellenbosch. The Stellenbosch Municipality is in the process of negotiations to determine a market related rental for purposes of conclusion of a lease agreement with the Bergzicht Training Centre.

Definition of market rental: *"The estimated amount for which the property should be leased on the date of valuation between a willing lessor and a willing lessee in an arm's length transaction after property marketing, wherein the parties acted knowledgeably, prudently and without compulsion."*

#### 1.2 Inspection date

7 October 2019

#### 1.3 Effective date of valuation

7 October 2019

#### 1.4 Limiting conditions

Information was received from third parties regarding the comparable properties. No warranty as to the accuracy of this information can be made.

In this report all values referred to exclude VAT, unless expressly stated otherwise.

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

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

Maps and sketches that form part of this report are included for illustration purposes only and are not necessarily to scale.

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



## 2. PHYSICAL FEATURES

### 2.1 Situation / Locality

The subject property is located off Du Toit Street on the north-western periphery of the Stellenbosch CBD. The Van der Stel Sports Complex is located directly to the west of the subject property, while the taxi rank and municipal parking area is located directly to the north and east respectively. A vacant tract of land located directly to the north (adjacent to the taxi rank) draws vagrants which compromises the security at the subject property. In general the location is considered low-grade in comparison to other commercial nodes in the Stellenbosch CBD. See location map below:



### 2.2 Description of the site and improvements

The site is a rectangular shaped tract of land with a level gradient. The improvements comprise three plastered and painted double storey Cape Dutch style buildings with pitched thatch roofs. The total estimated lettable area amounts to approximately 1061m<sup>2</sup>, comprising ground floor accommodation of ± 591 m<sup>2</sup> and first floor accommodation of ± 470 m<sup>2</sup>. See aerial photograph below:



Building 1 represents a rectangular shaped double storey building, with a total estimated lettable area of approximately 221 m<sup>2</sup>, comprising a ground floor of ± 116 m<sup>2</sup> and first floor of ± 105 m<sup>2</sup>. Accommodation comprises a reception, 2 WC's and two training rooms on the ground floor and two offices, WC and open plan offices with kitchenette on the first floor.

Building 2 represents a rectangular shaped double storey building, with a total estimated lettable area of approximately 491 m<sup>2</sup>, comprising a ground floor of ± 288 m<sup>2</sup> and first floor of ± 203 m<sup>2</sup>. Accommodation comprises two training rooms, two WC's, laundry and bathroom on the ground floor and boardroom, open plan offices, store area and WC on the first floor.

Building 3 represents a rectangular shaped double storey building, with a total estimated lettable area of approximately 349 m<sup>2</sup>, comprising a ground floor of ± 187 m<sup>2</sup> and first floor of ± 162 m<sup>2</sup>. Accommodation comprises an entrance foyer with reception, kitchen with cold storage, training room with large fireplace, dining hall, bar area, two boardrooms, male and female WC's on the ground floor and open plan office with kitchen area, two WC's (one with shower), storage areas, training room and office on the first floor.

The accommodation can generally be described as dated, but in a fair state of repair. The first floor accommodation is generally considered inferior due to access constraints and utility limitations caused by sloping roofs, which suggests that a lower rental rate would be applicable to the first floor *vis a vis* the ground floor. Refer to **Annexure A** for photographs of the subject property.

### 3. VALUATION METHOD

The direct comparison approach is deemed the most suitable valuation method in determining the market rental of the subject property. This approach is based on the principle of comparability and substitution. The assumption is that if similar assets in a similar market place are leased at a particular value, then the comparable asset will be leased at a similar price. Specific note was taken of the site specific characteristics, location and market conditions when determining the market rental of the subject property.

### 4. VALUE DETERMINATION

#### 4.1 Market research

The property market in the immediate vicinity was investigated, and the valuer liaised with local role players to ascertain acceptable market levels for the subject property. The following relevant market information was obtained and applied in the valuation process:

No	Description	Rental (R/m <sup>2</sup> )	Comments
1	Subject property	± R 57.50 / m <sup>2</sup>	The current rental of R 12 195.12 equates to a rate of R 11.50 / m <sup>2</sup> . This is based on a 20% apportionment, which suggests an actual average rate of ± R 57.50 / m <sup>2</sup> .
2	Agripark (Adam Tas Road)	± R 70 / m <sup>2</sup>	Commercial spaces ranging between 582m <sup>2</sup> and 806m <sup>2</sup> utilised primarily for light industrial and retail purposes. Indicative of the rate to be applied to the subject property.
3	Rustenburg Way (Ida's Valley)	± R 79 / m <sup>2</sup>	Commercial space of approximately 437m <sup>2</sup> located in an established commercial node of Ida's Valley. Considered good indication of the rate to be applied to the subject

No	Description	Rental (R/m <sup>2</sup> )	Comments
4	Papegaairand Road (Off Bird Street)	± R 95 / m <sup>2</sup>	Commercial space of approximately 500m <sup>2</sup> located in an industrial/commercial node predominantly utilised for motor showrooms and ancillary purposes. The location of the subject property is considered inferior.
5	Plankenbrug	± R 103.50 / m <sup>2</sup>	Office accommodation of 255m <sup>2</sup> located in the Plankenbrug industrial node offered at a rate of approximately R 103.50 / m <sup>2</sup>

#### 4.2 Determination of value

The market information above gives a broad indication of the rate to be applied to the subject property. The accommodation offered is considered average, but the location is deemed inferior to other commercial nodes in the Stellenbosch CBD.

After making the necessary adjustment for the site specific characteristics, location and other value forming characteristics, the valuer is of the opinion that a market rental of **R 70 / m<sup>2</sup>** would be fair and reasonable for the ground floor of the subject property, based on the available market information. A 20% discount would be justified for the first floor accommodation due to access constraints and utility limitations caused by sloping roofs, i.e. **R 56 / m<sup>2</sup>**.

The market related monthly market rental can therefore be calculated as follows:

Description	Size	Rate	Rental
Ground floor	591 m <sup>2</sup>	R 70 / m <sup>2</sup>	R 41 370
First floor	470 m <sup>2</sup>	R 56 / m <sup>2</sup>	R 26 320
TOTAL	1061 m <sup>2</sup>		R 67 690
<b>ROUNDED TOTAL</b>			<b>R 67 700</b>

The rental of R 67 700 relates to an average rental of R 63.80 / m<sup>2</sup> which is considered in keeping with the market, bearing in mind the location and accommodation offered.

## 5. DECLARATION

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

Based on our research and experience, we are of the opinion that the **MONTHLY MARKET RENTAL** of the Bergzicht Training Centre located on a portion of Erf 235 Stellenbosch, as at 7 October 2019, amounts to:

Amount	In words
R 67 700	Sixty Seven Thousand Seven Hundred Rand (Excluding VAT)

Signed at STELLENBOSCH on this the 8<sup>th</sup> day of October 2019.



J. Klopper

Professional Valuer (Reg. No. 6372/0)  
Member of the SA Institute of Valuers  
BCur (Law); NDip (Property Valuation)



ANNEXURE A: PHOTOGRAPHS OF SUBJECT PROPERTY











End of report



# APPENDIX 3



**STELLENBOSCH**  
 STELLENBOSCH • PNIEL • FRANSCHHOEK  
 MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

31/10/2019

**OFFICIAL NOTICE**

**OFFICIAL NOTICE PROPOSED RENEWAL OF LEASE AGREEMENT:  
 BERGZICHT TRAINING CENTRE: PORTION OF REMAINDER ERF 235,  
 STELLENBOSCH**

Notice is hereby given in terms of par. 9.2.2 of Stellenbosch Municipality's Policy on the Management of Council-owned property of the Municipality's intention to renew a lease agreement with Bergzicht Training Centre in relation to a Portion of Remainder Erf 235, Stellenbosch.

**Background**

Stellenbosch Municipality and the Bergzicht Training Centre concluded a Lease Agreement during 1992 for a 9 years and 11 months period in relation to a portion of Erf 235, Stellenbosch. The agreement was renewed in 2002 for a further period of 9 years and 11 months. The agreement, however lapsed in 2013 after unsuccessful attempts to renew it due to Supply Chain Policy challenges. The contract was kept alive on a month-to-month basis and all rentals were paid to date.

On 2019-09-25 Council considered the request for the renewal of the Lease Agreement, Council resolved, *inter alia*, as follows:

- a) That the portion of Remainder erf 235, Stellenbosch, indicated on Fig 2, be identified as land not needed for use to provide basic services during the period for which such rights are to be granted, as provided for in Regulation 36 of the Asset Transfer Regulations;
- b) That Council's in principle approves that the lease agreement for 2 years be concluded on a private treaty basis with Bergzicht Training Centre, as proved for in Regulation 34 (1) (b), but subject thereto that Council's intention be advertised for public comment/inputs/objections, as provided for in paragraph 9.2.2 of the Property Management Policy.
- c) That an independent valuer be appointed to determine the fair market rentals for the property referred to in (a);
- d) That the lease agreement provides for a 3 months' notice period to terminate the lease agreement;
- e) That Council, in principle, approves the rental at 20% of the fair market rental payable by Bergzicht Training Centre, as provided for in paragraph 22.1.4 of the Property Management Policy; and
- f) That a draft agreement be submitted with the return item.

**Further Particulars:**

Further particulars, including the agenda item that served before Council, are available at the office of the Manager: Property Management during office hours.

**Invitation to submit written inputs**

Any interested and effected party who wishes to submit comment/inputs/objections to the proposed transfer can do so by submitting it in writing to the Manager: Property Management within 21 days of date of publication.

Any such inputs/comments/objections can be submitted by hand, posted or by e-mail to:

Physical Address: 3rd Floor  
 Absa (Oude Bloemhof) Building, Corner of Plein and Rhyneveld Street  
 Stellenbosch  
 7600

Postal address: PO Box 17  
 Stellenbosch  
 7599

e-mail: [piet.smit@stellenbosch.gov.za](mailto:piet.smit@stellenbosch.gov.za)

In terms of the provisions of Section 21(4) of the Municipal Systems Act, anyone who cannot read or write is welcome to contact the office of the Manager: Property Management for assistance.

**G METTLER**  
**MUNICIPAL MANAGER**

**DATE**

# APPENDIX 4



Reg no: 1992/006838/08

C/O Bird Street and Merriman Avenue PO Box 985 Stellenbosch South Africa 7600 VAT 4510213954

Tel +27(0)21 883 3525 Fax +27(0)21 886 6345 www.bergzichttraining.com NPO 004-976

To: The Municipal Manager  
cc Executive Mayor Gesie van Deventer  
cc Property Manager Piet Smit

21 November 2019

**Sent via email and by hand**

Dear Ms Mettler

**OFFICIAL FEEDBACK/COMMENT RE: NOTICE OF 31 OCTOBER 2019 PUBLICATION EIKESTAD NUUS RE BERGZICHT TRAINING (BZ) PROPOSED RENEWAL OF LEASE AGREEMENT: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

This document serves as the official comment to Stellenbosch Municipality in response to the Notice of 31 October 2019 in the matter of the Proposed Renewal of the Lease Agreement for Bergzicht Training. On behalf of the Management, Staff and Board of Bergzicht Training, we trust that the Municipality will find our comment and position in this regard to be well-considered, soundly motivated and supported by both the broader Stellenbosch Community that we serve, as well as our all-important donor community.

**BRIEF BACKGROUND (detailed background information attached)**

Bergzicht Training is a Stellenbosch-based NGO, teaching relevant, basic skills and providing comprehensive mentorship and employment opportunities to unemployed youth from Stellenbosch and other local, historically, disadvantaged communities. The NGO has occupied the buildings on erf 235 since March 1992, a period of almost 28 years. Pinotage Youth Development Academy (PYDA) have been a tenant of BZ, since March 2014. **PYDA operates in their own entity, completely separate from BZ.** PYDA develops young, talented South Africans, with the same demographics as BZ, for employment in the ever growing wine industry, wine tourism and related sectors. **BZ and PYDA occupy a total of 1342 m<sup>2</sup>.**

**Directors: Mr NST Motjuwadi (Chairperson) Mr A Anthony  
Ms KMV Harris Dr JJE Koornhof Mr CAC de Villiers Mr JP Odendaal (Treasurer)  
Mr JCJ Newman Dr GMAC Lourens Ms S Diedericks  
Honorary Members: Mrs MC Kotzé Dr JC de Villiers**

**An indication of the importance of the existence of Bergzicht and PYDA and how many lives have been changed forever on this campus – relevant data 2019 only**

PROGRAMMES	BERGZICHT NO OF STUDENTS 2019	PYDA NO OF STUDENTS 2019/2020	TOTAL
Total graduates per annum	552	75	627
% placed in full time employment	82%	92%	
*Boarder overall impact per annum	2835	300	3135

\*Statistics support the conservative view that 1 working individual has an impact on at least 4 others within the working graduate's family unit/community

**Our major concerns with the proposal of a 2-year lease agreement, 3-month notice period and increased rental:**

- **3-year funding cycles:** BZ has raised R4.6 million in 2019. Most of the funding has been confirmed on funding cycles of 3-year periods. It will be impossible to proceed with this funding success with a short term 2-year lease as proposed. We therefore request a 9 year and 11-month lease agreement;
- **3-month notice period:** We feel that a 3-month notice period is unreasonably short for the nature of our business and the difficulty of finding alternative premises will pose. We would like to request a 6-month notice period.
- **Increased rental:** Although we have now budgeted for an increased rental of 28% to our current rental, we need to mention that this is substantially higher than the normal 5% annual increase. This is due to the Council's decision referring to c) & e) of the public notice that a valuation determining a fair market rental and approval that a rental at 20% of the market rental be payable by BZ. This increased cost will further reduce the number of funded training by BZ and PYDA.
- **BZ's fate in 2022 at the end of the proposed 2-year lease agreement:** BZ has not been officially informed of a suitable option of where BZ and PYDA will be moved at the end of this 2 year proposed current lease agreement nor has there been any inclusive consultation with the management of BZ of possible new premises to date. According to my information the plans have already been near finalized and that the Municipality is ready to go out to tender. Only informal communication has taken place by the Executive Mayor in this regard, during the following dates:

**Directors: Mr NST Motjuwadi (Chairperson) Mr A Anthony  
Ms KMV Harris Prof JF Smith Dr JJE Koornhof Mr CAC de Villiers Mr JP Odendaal (Treasurer)  
Dr GMAC Lourens Ms S Diedericks JCJ Newman  
Honorary Members: Mrs MC Kotzé Dr JC de Villiers**

- **23 July 2019:** An unannounced visit to the BZ premises by the Executive Mayor, The Municipal Manager, Property Management office and others in **BZ CEO's absence**. The Executive Mayor mentioned on that day that the future plan is to move BZ to a new building and that the current buildings are to be changed into a "tourist hub". This has caused middle management, facilitators, our tenant PYDA, students and myself great concern since then.
- **22 October 2019:** The Executive mayor mentioned to me informally at a Visit Stellenbosch function that her intention was to move BZ to new premises and asked that I write to her for an urgent meeting request. This was done on the 24<sup>th</sup> October but never received a response.
- **18 November 2019:** The Executive mayor telephonically informed the BZ CEO of her intention to move us to a new building. The latter suggested that they meet urgently. That Mayor suggested that Piet Smit, Property Manager be present to discuss the proposed plans.

**Attempted communication to the office of the Executive Mayor and Councilors to raise our concerns regarding the proposed 2-year lease agreement to which we have had no formal reply to date:**

- **12 April 2019:** letter (delivered by hand and email) in response to a letter from Piet Smit to motivate a lease agreement for a period of 9 years and 11 months – see copies of both letters attached
- **2 October 2019:** email letter to Executive Mayor (cc Councilor Mr Frazenburg, PA to the Mayor), in response to telephone call received from a concerned councilor after the Council meeting of 25 September 2019, of the decision of a proposed 2-year lease agreement that will be advertised for public comment/objection. See copy of letters attached.
- **24 October 2019:** email as requested by the Executive mayor requesting an urgent meeting regarding the lease extension after a brief conversation on 22<sup>nd</sup> October 2019 at the Visit Stellenbosch function. A copy was also sent to the PA of the Mayor – see copies attached. This was followed up by a telephone call to be told that the PA is on leave and that we will have to await a response.
- **13 November 2019:** Email letter to Councilor Esther Groenewald after a telephone conversation with her on the 11<sup>th</sup> November 2019, about my concerns. An email letter was sent outlining our concerns of a 2-year lease confirming our conversation – see copy attached.


Furthermore, concerning the proposed new building it was BZ and PYDA's recommendation that a **Youth Café** be built on the old KLT premises. A full motivation was done and submitted to Property Management and the Mayor's office, for the erection of a Youth Café in response to a public comment notice that was placed in December 2017. This motivation can be re-sent on request. Such a Youth Café

which is a very successful Western Cape Dep Social Development intervention that will benefit the greater troubled youth community of Stellenbosch as an extension to the Bergzicht/PYDA campus.

We believe that this comment document demonstrates the significant and relevant concerns that Bergzicht Training have regarding this proposed lease renewal period and future proposals regarding alternative premises. We have always regarded the Municipality as a key partner of Bergzicht Training and have enjoyed tremendous support over the years – in turn we believe that we have been a very good tenant for many years and that we have made and continue to make a significant contribution to the community of Stellenbosch.

We thank you for your consideration of this submission and would welcome the opportunity to engage further with the Municipality on this issue.

Yours sincerely



**Renske Minnaar**  
Chief Executive Officer



**Nikki Munro**  
Executive Director  
Pinotage Youth Development Academy

**Directors: Mr NST Motjuwadi (Chairperson) Mr A Anthony  
Ms KMV Harris Prof JF Smith Dr JJE Koornhof Mr CAC de Villiers Mr JP Odendaal (Treasurer)  
Dr GMAC Lourens Ms S Diedericks JCI Newman  
Honorary Members: Mrs MC Kotzé Dr JC de Villiers**

## Addendum to cover letter

### Detailed Background

BZ an NGO, teaching relevant basic skills to unemployed black youths from Stellenbosch and other local historically, disadvantaged communities, have occupied the buildings on erf 235, since March 1992, nearly 28 years. BZ occupies Buildings A (Admin and Training Kitchen) and B L-Shape in the middle in total 840 m<sup>2</sup>. Pinotage Youth Development Academy (PYDA) have been a tenant of BZ with the full knowledge of Property Management, for now nearly 6 years, since March 2014. **PYDA operate in their own entity, completely separate from BZ.** PYDA develops young, talented South Africans, with the same demographics as BZ, for employment in the ever growing wine industry, wine tourism and related sectors. They occupy Building C, 502 m<sup>2</sup> with a separate entrance and facilities meeting their specific needs.

**BZ and PYDA occupy in total 1342 m<sup>2</sup>.** BZ and PYDA share the garden maintenance and utilities. The garden and parking area is used together as campus pausing space.

### Detailed statistics of how many lives have changed forever on the BZ/PYDA campus?

Programmes	Bergzicht No of students 2019	PYDA No of students 2019/2020	TOTAL
Tourism & Entrepreneurship, Wine and Tourism, Health & Frail Care, Hospitality, Child Care, Employability, First Aid	164 Core programmes + 388 short courses = 552	75 (2019/2020)	
<b>Total graduates per annum</b>	<b>552</b>	<b>75</b>	<b>627</b>
Retention levels of employment after 6 months	64% after 6 months (core programme graduates)	90%	
% placed in full time employment	82%	92%	
Graduates to date (since inception)	In excess of 12 000 (March 1992)	282 (May 2014)	
*Boarder overall impact	2835	300	3135

- Statistics support the conservative view that 1 working individual has an impact on at least 4 others within the working graduate's family unit/community





**STELLENBOSCH**  
 STELLENBOSCH • PNIEL • FRANSCHHOEK  
 MUNISTPALITEIT • UMASIPALA • MUNICIPALITY

31 Oct 2019  
 publication

## OFFICIAL NOTICE

### OFFICIAL NOTICE PROPOSED RENEWAL OF LEASE AGREEMENT: BERGZICHT TRAINING CENTRE: PORTION OF REMAINDER ERF 235, STELLENBOSCH

Notice is hereby given in terms of par. 9.2.2 of Stellenbosch Municipality's Policy on the Management of Council-owned property of the Municipality's intention to renew a lease agreement with Bergzicht Training Centre in relation to a Portion of Remainder Erf 235, Stellenbosch.

#### Background

Stellenbosch Municipality and the Bergzicht Training Centre concluded a Lease Agreement during 1992 for a 9 years and 11 months period in relation to a portion of Erf 235, Stellenbosch. The agreement was renewed in 2002 for a further period of 9 years and 11 months. The agreement, however lapsed in 2013 after unsuccessful attempts to renew it due to Supply Chain Policy challenges. The contract was kept alive on a month-to-month basis and all rentals were paid to date.

On 2019-09-25 Council considered the request for the renewal of the Lease Agreement, Council resolved, *inter alia*, as follows:

- That the portion of Remainder erf 235, Stellenbosch, indicated on Fig 2, be identified as land not needed for use to provide basic services during the period for which such rights are to be granted, as provided for in Regulation 36 of the Asset Transfer Regulations;
- That Council's in principle approves that the lease agreement for 2 years be concluded on a private treaty basis with Bergzicht Training Centre, as provided for in Regulation 34 (1) (b), but subject thereto that Council's intention be advertised for public comment/inputs/objections, as provided for in paragraph 9.2.2 of the Property Management Policy.
- That an independent valuer be appointed to determine the fair market rentals for the property referred to in (a);
- That the lease agreement provides for a 3 months' notice period to terminate the lease agreement;
- That Council, in principle, approves the rental at 20% of the fair market rental payable by Bergzicht Training Centre, as provided for in paragraph 22.1.4 of the Property Management Policy; and
- That a draft agreement be submitted with the return item.

#### Further Particulars:

Further particulars, including the agenda item that served before Council, are available at the office of the Manager: Property Management during office hours.

#### Invitation to submit written inputs

Any interested and effected party who wishes to submit comment/inputs/objections to the proposed transfer can do so by submitting it in writing to the Manager: Property Management within 21 days of date of publication.

Any such inputs/comments/objections can be submitted by hand, posted or by e-mail to:

Physical Address: 3rd Floor  
 Absa (Oude Bloemhof) Building, Corner of Plein and Rhyneveld Street  
 Stellenbosch  
 7600

Postal address: PO Box 17  
 Stellenbosch  
 7599

e-mail: piet.smit@stellenbosch.gov.za

In terms of the provisions of Section 21(4) of the Municipal Systems Act, anyone who cannot read or write is welcome to contact the office of the Manager: Property Management for assistance.

**G METTLER**  
 MUNICIPAL MANAGER

DATE

XXXXX-201911



# LETTERS OF SUPPORT

# Remgro Limited

21 November 2019

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599

Dear Mr Smit

**COMMENT OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

We write on behalf of Remgro Limited in support of a long-term lease commitment from Stellenbosch Municipality for Bergzicht. We have been associated with Bergzicht Training for the past nine years. We are proud to support an organisation that creates opportunities for the underprivileged and add value to the lives of so many young people in Stellenbosch. Bergzicht equips them with the necessary skills to find employment and make a meaningful contribution to their families and the town of Stellenbosch.

We strongly support the Bergzicht Training proposal of a rental lease agreement of at least 9 years. Anything shorter will jeopardize the funding business model which normally falls over 3-year funding cycles.

Their current location is perfect for the communities that it serves- easy and safe access for any local community to access. The current buildings are ideal for the flexible classroom sizes and the types of training provided by Bergzicht.

**Yours sincerely,**

Cheryl Farao

Corporate Social Investment: Community Projects

Millennia Park

16 Stellantia Avenue, Stellenbosch 7600

(3 year cycles)

B2 Fund Page 983



AMICUS  
TRUST SA

PSG BEE Trust  
Jannie Mouton Foundation  
Antonie Roux Trust  
AALL Foundation

18 November 2019

**Mr Piet Smit**  
**Manager: Property Management**  
**PO Box 17**  
**Stellenbosch**

**Dear Sir**

The notice in Eikestadnuus of 31 October 2019 regarding the proposed two year lease agreement with Bergzicht Training refers.

I write on behalf of the trustees of Amicus Trust SA, a philanthropic trust that for the past 5 years have sourced sponsorships for various training courses of Bergzicht Training. Donors include the PSG BEE Education Trust, The Jannie Mouton Foundation, The Antonie Roux Trust, The AALL Foundation in the Cayman Islands as well as several individual donors.

Given Bergzicht Training's track record over 27 years, their successful training and job placement rate, the ideal location for the students of the target market to reach the building by train or taxi, we are astounded and upset that Council is not willing to extend their lease for another 9 years and 11 months. Even more so in view of the fact that on the same page of Eikestadnuus notice is given that another historic property of the Municipality, *Burgerhuis*, has indeed been given another 9 years and 11 months lease.

We would appreciate it if you could inform us why only a two year lease is being offered to Bergzicht Training. Does the Municipality plan to use the buildings for something else? Can whatever is planned really weigh up to the amazing value that Bergzicht Training has added regarding skills training and job placement for 27 years - especially in this property and in this location? For all of us in South Africa this impact Bergzicht Training has made and is making must surely be an absolute priority - also and even more so for the Municipality.

We have heard rumours that an upmarket restaurant is envisaged for these premises. We sincerely hope that this is not the reason only a two year lease is offered. You will of course know that a restaurant was once tried in this building - and that it was a total failure. Given the demographic changes to Stellenbosch since then this location is surely die least suitable for this purpose. And it is unthinkable that the future of Bergzicht Training would be put on risk for such an endeavour.

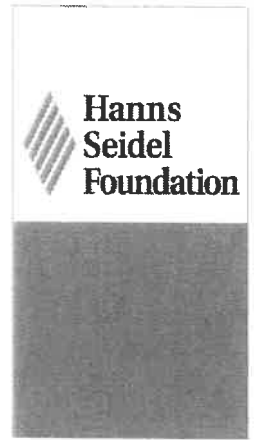
We therefor urgently plead that you reconsider and will be willing to guarantee the future of Bergzicht Training (and PYDA!) by giving them a long term lease.

Regards

**Dr JJE Koornhof**  
**On behalf of the trustees of Amicus Trust SA**

Hanns Seidel Foundation South Africa NPC | P O Box 41451 Craighall 2024 | Johannesburg, South Africa

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599



13 November 2019

**RE: COMMENT OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT  
BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

Dear Mr Smit

We write on behalf of Hanns Seidel Foundation in support of a long term lease commitment from Stellenbosch Municipality for Bergzicht. We have been associated with Bergzicht Training for the past 26 years. We strongly believe in supporting local ideas and initiatives in order to empower people and communities and Bergzicht Training has therefore been the right partner for us to make a sustainable impact on grass roots level. Bergzicht Training offers hands-on training that meets the needs of the local economy and enables trainees to find permanent jobs to support themselves and their families. On another level – as most trainees are women – the organisation contributes to the empowerment of women in the Western Cape and in this way plays a small but significant part in the overall democratic development of the region.

We strongly support the Bergzicht Training proposal of a rental lease agreement of at least 9 years. Anything shorter will jeopardize the funding business model which normally falls over 3- year funding cycles.

The current buildings are ideal for the flexible classroom sizes and the types of training provided by Bergzicht. Also, it is easily accessible for all local communities through local taxi and rail. This is crucial for students, coming from disadvantaged communities, who would otherwise often not be able to attend the training classes.

Yours sincerely,

A handwritten signature in black ink, appearing to read "H. Bühler".

Hanns Bühler  
Regional Representative  
Hanns Seidel Foundation Southern Africa

Hanns Seidel Foundation  
South Africa NPC

Johannesburg Office  
Hyde Park Lane Office Park  
Hyde Lane  
Cnr. William Nicol &  
Jan Smuts Avenue  
Hyde Gate Building,  
1st Floor  
2196

Tel.: +27 (0) 11 325 0589

Cape Town Office  
2nd Floor  
38 Hout Street  
Cape Town  
8001

Tel: +27 (0) 21 286 0795

[info@hsf.co.za](mailto:info@hsf.co.za)

<http://www.hsf.co.za>

Facebook: Hanns Seidel  
Foundation Southern Africa

Hanns Seidel Foundation  
South Africa NPC  
Reg. No. 91/06712/08



19 November 2019

**RE: SUPPORT TO BERGZICHT TRAINING FOR LONGER LEASE PERIOD FROM STELLENBOSCH MUNICIPALITY**

Dear Renske

I find it to be an incredible injustice that the municipality can even consider reducing your lease to 2 years.

Bergzicht already operates in a marginalised capacity with lack of funding and resources, without having to worry about a stable premises. Although a historic landmark, the Bergzicht building cannot be used for much else because of the poor and unsafe location.

The location is however perfect for your current activities as it is next to the taxi rank for all the transport requirements.

Over many years I have lived alongside your dreams, fears and relentless planning and fund raising for Bergzicht to which you have dedicated yourself.

The municipality should rather support you in every endeavor to make Stellenbosch a happier and more successful place for all the hopeful students who cross your threshold.

How are we doing with the proposal of a youth café? It is quite a disgrace that Oudtshoorn can run such a successful one and Stellenbosch does not even have one!

Best regards

Erika Kok

**Shareholder and Director**

GLOBAL ACCOMMODATION (PTY) Ltd | Reg. no: 2015/169144/07 | VAT no: 4010235788  
1st Floor, Chenin House, Brandwacht Office Park, Trumali Street, Stellenbosch, 7600

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PO Box 12475, The Vineyard, 7613 | Republic of South Africa



[www.globalaccommodation.co.za](http://www.globalaccommodation.co.za)



Dear Mr Smit,

Bergzicht Training Centre (BTC): Lease of remainder erf 235, Stellenbosch

*In terms of our country's Constitution the objects of local government, such as the Municipality of Stellenbosch, include the promotion of social and economic development (sec 152(1)(c)). A Municipality therefore has the constitutional duty (in terms of sec 153) 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".*

*I have been a resident of Stellenbosch since 1966 and have over many years and in various capacities been involved in the welfare and development of our town and its communities. This has included the municipal property known as the Bergzicht Market, in particular the important training organisation based in the beautiful old residence on the premises since 1992. The NGO took its name from these buildings.*

*I will not be exaggerating when I say that BTC occupies a special place among the charitable organisations in our town. This statement is based inter alia on my ten years as rector and vice-chancellor of our university and the decade during which I was the chairman of Het Jan Marais Nationale Fonds (HJMNF), the most important funder of non-profit organisations in Stellenbosch. BTC was right from its start visualised as a future-building organisation and not so much as one addressing the misery and needs of the less fortunate members of our society (as important as these needs are). Our country badly requires trained people, particularly on the entry level. This sort of training prepares people for jobs and plays a key role in the development of our country and town. For this reason the University supported BTC right from its start, also be being represented on its board and over many years providing a chair for the board. HJMNF has for the same reason been an important donor to BTC, thereby fulfilling its testamentary object of promoting the welfare of the people of Stellenbosch. BTC has also been a beneficiary of foreign donations, particularly by the German Hanns Seidl Foundation which has close links to the Bavarian government (and the CSU party), an important partner of the Western Cape Provincial Government and of the provincial DA party.*

*In terms of the Local Government: Municipal Systems Act of 2000 (sec 4) a municipal council has the express duty to promote and undertake development in the municipality and also to contribute to the progressive realisation of certain constitutional fundamental rights, including the right to*

education, such as **further education**. A better example of a municipality promoting this right to further education than Stellenbosch Municipality supporting BTC cannot be imagined. If one looks at the utilization of the Bergzicht premises and the development of the surrounding area over the years, it is difficult to see a more suitable present-day use of this municipal property: close to public transport, close to community activities and accessible for the less well-to do suburbs of Stellenbosch. In the 1960's and 1970's the manor house was home to a luxury furniture store and later on to some restaurant ventures. Such commercial enterprises aimed at the higher end of the market are bound to fail in the surroundings as they are in 2020. This municipal property must continue to be used by a community based organisation.

An NGO like BTC needs long-term security if it is to survive. A secure rental agreement similar to the previous one is essential for the continued existence of BTC, an organisation which shows the caring face of our town at a time when Stellenbosch has, unfortunately, come to represent privilege in recent sensational publications.

Yours sincerely,

*Prof Andreas van Wyk*

Prof Dr Drs hc Andreas van Wyk

Rektor en visekanselier emeritus, afgetrede professor in Handelsreg  
Rector and vice-chancellor emeritus, retired professor in Mercantile Law  
Universiteit Stellenbosch/University of Stellenbosch

Mankadanstraat 3  
Mostertsdrift  
7600 STELLENBOSCH  
SUID-AFRIKA SOUTH AFRICA  
Tel: +27 828093113  
E-pos: [ahvw@sun.ac.za](mailto:ahvw@sun.ac.za)





11 November 2019

To whom it may concern,

It will be very sad to lose an institution such as Bergzigt Training School, firstly to the local community and secondly for the industry that they supply with students. It is imperative that an NGO of this standard has a long affordable lease to grow, train and serve our local youth.

As a regular sponsor and mentor of students from the Bergzigt Training school we respectfully ask you to consider a long lease for this establishment so that we can build the future together.

Kind regards

Rita Swart

Operator

BZ Mentor + employer

14 November 2019

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599

Dear Mr Smit

**COMMENT OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

I write on behalf of Jardine Restaurant Stellenbosch and in my capacity as Chairman of Tasting Stellenbosch, in support of a long term lease commitment from Stellenbosch Municipality for Bergzicht. We have been associated with Bergzicht Training as a loyal mentor during their students' work integrated learning as well as an employer of their graduates for the past 2 years and through Tasting Stellenbosch where together with Bergzicht Training are working to improve the industry knowledge and social upliftment of our local community.

As a strong supporter of Bergzicht's successful business model, we strongly support the Bergzicht Training proposal of a rental lease agreement of at least 9 years. Anything shorter will jeopardize the successful running of the training centre and will have a negative effect on their income, which normally falls over 3- year funding cycles.

In conclusion Bergzicht is a proven asset with in our community, its efforts to provide relevant skills, mentorship and a connection to employment is an asset for our community. Its location in the center of our community, near the main transport hub is essential for the students. ers to members of our community who are less fortunate is not only essential central location, the current buildings are ideal for the flexible classroom sizes and the types of training provided by Bergzicht.

Yours sincerely,

George Jardine

Chairman Tasting Stellenbosch

Jardine Restaurant

1 Andringa Street

Stellenbosch

11<sup>th</sup> November 2019

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599

Dear Mr Smit

**COMMENT OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

We write on behalf of Muratie Farm Kitchen in support of a long term lease commitment from Stellenbosch Municipality for Bergzicht. We have been associated with Bergzicht Training as a loyal mentor during their students' work integrated learning as well as an employer of their graduates for the past (5.....) years. The first student we received from Bergzicht is still with us and doing wonderfully, she is in charge of our cold kitchen and manages all desserts and salad dishes, apart from that she is a wonderful girls and a pleasure to work with.

We have employed about 4 of your students and welcome them to do their practical with us as this gives them a feeling of what it is like to work in the real world and in so doing we have the option to employ one of these young people.

Bergzicht is doing an incredible job in not only teaching people new skills, but giving them the confidence to apply for a job as well as building self-esteem, which this country desperately needs.

As a strong supporter of Bergzicht's successful business model, we strongly support the Bergzicht Training proposal of a rental lease agreement of at least 9 years. Anything shorter will jeopardize the successful running of the training centre and will have a negative effect on their income, which normally falls over 3- year funding cycles.

Most of these young people do not have their own transport and we as the employer need to be able to pick them up and drop them off after work, thus it is imperative that they are in the middle of town as this not only saves time, but is much safer than having to stand on deserted streets hoping for some good person to give them a lift.

The current buildings are ideal for the flexible classroom sizes and the types of training provided by Bergzicht.

Yours sincerely,

Kim Melck

**Muratie Farm Kitchen**

**P.O.Box 133, Koelenhof, 7605**



*imagine the freedom...*



12 November 2019

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599

Dear Mr Smit

**COMMENT OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

We write on behalf of GERATEC in support of a long term lease commitment from Stellenbosch Municipality for Bergzicht. We have been associated with Bergzicht Training for the past 2 years. During this time Bergzicht did training of care partners which are necessary in the service to older persons in the community of Stellenbosch and according to the Older Persons Act, 2006.

We strongly support the Bergzicht Training proposal of a rental lease agreement of at least 9 years. Anything shorter will jeopardize the funding business model which normally falls over 3- year funding cycles.

It is important for students to have easy access to the training school with regards to public transport as most of the students make use of it. Thus the premises presently works well as it is near to the station and the taxi ranks. The current buildings are also ideal for the flexible classroom sizes and the types of training provided by Bergzicht.

Yours sincerely,

Victor Southwell  
Leader: Business and Growth.

# la Clémence

**HUISEIENAARSVERENIGING / HOME OWNERS' ASSOCIATION**

Webersvalleipad / Webers Valley Road  
Stellenbosch ,7600

Tel: 021 888 9200  
Faks / Fax: 021 880 0254

13 November 2019

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599

Dear Mr Smit

**COMMENT OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT  
BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

We write on behalf of La Clémence Home Owners Association in support of a long term lease commitment from Stellenbosch Municipality for Bergzicht. We have been associated with Bergzicht Training as a loyal mentor during their students' work integrated learning as well as an employer of their graduates for the past (7) seven years. The Bergzicht training facility gives a wonderful and much needed opportunity to the community of Stellenbosch to better themselves for the expectations in the Health care business. Students are equipped, trained and motivated to adhere to the requirements in the caring needs of institutions and private individuals.

As a strong supporter of Bergzicht's successful business model, we strongly support the Bergzicht Training proposal of a rental lease agreement of at least 9 years. Anything shorter will jeopardize the successful running of the training centre and will have a negative effect on their income, which normally falls over 3- year funding cycles.

The location of the said centre is conveniently accessible for the local and nearby communities through taxi or train stations. The current buildings are ideal for the flexible classroom sizes and the types of training provided by Bergzicht.

Yours sincerely,  
M Marais (Registered nurse)  
**Health care manager**

13/11/2019

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599

Dear Mr Smit

**COMMENT OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

We write on behalf of Geluksoord in support of a long-term lease commitment from Stellenbosch Municipality for Bergzicht. We have been associated with Bergzicht Training as a loyal mentor during their students' work integrated learning as well as an employer of their graduates for the past 25 years. We can assure you of outstanding training provided at Bergzicht.

We at Geluksoord (Frail care) give students from time to time the opportunity to do their practical hours, working and experienced the real life as a carer. We signed a contract with them. Bergzicht is not the only one who's students we accommodate, we also get students from other institutions. I can assure you sir that the students who came from Bergzicht are well trained with good manners. There is a huge difference between them and students from other intuitions when it comes to knowledge. As we work very close with them, we noticed the difference. We have many of them in our home which is permanent employed, and I can recommend Bergzicht Training to everybody. They are accredited by the Health and Welfare Sector Education and Training Authority (HWESTA) No. HW591PA166725.

It will be a huge step down the hill not to give them renewal of lease, nor to speak about the town. Jobs are very scares as everybody know who's living is South Africa. Here are many poor people with mostly one person working in householdings. Many are on the streets, using drugs of do not have homes.

Bergzicht makes use of sponsorships and give back to the community a carer/mother/daughter/son who can provide food on the table. Everybody in town knows Bergzicht. Homes prefer Bergzicht carer's before carers from other institutions. The mentors come regularly to visit the students to see and heard that they are still on track and if there are any problems.

The college are centrally situated with easy access, nearby the taxi rank so the students, which comes from different communities, can reach their destination easily. To move them will be not a good idea. The students do not have own transport and had to walk. We here at Geluksoord know how transport influence people as we had black and coloured people, who stays far away, from our home. Many of them only had trains to rely on, while others had only a specific taxi to take them home or bring them to town. Sometimes the taxi in a specific area has certain times which they operate. If they are late, they will not be able to go home or come to work or college. If the college are been moved to another area, there will be students who would not be attending their classes, and the reason will be, that the college are no longer centrally situated. Please re-consider the currant decision. This college must stay where it is.

12 November 2019

Mnr Piet Smit

Bestuurder: Eiendomme Stellenbosch Munisipaliteit

Posbus 17

Stellenbosch

7599

Geagte mnr Smit

**KOMMENTAAR AMPTELIKE KENNISGEWING - VOORGESTELDE HERNUWING VAN 2-JAAR  
VERHURING OOREENKOMS BERGZICHT OPLEIDING: GEDEELTE VAN RESTANT ERF 235,  
STELLENBOSCH**

Ons skryf namens Junior Akademie Trust ter ondersteuning van 'n langtermynhuurverbintenis van die Munisipaliteit Stellenbosch vir Bergzicht. Ons is gekoppel aan Bergzicht Training as 'n lojale mentor gedurende hul studente se werkgeïntegreerde leer sowel as 'n werkgewer van hul gegradueerdes die afgelope 10 jaar. Ons is baie dankbaar vir die opleiding wat hulle aanbied, ouers wat aupairs benodig weet hulle kan hulle skakel en daar sal goeie aanbevelings vir geskikte huise kom. Junior Akademie weet ook dat almal nie vir onderwyser kan gaan leer a.g.v. hulle finansiële posisie nie. Ons is trots op die gehalte personeel wat ons by ons sentrum het a.g.v. hulle opleiding by Bergzicht. Een van hulle mees onlangste sukses verhale is die van Charlene Pietersen, wat Gr 9 die skool moes verlaat. Sy het opleiding gekry by Begzicht en is tans 'n juffrou by Junior Akademie.

As 'n sterk voorstander van die suksesvolle sakemodel van Bergzicht, ondersteun ons die voorstel van Bergzicht Training van 'n huurooreenkoms van minstens 10 jaar. Enigiets wat korter is, sal die suksesvolle bestuur van die opleidingsentrum in gevaar stel en dit sal 'n negatiewe uitwerking hê op hul inkomste, wat normaalweg oor die finansieringsklusse van drie jaar val.

Hul huidige ligging veral met betrekking tot toeganklikheid vir studente wat moet trein ry en taxi vervoer gebruik, asook die parkeer spasie vir fassiliteerders wat kom opleiding gee is van kardinale belang.

Die huidige geboue is ideaal vir die buigsame klaskamergrottes en die tipes opleiding wat deur Bergzicht aangebied word.

Met dank vir u aandag

*Lorain Du Plessis Smit*

Lorain Du Plessis Smit

Hoof Junior Akademie



## Frailcare Mentor

18 November 2019

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599

Dear Mr Smit

### **COMMENT OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

We write on behalf of Evergreen Health in support of a long-term lease commitment from Stellenbosch Municipality for Bergzicht. We have been associated with Bergzicht Training as a loyal mentor during their frail care students' curriculum quality and study plan to be an employer of their graduates for the next 10 years and beyond, as we build retirement villages in Somerset West [Sitari] and Paarl [Val de Vie].

As a strong supporter of the Bergzicht successful business model, we strongly support the Bergzicht Training proposal of a rental lease agreement of at least 9 years. Anything shorter will jeopardize the successful running of the training centre and will have a negative effect on their income, which normally falls over 3- year funding cycles.

It will also jeopardise our plans to use them as a feeder for frail care workers recruitment and selection and thereby meet our company's vision for youth employment-we have specifically commissioned the training of male carers for the future with Bergzicht.

The current buildings are centrally located for accessibility of unemployed youth to upskill themselves for the job market, as well as ideal for the flexible classroom sizes and the types of training provided by Bergzicht, which includes a fully equipped skills lab for frail care skills development .

Yours sincerely,



Guin Lourens

Dr

Evergreen Health

Val De Vie Paarl

/ owned by PSG



15 November 2019

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599

Dear Mr Smit

**COMMENT ON OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT  
BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

We write on behalf of Stellenbosch Hospice NPC in support of a long term lease commitment from Stellenbosch Municipality for Bergzicht Training facility situated on the above quoted erf. We have been associated with Bergzicht Training as a loyal mentor during their students' work integrated learning as well as an employer of their graduates for the past 15 (fifteen) years.

We first used the trainees of the catering division to supply the food for our Annual General Meetings and our relationship was further enhanced when we became partners in training of Homebased and Frail Care workers. Students gaining practical experience at the Intermediate Care Facility of the Hospice was well trained academically and understood their roles in the care environment. We have made use of the trainees to provide services on an ad hoc basis as well as employed a number over the years.

As a strong supporter of Bergzicht's successful business model, we strongly support the Bergzicht Training proposal of a rental lease agreement for the present facility of at least 9 years. A shorter lease will jeopardize the successful running of the training centre and will have a negative effect on their income, which normally runs over 3- year funding cycles.

The service provided by Bergzicht to train unemployed youth to ensure employment, either in organisations or as self-employed, adds to the development of the broader community, ensures that through gainful employment issues of poverty is addressed in a dignified manner and that knowledge with respect to health issues is spread with in the broader society. All these can only enhance and add to the Municipal Strategic vision.

The present location of the facility is ideal with respect to access being close to the taxi rank which links ALL communities with the CBD of Stellenbosch, including from rail transport. The configuration of the present buildings is ideal for the flexible classroom sizes and the types of training provided by Bergzicht.

Yours sincerely,

Eugénie Smith  
General Manager

Stellenbosch Hospice NPC  
East Wing,  
Stellenbosch Hospital  
Merriman Avenue  
Stellenbosch  
7600

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**Directors:** Adv. W.J. Pretorius • Ms. O. Basson • Ms. C.R. Hanekom • Mr. W.F. Pietersen  
Dr M. Venter • Dr. G.F. Nel

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PO Box 3161 • Matieland 7602 • Telephone: 21 886 5994 • Fax: 021 886 6825 • Email: [stelhosp@iafrica.com](mailto:stelhosp@iafrica.com)  
Registration Numbers: NPO: 004 639 NPC: 1992/004080/08 Section 18A: RG/0026/03/06 PBO No: 930 004 868



12 November 2019

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599

Dear Mr Smit

**COMMENT OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

We write on behalf of Stellenbosch Civil Advocacy Network (62 Stellenbosch-based non-profit organisations) in support of a long-term lease commitment from Stellenbosch Municipality for Bergzicht. We have been associated with Bergzicht Training for many years as a key role player within the socio-economic development space. There are not many organisations in Stellenbosch with a skills development mandate and the uninterrupted continuation of their work is critical.

We strongly support the Bergzicht Training proposal of a rental lease agreement of at least 9 years. Anything shorter will jeopardize the funding business model which normally falls over 3- year funding cycles.

Access to transport and mobility directly affects the impact of developmental efforts, therefore proximity between the facility and transport hubs are of utmost importance. The current buildings are ideal for the flexible classroom sizes and the types of training provided by Bergzicht.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Marli Goussard", with a small upward-pointing arrow above the end of the signature.

Marli Goussard

Chairperson

Stellenbosch Civil Advocacy Network

Old Luckhoff School, Stellenbosch

Usiko Stellenbosch  
37 Webers Valley Road, Jamestown, Stellenbosch, 7600  
Western Cape, South Africa  
Tel: 021 880 2157  
[www.usiko.org.za](http://www.usiko.org.za)

18th November 2019

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599

Dear Mr Smit

**COMMENT OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

I am writing on behalf of USIKO STELLENBOSCH in support of a long term lease commitment from Stellenbosch Municipality for Bergzicht. Usiko has been associated with Bergzicht Training for the past two years through recommending our youth-at-risk beneficiaries onto their training courses and in the past year through delivering Wilderness Camps as part of their Life and Leadership Skills training to students. The management and staff have always conducted themselves with the upmost integrity, and efficiency; their curriculum design is impactful and their work benefits the most vulnerable communities of Stellenbosch. Usiko can attest to the trustworthy nature of Bergzicht.

We strongly support the Bergzicht Training proposal of a rental lease agreement of at least 9 years. Anything shorter will jeopardize the funding business model which normally falls over 3- year funding cycles.

In conclusion, I would like to highlight the importance of Bergzicht's current position as the location is within easy access to all local communities through local taxi and rail. As Bergzicht is committed to empowering Stellenbosch members who are living in poverty, this easy access is critical. The current buildings are ideal for the flexible classroom sizes and the types of training provided by Bergzicht.

Yours sincerely,



**Arnold Okkers**  
Executive Director  
Usiko Stellenbosch  
Tel: +27 21 880 2157  
Cell: +27 72 138 2299

**NPO Registration:** 093-025-NPO **PBO Ref:** 930028502

**B-BBEE:** Level 1, 100% beneficiaries defined as 'Black' counting to full scorecard contribution

**Board:** Vernon Adams (Chair), Linda Isaacs (Treasurer), Sam Juan Pietersen (Vice-Chair), Prof Tony Naidoo

13 November 2019

Mr Piet Smit  
Manager: Property Management  
PO Box 17  
Stellenbosch  
7599

Dear Mr Smit

**COMMENT OFFICIAL NOTICE – PROPOSED RENEWAL OF 2 YEAR LEASE AGREEMENT BERGZICHT TRAINING: PORTION OF REMAINDER ERF 235, STELLENBOSCH**

I write in my personal capacity as ex-chairperson of Bergzicht Training, an NPO adviser and strategist, and an academic at University of Stellenbosch Business School in support of a long-term lease commitment from Stellenbosch Municipality for Bergzicht Training, an NPO with an outstanding track record.

I have been associated with Bergzicht Training for the past eight years as a board member and chairperson promoting the interest of this NPO as well as instilling progressive management and governance practices. Bergzicht Training is today one of the shining lights in the NGO sector. The record of accomplishments of Bergzicht Training show a capacity to successfully foster hope in people coming from challenging circumstances, through specific targeted training solutions at the entry skills level.

***I strongly support the Bergzicht Training proposal of a rental lease agreement of at least 9 years.***

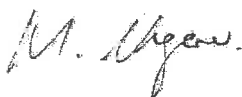
Anything shorter will jeopardize the continuation of life-changing interventions aimed at previously disadvantage members of society, which come from Stellenbosch town, district and surrounding settlements. The training programmes of Bergzicht Training has become part of an institutional local capacity of Stellenbosch that contributes directly to social development, social upliftment and social cohesion in communities that are in dire need of “a way out and up from pandemic poverty”.

Uncertainty, which a two year lease agreement brings, is not good for the future sustainability of Bergzicht Training business model and ability to attract funding for multiple years, typically over 3- year funding cycles.

The current location is ideal for public transport commuters to get easy access to the facilities and a move to another location will be disruptive and inconvenient for the beneficiaries of Bergzicht Training. The current buildings are further ideal for the flexible classroom sizes and the types of training provided by Bergzicht.

The Stellenbosch Municipality has been a valued partner for Bergzicht Training spanning more than two decades. I plea with those in positions of authority at the Stellenbosch Municipality to reconsider the current two year lease arrangement and to change it to a nine year period for the reasons indicated above.

Yours sincerely,



**Prof Marius Ungerer, University of Stellenbosch Business School**

**Stakeholder of Bergzicht Training**

**A concerned, but proud citizen of Stellenbosch and South Africa**

## Messages of Support from Bergzicht Training Students

13 November 2019

Good afternoon 😊..For Me as individual Bergzicht Training Center changed my life for better, because of it I have gained a career from it and my dignity back 🙌.. Surely there are still people like me out there who still need Bergzicht Trainings help

Bergzicht training was the best thing that happened to me...I learned a lot from them not only about my career but also about what type of person I really am I got to know myself. They are really a blessing in disguise. I will be forever grateful for the opportunity. They really changed my life for the better and they also found me a job...so I have really a lot to be grateful for...Thank you Bergzicht Training 😊

Good morning my name is Andiswa Ndlazulwana. I'm one of the students that is coming from Bergzicht's hands. I was hungry for the opportunity that Bergzicht gave to me but there was no way that I can do it on my own. But you know Bergzicht is amazing they give me hope, love and there were my family to support all through difficulties to get this opportunity. Now I'm out there shining like a diamond because of Bergzicht I thank you and I thank you very much. There are so many students also they need this opportunity they need you Bergzicht out there keep it up thank you. 🙌🙌🙌🙌🙌🙌

Morning Bergzicht training gave me a second chance in life..I would not be where I am today if it weren't for it, today I'm proud of myself because of it's work I have dignity towards other people because of it....all I want is for them to give others the opportunity that they gave me too, thanks to u Bergzicht

Morning 🙌, Bergzicht training gave me a chance to be a star and shine amongst others. It opened doors for me, not only I can find a job and support my family with the qualification I obtained from Bergzicht but could further my studies in the nursing industry..Thank You & Thumbs Up Bergzicht 🙌🙌🙌

Bergzicht Training is the best. It made me find my purpose. It gave me a chance to look inside myself and find myself. It's the best training in Stellenbosch that helps the unfortunate like me to have professional qualifications to even dream bigger and come out of your comfort zone and believe in yourself. So Bergzicht means a lot to me. Thank you

Phumeza Lupondo

I am very fortunate to have been granted the opportunity to get the professional training at Bergzicht training center. Bergzicht is a place of hope not just for the young but for everyone who



has the potential and talent but not the financial support to reach their goals. You are dedicated and loyal to all your students you go the extra mile to make us believe WE CAN..... I want to take this opportunity to thank you for your what you did for me and all the others long before me. With you believing in us we still have a chance of making something with our lives. I salute you bergzicht, God bless you all. ❤️❤️❤️❤️

[10:00, 11/13/2019] Nathalie Skippers: Greetings 😊 I just want to say that I'm grateful for Everything Bergzicht have done for me physically and mentally. The courses they offer is amazing and makes you grow even more, you can not go wrong with this training center. Thank you

Fc 5/2019

I am very grateful for Bergzicht because they have changed my life. 2018 I had a dream of becoming a frail carer and today I'm living my dream. I have a job that I love and it also help to provide my basic needs. Before my training at Bergzicht I was in a dark place, but GOD give me the direction to Bergzicht, which was a blessing. 🙏 And for that I will be forever grateful.

I'm a very thankful for Bergzicht because they did a huge changing in my life because of that training I got a job Nd I can put bread on the table Nd most of all the lifeskills they gave me I become a other person in my workplace at home and in my community and I provote youngsters who havent got a vision in life to go to Bergzicht. I was down in the valley a single mother on the age of 44 with no income and I prayed everyday for and outcome Nd one day Bergzigh call me for an interview Nd I was do my frailcare course for 6 months struggling with taxifair Nd with the help of Bergzigh to get me there I'll did it and today I'm so thankful for God the manager the admin all the facilitators who give me a chanse in life today I'm a proud frailcarer 🙏🙏🙏🙏🙏

Thank you Bergzicht for giving me the tools that i needed, not just in the workplace but also in life. My experience there have bettered me in so many ways not even mentioning the long time friends that i've made there. Keep up the good work Bergzicht, j gyus are tops 🙌🙌🙌

We do I start...beside the fact that I have gain 3 certificate and how many skills Bergzicth has help me to be a beter me it has given me a dream to be successful in everything I do I have not just get all of the above but also gain a family and some loving friends. I would love Bergzicth to help others with what they have given me keep up the good work Bergzicth and thanks for making a difference in my life love. Dawn

I would like to take this time to thank Bergzicht for make me this better person today. I ddnt know how iam n who is me until i get to Bergzicht. Now i am a proud mother to my children n family because of you. I would like you to do so to others. There is lot of youngsters out there who is unemployed. Maybe it can help to increase drug abuse . Thank you Bergzicht

I would like to take this moment to thank Bergzicht for making something out of me, Bergzicht made me who i am today by giving me the knowledge of understanding that no matter how old you are you can still become something in life . I have gained self confidence and that education has no limits and that education is the key to success, i would be heart broken when

L Bergzicht would be teardown, because i believe that there is people out there that what to be something in life and be the breadwinner they want to be. As i am writing this i have benefited a lot from Bergzicht

I would like to thank bergzicht training centre for believing in me when I did not thank you for empowering us with the right tools for the future so we can move forward in life without there help and guidance we wouldn't have be able to achieve greatness .I believe that there is so much more bergzicht can do for so many young girls and boys that just need to be directed in the right direction and bergzicht is the best institution .

My name is Sharon jacobs I was a student at bergzicht when I started at bergzicht I did not know anything but jor I learned so a lot there I am now a professional career and all thanks to all the people at bergzicht that support me a lot that's why I will recommend every one to go there thanks to Mr Adrian and every one there

I'm very thankful to Bergzicht, before I start I was a nothing. But now I'm a qualified career, with proof. If it was not for the people of Bergzicht that push use, motivation use, to do the best, because I can. Bergzicht keep u up the good work. People as far as Grabouw are interested. What will happen if the doors are close. So many people are still on the way to make a difference in they lives Thank you for the love. "You go Bergzicht" The devil is a lair, because God is in control

Hi everyone I'm Christonia Leo. I just want to thank Bergzitch Training for the opportunity that they have given me. Where would I have been without their help? You made of me the best carrer. I really learned a lot from you and i would prefer you to anyone who wants to go in this industry. You have put so much into us and believing in us, you made our dreams come true. You gave us the knowledge of understanding and believing in ourselves and others. Well done Bergzitch Training. A place where you reach your goal

My name is Tanya Prins I'm 37 year old married woman mother of two children. I have been retrenched in 2013 and from that time couldn't find a job the government doesn't cater for over 35 there is no bright future fr our age group but at Bergzicht there were no restriction of age, colour, age or gender. Bergzicht help where there is no hope anymore they lift you up mentally, spiritually and financially. Bergzicht push you to become the best u didn't even know that exist within yourself. The staff we call them our extended family they welcome you motivate to the best of their abilities so wht would become of the youth and not so young that s future lies within Bergzicht? If u (To whom it may concern) limit Bergzicht lease u limit real people s future u limit grown people fr putting

bread on their table for their children so this is a plea from a grateful and proud student who future started with Bergzicht. And I Thank you.

(Received via WhatsApp)



# PROOF OF COMMUNICATION

Page 002  
31 Oct 2019  
J attached



Reg no: 1992/006838/08  
C/O Bird Street and Merriman Avenue PO Box 985 Stellenbosch South Africa 7600 VAT 4510213954

2 October 2019

Executive Mayor  
Stellenbosch Municipality  
Via Email

Dear Mayor van Deventer

**RECOMMENDATIONS FROM EXECUTIVE MAYORAL COMMITTEE 2019-09-11: ITEM 7.2.2 REGARDING THE PROPOSED 2 YEAR LEASE AGREEMENT FOR BERGZICHT TRAINING**

Thank you for your willingness to extend our 27 years of tenancy in the Bergzicht premises on a private treaty basis. We are most appreciative of this, as well as of the affordable NGO rate which has been applied. We take note of the process of public comments relating to the Bergzicht lease.

Unfortunately, challenges exist with the 2-year lease period in terms of our funding model – this relies heavily on 36-month advance funding that in turn determines when training programs can be operated. This will affect the number of Kyamandi, Idas Valley, Cloeteville, Jamestown and many other disadvantaged communities to whom we can provide training, support and employment. However, we will address this challenge in our submission within the outlined process that you have established.

Our thanks to you and to the Stellenbosch Municipality for the continued support to Bergzicht; without which Bergzicht could not have contributed so positively to thousands of students and communities in Stellenbosch over the past few decades.

Yours sincerely

Renske Minnaar  
**Chief Executive Officer**  
Mobile no: 0825706984

**Directors: Mr NST Motjuwadi (Chairperson) Mr A Anthony  
Ms KMV Harris Dr JJE Koornhof Mr CAC de Villiers Mr JP Odendaal (Treasurer)  
Mr JCJ Newman Dr GMAC Lourens Ms S Diedericks  
Honorary Members: Mrs MC Kotzé Dr JC de Villiers**

## Renske Minnaar

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**From:** Renske Minnaar <renske@bergzicht.org.za>  
**Sent:** 2 October, 2019 1:07 PM  
**To:** 'mayor.pa@stellenbosch.org.za'  
**Subject:** Bergzicht Training - Recommendations Proposed lease agreement  
**Attachments:** Mayor lease letter Oct 19 signed.pdf

Dear Mayor van Deventer

Attached please find letter from Bergzicht Training regarding Executive Mayoral Committee meeting 2019-09-11 recommendations for Bergzicht Training Lease agreement.

Yours sincerely

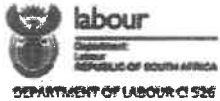
Renske

### Renske Minnaar

CEO | **BERGZICHT TRAINING** | Stellenbosch | T: +27 (0)21 8833525 | F: +27 (0)8866345 | C: +27 (0)825706984  
E: [renske@bergzicht.org.za](mailto:renske@bergzicht.org.za) | Website: [www.bergzichttraining.com](http://www.bergzichttraining.com)



B-BBEE EME level 1



Request for meeting

24 October 2019

**Renske Minnaar**

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**From:** Renske Minnaar <renske@bergzicht.org.za>  
**Sent:** 19 November, 2019 3:11 PM  
**To:** 'Mayor@stellenbosch.gov.za'  
**Subject:** FW: Our conversation Tuesday eve regarding Bergzicht Training lease extension  
**Importance:** High

Dear Mayor  
Just for the record I also sent the email to your PA  
Look forward to hear from you.  
Best regards  
Renske

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**From:** Renske Minnaar [mailto:renske@bergzicht.org.za]  
**Sent:** 24 October, 2019 15:39  
**To:** 'mayor.pa@stellenbosch.gov.za' <mayor.pa@stellenbosch.gov.za>  
**Subject:** FW: Our conversation Tuesday eve regarding Bergzicht Training lease extension  
**Importance:** High

Dear Mayor van Deventer

I thank you for the opportunity to explain Bergzicht's difficulties in signing a two year lease contract relating to our funding processes.  
I would appreciate to further engage with you to find urgent optimal solutions in this regard.  
Further to our conversation you mentioned the urgency of this in order to discuss this at your next council meeting. May I ask that we schedule an appointment at your earliest convenience.  
Best regards  
Renske

**Renske Minnaar**  
CEO | **BERGZICHT TRAINING** | Stellenbosch | T: +27 (0)21 8833525 | F: +27 (0)8866345 | C: +27 (0)825706984  
E: [renske@bergzicht.org.za](mailto:renske@bergzicht.org.za) | Website: [www.bergzichttraining.com](http://www.bergzichttraining.com)



B-BBEE EME level 1



Letter to Esther Groenewald

**Renske Minnaar**

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**From:** Renske Minnaar <renske@bergzicht.org.za>  
**Sent:** 13 November, 2019 7:12 PM  
**To:** 'esther.groenewald@stellenbosch.gov.za'  
**Subject:** Bergzicht Training - major concerns regarding a proposed 2 year lease period from Stellenbosch Municipality  
**Attachments:** Stel Mun Movivation for lease renewal May19.doc; official notice lease extension ad Nov19.pdf; Facilities requirements Nov 19.docx  
**Importance:** High

Dear Esther

Our telephone conversation of yesterday has reference. I thank you for your willingness to bring our major concerns of a proposed short 2 year lease to the table at your meeting tomorrow.

**Background:**

On the 22<sup>nd</sup> July 2019 our Mayor dropped a bomb shell at Bergzicht Training during an unannounced visit to the centre, in my absence, by the Mayor, the MM, Piet Smit and some other Stellenbosch Municipal officials. Mayor van Deventer made a direct comment to our Training Manager in front of facilitators and current students that the Municipal plan is to move Bergzicht to another facility and to change the current Bergzicht and PYDA buildings into a "tourist hub" with a "Cape Malay restaurant where the Bergzicht graduates can work". This came as a huge shock to us as we were made to believe by municipal officials that subsequent to a letter of motivation on 21<sup>st</sup> May 2019 for a 9 year and 11 months lease extension (see attached), that was in response from a letter from Property Management, that the Council will continue on a 9 year 11 months lease period. The council has no reason not to extend the 9 year lease agreement taking our excellent track record as tenant into account. Bergzicht has occupied the buildings since 1992 and PYDA joined the premises since March 2015. The local community will be devastated if anything happens that will hamper the successful existence of Bergzicht where more than 12 000 beneficiaries have been trained over the more then 27 years.

**Official notice 31 October 2019 for public comment by 21 November 2019 for proposed 2 year lease with 3 month notice period:**

The first information that I received as CEO of Bergzicht, since my letter to the Municipality of 21<sup>st</sup> May 2019 was on the 26<sup>th</sup> September 2019 when I was informed by a concerned Councilor after a Council meeting of 25<sup>th</sup> September 2019 of the decision of a 2 year lease proposal with a 3 month notice period and that there will be an official notice with an opportunity for public comment. We are currently in the process of compiling such a document with comment/concerns from Bergzicht for submission before 21<sup>st</sup> November.

Our major concerns that need to be addressed urgently please are:

1. **2 year lease period:** We have had great success the past 3 years with our funding income for Bergzicht. We raised R4.6 million in 2019. Most of our funding cycles run over 3 years. How will we be able to continue with our funding success that is strategically placed over 3 year cycles if we operate on a 2 year lease agreement? A fair lease agreement would be to continue with the 9 years and 11 months as was the case in the original lease of 1992.
2. **3 month notice period:** We feel that a 3 month notice period is being unreasonably short to find alternative premises in the case of notice by the Council. We would request a least a 6 month notice period.
3. **Alternative premises in 2 years' time:** if there is a real plan on the table to move Bergzicht and PYDA to alternative premises why are our current requirements not being taken into account with the building of these new premises? Why have we not been made part of the planning of such new premises?



4. **Size of proposed new premises:** We currently occupy a total building area of 1342 m<sup>2</sup> for PYDA and Bergzicht combined plus gardens (that are used for break-away activities and graduation functions and ample free parking for staff and graduation ceremonies. **Please see table below for breakdown of current facilities.** We have had no insight into the proposed new buildings or its proposed size which is of major concern.
5. **Tender for new building:** Surely there will be a tender for the tenants/occupants of the new building - how can Bergzicht and PYDA be assured that they will be able to move to a new building?
6. **Bergzicht has proposed a "Youth Café" to be built on the old KLT premises:** In Dec 2017 Bergzicht proposed a Youth Café be built on the old KLT premises during a public comment notice which can be utilized various youth development organisations in the greater Stellenbosch community. Such a venture will be done in conjunction with WC Department of Social Development. Many examples of such successful operations were presented in our proposal. We have not heard anything further in this regard from the Council.

Once again my sincere gratitude that you will be taking the time to raise these concerns at the next Mayco meeting.

Best wishes

Renske

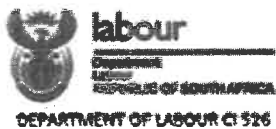
**Renske Minnaar**

CEO | **BERGZICHT TRAINING** | Stellenbosch | T: +27 (0)21 8833525 | F: +27 (0)8866345 | C: +27 (0)825706984

E: [renske@bergzicht.org.za](mailto:renske@bergzicht.org.za) | Website: [www.bergzichttraining.com](http://www.bergzichttraining.com)



B-BBEE EME level 1



# APPENDIX 5



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK  
MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

## **LEASE AGREEMENT**

Entered into by and between

### **STELLENBOSCH MUNICIPALITY**

Herein represented by **GARALDINE METTLER** in her capacity as  
Municipal Manager, being duly authorised (herein after called the **LESSOR**)

AND

### **BERGZICHT TRAINING CENTRE**

Herein represented by ..... in his/her capacity as  
....., being duly authorised (herein after called the **LESSEE**)

For the lease of a portion of Remainder Erf 235, measuring approximately 3065m<sup>2</sup>, as indicated on  
**APPENDIX 1** (herein after called the **PROPERTY**)

## AGREEMENT OF LEASE

### 1. PARTIES

- 1.1 The parties to this lease are:-
- 1.1.1 (Stellenbosch Municipality) (“the **LESSOR**”); and
  - 1.1.2 (*Stellenbosch Animal Hospital*) (“the **LESSEE**”).

### 2. INTERPRETATION

- 2.1 In this lease agreement, except in a context indicating that some other meaning is intended,
- 2.1.1 “*the Lease Period*” means the period for which this lease subsists, including any period for which it is renewed;
  - 2.1.2 “*month*” means a calendar month, and more specifically;
    - 2.1.2.1 in reference to a number of months from a specific date, a calendar month commencing on that date or the same date of any subsequent month; and
    - 2.1.2.2 in any other context, a month of the calendar, that is, one of the 12 months of the calendar, and “monthly” has the corresponding meaning;
  - 2.1.3 “*the parties*” means the parties to this lease, and “party” means one of them;
  - 2.1.4 “*the PROPERTY*” means a portion of Remainder Erf 235, Stellenbosch, with improvements,
  - 2.1.5 “*the Rates*” means the assessment rates payable on the **PROPERTY** and includes but is not limited to, refuse removal charges and sanitary fees;
  - 2.1.6 “*the Premises*” has the same meaning as the **PROPERTY**
  - 2.1.7 “*year*” means a period of 12 consecutive months, and “yearly” refers to a year commencing on the date on which the lease comes into operation or any anniversary of that date;
  - 2.1.8 references to notices, statements and other communications by or from the **LESSOR** include notices by or from the **LESSOR**’s agent;
  - 2.1.9 expressions in the singular also denote the plural, and vice versa;
  - 2.1.10 words and phrases denoting natural persons refer also to juristic persons, and vice versa; and
  - 2.1.11 pronouns of any gender include the corresponding pronouns of the other genders.

- 2.2 Any provision of this lease imposing a restraint, prohibition or restriction on the **LESSEE** shall be so construed that the **LESSEE** is not only bound to comply therewith but is also obliged to procure that the same restraint, prohibition or restriction is observed by everybody occupying or entering the Premises or any other part of the **PROPERTY** through, under, by arrangement with, or at the invitation of, the **LESSEE**, including (without limiting the generality of this provision) its Associates and the directors, members, officers, employees, agents, customers and invitees of the **LESSEE** or its Associates.
- 2.3 Clause headings appear in this lease for purposes of reference only and shall not influence the proper interpretation of the subject matter.
- 2.4 This lease shall be interpreted and applied in accordance with South African law.

**3. LETTING AND HIRING**

- 3.1 The **LESSOR** lets and the **LESSEE** hires the Premises on the terms of this lease.

**4. DURATION**

- 4.1 This lease shall come into operation on ..... and shall subsist for .....years, notwithstanding the date of signature hereof.
- 4.2 Notwithstanding the above, should the **LESSOR** require the property for any *bona fide* municipal purposes, this agreement can be terminated by giving the **LESSEE** 3 months written notice, in which event the **LESSEE** will have no claim for compensation or otherwise against the **LESSOR**.
- 4.3 Notwithstanding the above, should the **LESSEE** want to terminate the agreement for whatever reason, it can do so by giving the **LESSOR** 3 month written notice, in which event the **LESSOR** will have no claim for compensation or otherwise against the **LESSEE**.

**5. RENT**

- 5.1 The rent shall be
  - 5.1.1 R.....(Inclusive of VAT)
    - per month for the year ending 30 June 2020; and
    - 5.1.2 shall thereafter, on an annual basis escalate with 6%.

**6. PAYMENTS**

- 6.1 The rent payable by the **LESSEE** to the **LESSOR** in terms of this Agreement shall be payable monthly in advance on or before the 7<sup>th</sup> day of each month free of exchange at such address or by electronic funds transfer as directed by the **LESSOR** in writing from time to time.
- 6.2 The **LESSOR** shall have the right, notwithstanding any instruction given by the **LESSEE**, to appropriate any amount paid by the **LESSEE** hereunder to whatsoever indebtedness of the **LESSEE** as the **LESSOR** may decide upon in its absolute discretion.

## 7. RATES AND SERVICES

- 7.1 The Lessee is responsible for the payment of the municipal account including all services (water, electricity, refuse removal and sewer services).
- 7.2 In addition to paying the rent and rates, the **LESSEE** shall reimburse the **LESSOR**, monthly in arrear, within 7 (seven) days after receiving an account from the **LESSOR** reflecting the amount(s) so payable, with the cost of electricity and water consumed on the Premises by other possible users, determined at prevailing municipal rates in accordance with readings of separate sub meters or, if there are no such sub meters, on the basis of the **LESSEE** being liable to bear 100% of the total cost of all electricity and water consumed on the **PROPERTY**.

## 8. INSURANCE

- 8.1 The **LESSEE** shall not keep or do in or about the Premises anything which is liable to enhance any of the risks against which the Building is insured for the time being to the extent that such insurance is rendered void or voidable or the premiums of such insurance are, or become liable to be, increased.
- 8.2 The **LESSOR** must insure the Property against risks for the duration of the Lease Period.
- 8.3 The **LESSEE** will be responsible to ensure the content of the property

## 9. SUB-LETTING AND RELATED MATTERS

- 9.1 The **LESSEE** shall not, without the **LESSOR**'s prior written consent:
- 9.1.1 sub-let the whole or any part of the PREMISES or cede, assign, transfer, alienate, or otherwise dispose of any of its rights and/or obligations under this Lease or pledge or hypothecate this Lease;
- 9.1.2 give up, for either a definite period or at all, occupation or possession of the PREMISES or any part thereof to any person or permit any person whether as licensee, sub-tenant, agent, occupier, custodian or otherwise to take possession or occupation of the PREMISES or any part thereof either for a definite period or at all.
- 9.2 Should the **LESSEE** wish to sub-let the whole or any part of the PREMISES at any time during the currency of the Lease, then the **LESSEE** shall apply to the **LESSOR** in writing for its consent thereto given, in regard to the proposed sub-lease, the name of the sub-tenant, the guarantors if any of the sub-tenant date of commencement, the duration of the proposed sub-lease, the exact premises and the consideration payable there under. The **LESSOR** at its option may:
- 9.2.1 consent to the sub-lease, in which case the **LESSEE** may on receipt of written confirmation by the **LESSEE** sub-let the PREMISES or part thereof as the case may be in accordance with the written application submitted to the **LESSOR** in terms of this Clause 8.2, or
- 9.2.2 provided the proposed sub-tenant wishes to lease the whole of the PREMISES, give the **LESSEE** written notice of its intention to enter

into a direct lease with the proposed sub-tenant in which event on the commencement date of the new written lease entered into between the **LESSOR** and the proposed sub-tenant this Lease shall be cancelled and of no further force or effect, provided that such cancellation shall in no way detract from the **LESSOR's** rights to enforce performance of any obligations of the **LESSEE** arising, prior to the date of cancellation, or the **LESSOR's** rights to recover arrear payments from the **LESSEE**.

## 10. MAINTENANCE BY THE LESSOR

- 10.1 The **LESSOR** shall maintain the outside walls and roof of the BUILDING in good condition, fair wear and tear excepted. Upon receipt by the **LESSOR** from the **LESSEE** of advice in writing of any damage to the outside walls or of the BUILDING requiring repair, the **LESSOR** shall effect the necessary repairs as soon, as may be reasonably practicable. The **LESSEE** shall not be entitled to cancel this Lease or to claim any remission of rent, nor shall the **LESSEE** be entitled to withhold or defer payment of rent by reason of the PREMISES being in a defective condition or falling into disrepair or of any particular repairs not having been effected by the **LESSOR** timeously or at all. The **LESSEE** shall furthermore in such circumstances not have any claim against the **LESSOR** for damages unless caused by the wilful acts or the negligence of the **LESSOR** or the **LESSOR's** employers.

## 11. GENERAL OBLIGATIONS OF LESSEE

- 11.1 The **LESSEE** shall not cause any obstruction or blockage of sewerage pipes or drains within or leading to or from the PREMISES and shall maintain the same free from any such obstruction or blockage.
- 11.2 The **LESSEE** shall at all times keep the PREMISES in a clean, tidy and sanitary condition.
- 11.3 The **LESSEE** shall not alter or interfere with any of the electrical installations in the PREMISES, and shall ensure that none of the electrical installations in the PREMISES are overloaded at any time during the currency of this Lease.
- 11.4 The **LESSEE** shall not without the prior written consent of the **LESSOR**, which shall not be unreasonably withheld, store, harbour or use, or permit the storage, harbouring or use in the PREMISES of any goods, chattels, furniture, fixture, fittings or effects which are subject to any hire purchase or lease agreement and which are not the **LESSEE's** own **PROPERTY**.

## 12. ALTERATIONS, ADDITIONS AND IMPROVEMENTS

- 12.1 The **LESSEE** shall not make any alterations or additions to the Premises without the **LESSOR's** prior written consent, but the **LESSOR** shall not withhold its consent unreasonably to an alteration or addition which is not structural.
- 12.2 If the **LESSEE** does alter, add to, or improve the Premises in any way, whether in breach of clause 14.1 or not, the **LESSEE** shall, if so required in writing by the **LESSOR**, restore the Premises on the termination of this lease to their condition as it was prior to such alteration, addition or improvement having been

made. The **LESSOR's** requirement in this regard may be communicated to the **LESSEE** at any time, but not later than the (30th) day after the **LESSEE** has delivered up the Premises pursuant to the termination of this lease; and clause 14.2 shall not be construed as excluding any other or further remedy which the **LESSOR** may have in consequence of a breach by the **LESSEE** of clause 14.1.

- 12.3 Save for any improvement which is removed from the Premises as required by the **LESSOR** in terms of clause 10.2, all improvements made to the Premises shall belong to the **LESSOR** and may not be removed from the Premises at any time. The **LESSEE** shall not, whatever the circumstances, have any claim against the **LESSOR** for compensation for any improvement to the Premises, unless such improvements were made with the **LESSOR's** prior written consent which compensation shall be limited to the costs of the improvement, or as otherwise agreed to in writing by the **LESSOR**, nor shall the **LESSEE** have a right of retention in respect of any improvements.

### 13. EXCLUSION OF LESSOR FROM CERTAIN LIABILITY AND INDEMNITY

- 13.1 The **LESSEE** shall have no claim for damages against the **LESSOR** and may not withhold or delay any payment due to the **LESSOR** by reason directly or indirectly of
- 13.1.1 a breach by the **LESSOR** of any of its obligations under this lease;
  - 13.1.2 any act or omission of the **LESSOR** or any agent or servant of, or contractor to, the **LESSOR**, whether or not negligent, wilfully wrongful, or otherwise actionable at law, and including (without limiting the generality of the foregoing) any act or omission of any cleaner, maintenance person, handyman, artisan, labourer, workman, watchman, guard, or caretaker;
  - 13.1.3 the condition or state of repair at any time of the **PROPERTY**, or any part of the **PROPERTY**;
  - 13.1.4 any failure or suspension of, or any interruption in, the supply of water, electricity, air-conditioning, heating, or any other amenity or service to the Premises or the **PROPERTY** (including, without generality being limited, any cleaning service), whatever the cause;
- 13.2 The **LESSOR** shall not, however, be excused from specific performance of any of its obligations under this lease, whether express or implied, and particularly (but not only) its obligations to afford the **LESSEE** occupation and enjoyment of the Premises as contemplated by this lease and to carry out such maintenance and repairs as are incumbent upon the **LESSOR** in terms hereof; and if the **LESSOR** fails to carry out any such obligation of maintenance or repair with reasonable speed or efficiency, and persists in such default after reasonable notice in writing requiring that it be remedied, the **LESSEE** may cause the necessary maintenance or repair (including any incidental or necessary replacement) to be carried out and may then recover the reasonable cost thereof from the **LESSOR** on demand.
- 13.3 The **LESSOR** does not warrant that the Premises are suitable for the purposes of the **LESSEE** or any of its Associates or that the **LESSEE** or any of its Associates will be granted any licence or consent which may be necessary for the carrying on of any business or activity in the Premises.



#### 14. LESSOR'S RIGHTS OF ENTRY AND CARRYING OUT OF WORKS

- 14.1 The **LESSOR's** representatives, agents, servants and contractors may at all reasonable times, without thereby giving rise to any claim or right of action on the part of the **LESSEE** or any other occupier of the Premises
- 14.1.1 enter the leased Premises in order to inspect them, to carry out any necessary repairs, replacements, or other works, or to perform any other lawful function in the *bona fide* interests of the **LESSOR** or any of the occupiers of the **PROPERTY**; or
- 14.1.2 carry out elsewhere on the **PROPERTY** any necessary repairs, replacements, or other works, but the **LESSOR** shall ensure that this right is exercised with due regard for, and a minimum of interference with, the beneficial enjoyment of the Premises by those in occupation thereof.

#### 15. DAMAGE TO OR DESTRUCTION OF PREMISES

- 15.1 If the Premises are destroyed or so damaged that they can no longer be beneficially occupied, this lease shall terminate when that happens unless the parties agree in writing otherwise.
- 15.2 If the Premises are significantly damaged but can still be beneficially occupied, this lease shall remain in force and the **LESSOR** shall repair the damage without undue delay but the rent shall be abated so as to compensate the **LESSEE** fairly for the effects of the damage and repair work on the enjoyment of the Premises. Failing agreement on such abatement or on the applicability of this clause to any particular circumstances, the matter shall be referred to an expert appointed by the parties jointly or, if they do not agree on such appointment, nominated by the President for the time being of The Institute of Estate Agents of South Africa, and the decision of such expert shall be final and binding. The expert's fees and disbursements, including any inspection costs, shall be borne and paid by the parties in equal shares. Pending determination of the abatement the **LESSEE** shall continue to pay the full rent for the Premises as if they had not been damaged and as soon as the matter has been resolved the **LESSOR** shall make the appropriate repayment to the **LESSEE**.
- 15.3 If any damage to the Premises or the destruction thereof is caused by an act or omission for which either party is responsible in terms of this lease or in law, the other party shall not be precluded by reason of any of the foregoing provisions of this clause from exercising or pursuing any alternative or additional right of action or remedy available to the latter party under the circumstances (whether in terms of this lease or in law).

#### 16. SPECIAL REMEDY FOR BREACH

- 16.1 Should the **LESSEE** default in any payment due under this lease or be in breach of its terms in any other way, and fail to remedy such default or breach within (30) days after receiving a written demand that it be remedied, the **LESSOR** shall be entitled, without prejudice to any alternative or additional right of action or remedy available to the **LESSOR** under the circumstances, to

cancel this lease with immediate effect, be repossessed of the Premises, and recover from the **LESSEE** damages for the default or breach and the cancellation of this lease.

- 16.2 In the event of the **LESSOR** having cancelled this lease justifiably but the **LESSEE** remaining in occupation of the Premises, with or without disputing the cancellation, and continuing to tender payments of rent and any other amounts which would have been payable to the **LESSOR** but for the cancellation, the **LESSOR** may accept such payments without prejudice to and without affecting the cancellation, in all respects as if they had been payments on account of the damages suffered by the **LESSOR** by reason of the unlawful holding over on the part of the **LESSEE**.

## 17. NEW TENANTS AND PURCHASERS

- 17.1 The **LESSEE** shall at all reasonable times:-

17.1.1 during the Lease Period, allow prospective purchasers of the **PROPERTY** or of any shares or other interests in the **LESSOR**; and

17.1.2 during the last (3) months of the Lease Period, allow prospective tenants or purchasers of the Premises, to enter and view the interior of the Premises.

## 18. DOMICILIA AND NOTICES

- 18.1 The parties choose as their *domicilia citandi et executandi* the addresses mentioned in clause 16.2, provided that such *domicilium* of either party may be changed by written notice from such party to the other party with effect from the date of receipt or deemed receipt by the latter of such notice.

- 18.2

19.2.1 The **LESSOR**:  
Town Hall Complex  
Plein Street  
STELLENBOSCH

19.2.2 The **LESSEE**:  
  
Bergzicht Training Centre  
Stellenbosch

- 18.3 Any notice, acceptance, demand or other communication properly addressed by either party to the other party at the latter's *domicilium* in terms hereof for the time being and sent by prepaid registered post shall be deemed to be received by the latter on the 5th business day following the date of posting thereof. This provision shall not be construed as precluding the utilisation of other means and methods (including telefacsimile) for the transmission or delivery of notices, acceptances, demands and other communications, but no presumption of delivery shall arise if any such other means or method is used.

## 19. WHOLE AGREEMENT

- 19.1 This is the entire agreement between the parties.

- 19.2 Neither party relies in entering into this agreement on any warranties, representations, disclosures or expressions of opinion which have not been incorporated into this agreement as warranties or undertakings.
- 19.3 No variation or consensual cancellation of this agreement shall be of any force or effect unless reduced to writing and signed by both parties.

## 20. NON-WAIVER

- 20.1 Neither party shall be regarded as having waived, or be precluded in any way from exercising, any right under or arising from this lease by reason of such party having at any time granted any extension of time for, or having shown any indulgence to, the other party with reference to any payment or performance hereunder, or having failed to enforce, or delayed in the enforcement of, any right of action against the other party.
- 20.2 The failure of either party to comply with any non-material provision of this lease shall not excuse the other party from performing the latter's obligations hereunder fully and timeously.

## 21. WARRANTY OF AUTHORITY

- 21.1 The person signing this lease on behalf of the **LESSOR** expressly warrants his authority to do so.

## 22. SALE OF PREMISES

- 22.1 The validity of this lease shall not in any way be affected by the transfer of the Premises from the **LESSOR** pursuant to a sale thereof. It shall accordingly, upon registration of transfer of the Premises into the name of the purchaser, remain of full force and effect save that the purchaser shall be substituted as **LESSOR** and acquire all rights and be liable to fulfil all the obligations which the **LESSOR**, as **LESSOR**, enjoyed against or was liable to fulfil in favour of the **LESSEE** in terms of the lease.

## 23. BREACH

- 23.1 Should any payment of rent or any other amount due hereunder not be paid on or before due date or should the **LESSEE** commit or suffer or permit the commission of a breach of any of the other terms of this Lease, whether or not such breach goes to the root of this contract, and fail to remedy such breach within 7 (seven) days after having been required in writing to do so, or should the **LESSEE** be placed in liquidation, whether provisional or final and whether voluntary or compulsory, or under judicial management, whether provisional or final, or under sequestration, whether provisional or final, or should the **LESSEE** effect a general compromise with its creditors or any other arrangements with its creditors necessitated by the inability of the **LESSEE** to pay its debts, or should the **LESSEE** commit any act which is, or would if committed by a natural person be, an act of insolvency in terms of Section 8 of the Insolvency Act, 1936, as amended, the **LESSOR** shall be entitled but not obliged, notwithstanding any previous waiver or anything to the contrary herein provided and without prejudice to any other rights of the **LESSOR** in terms of this Lease or in law, to cancel this Lease forthwith, eject the **LESSEE** from the PREMISES and recover from the **LESSEE** any damages suffered by the **LESSOR** as well as all amounts which became due for payment by the **LESSEE** hereunder prior to the date of such cancellation.
- 23.2 Notwithstanding anything to the contrary herein contained, it is specifically recorded that in the event of that **LESSEE** failing at any time to comply with any

of its obligations in terms of this lease, the **LESSOR** shall be entitled, but not obliged, and without prejudice to any other rights of the **LESSOR** in terms of this Lease or in Law arising from such breach, to carry out such obligations on behalf of the **LESSEE** and to incur any costs in connection therewith and to claim immediate reimbursement from the **LESSEE** of all such costs.

23.3 In the event of the **LESSOR** instructing its attorneys to take measures for the enforcement of any of the **LESSOR**'s rights under this Lease the **LESSEE** shall pay to the **LESSOR** on demand such collection legal and other costs, on the attorney and client scale, as shall be lawfully charged by such action in respect of or arising from the measures to taken by the said attorneys.

SIGNED at ..... on this.....of.....2019 in  
the presence of the undersigned witnesses

**Witnesses:**

1 .....

2 .....

*(Signatures of witnesses)*

.....

*(Signature of LESSOR)*

SIGNED at ..... on this.....of.....2019 in  
the presence of the undersigned witnesses

**Witnesses:**

1 .....

2 .....

*(Signatures of witnesses)*

.....

*(Signature of LESSEE)*

11.2.3	<b>ENCROACHMENT PERMIT APPLICATION HORIZON HOUSE: ERF 3722</b>
--------	--

Collaborator No:

IDP KPA Ref No:

Meeting Date:

*Good Governance*

22 January 2020

**1. SUBJECT: ENCROACHMENT PERMIT APPLICATION HORIZON HOUSE: ERF 3722****2. PURPOSE**

To obtain Council's approval to conclude an Encroachment Agreement with Horizon House to enable them to utilise/manage a portion of erf 3722, Onder Papegaaiberg, Stellenbosch on an encroachment basis and to put up a fence encroaching onto the Patrys Road street reserve and adjacent Lease Farm 183 D.

**3. DELEGATED AUTHORITY**

The current delegations does not make provision for the approval of encroachment agreements and as this is seen as long term use of Council property in the absence of a delegations must be dealt with by Council.

**4. EXECUTIVE SUMMARY**

Horizon House, situated on the outskirts of Onder Papegaaiberg, is an NGO catering for the needs of people with disabilities. They have received a donation to put up new fencing around the facility and to develop walking trails, to be use by their residents, and also the greater public. They want to extend the area onto a portion of municipal land, situated to the south of their property for this reason, on an encroachment basis. The current tariff used for determining the rental is attached as **APPENDIX 5**.

**5. RECOMMENDATIONS**

- (a) that the portion of erf 3722 Stellenbosch, as well as the portion of street reserve and agricultural land, as indicated on Fig 3,4 and 5 respectively, be identified as land not required for the municipality's own use during the period of the proposed encroachment agreement;
- (b) that approval be granted in principle to enter into an encroachment agreement with Horizon House to enable them to use/manage the land for the purpose as per their request, subject to advertising the intent to enter into the agreement for public comment/inputs/objections; and
- (c) that council determines the rental, taking into account the purpose of the Lessee and the purpose of the encroachment.

**6. DISCUSSION / CONTENT****6.1 Background****6.1.1 Application for encroachment permit**

An application was received from Horizon House, Stellenbosch, a copy of which is attached as **APPENDIX 1**. A further application was received for the erection of a fence, encroaching onto the street reserve (Patrys Road), a copy of which is attached as **APPENDIX 2**.



6.2 DISCUSSION

6.2.1 Property description

Horizon House is situated on erf 6291 (see Fig 1, below), whilst the land that they are applying for is situated to the South of erf 6291, as indicated on Fig 2 and 3 respectively.

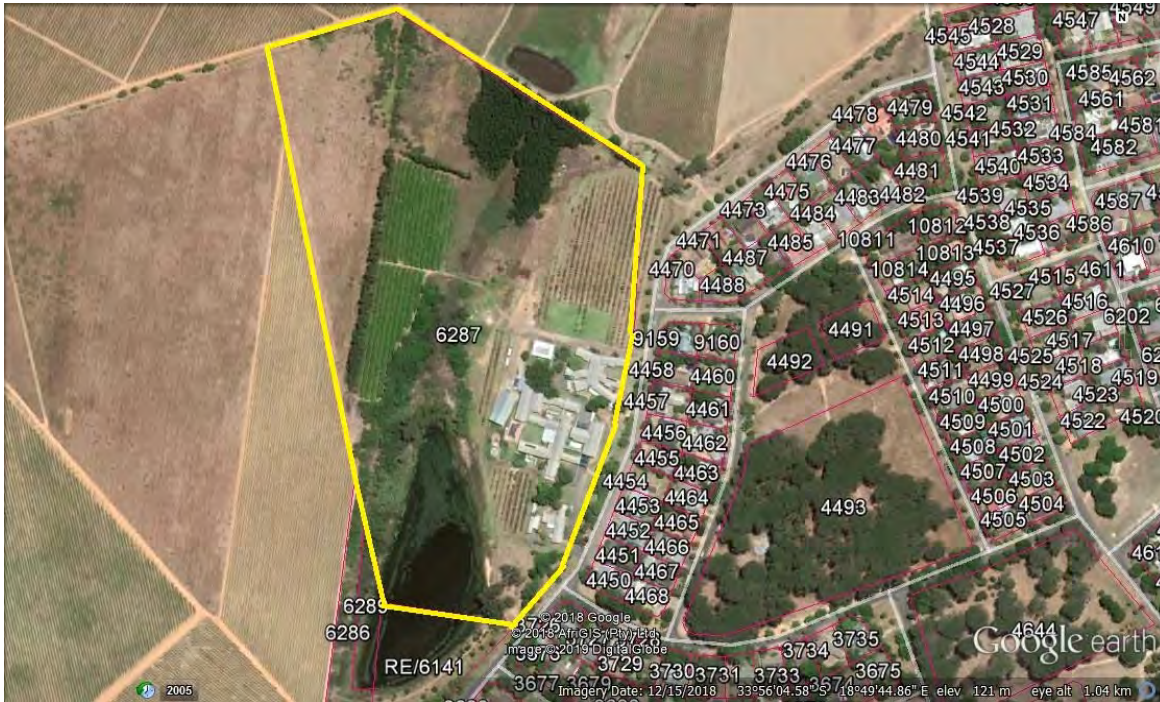


Fig 1: Location and context: Horizon House



Fig 2: Location and context: Erf 3722



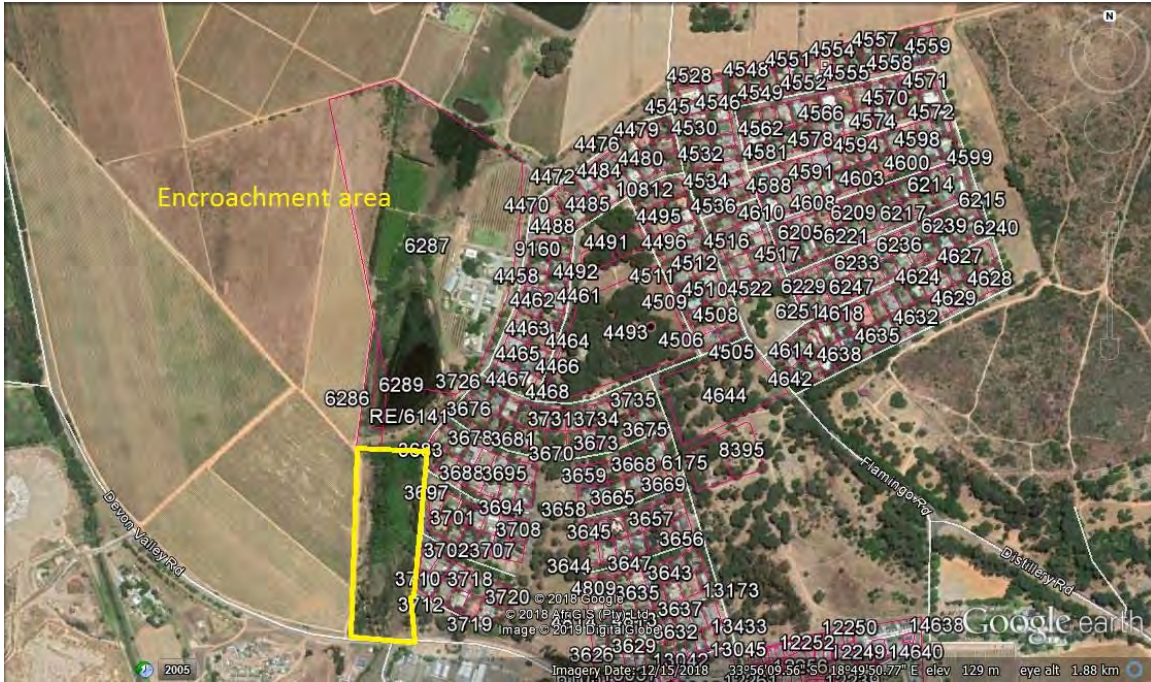


Fig 3: Extent of proposed encroachment

The area where they want to put up the boundary fence in the street reserve is indicated on fig 4 and 5 below.



Fig 4: Location and context: Road reserve





**Fig 5: Location and context: Lease Farm 183D**

### 6.2.2 Ownership: Erf 3722

Erf 3722 is registered in the name of Stellenbosch Municipality by virtue of Title Deed T24127/1976. See attached as **APPENDIX 3** Windeed record.

### 6.2.3 The Proposal

The proposal Horizon House was established in 1974. It caters for approximately 100 full time residents with various disabilities as well as 39 day-visitors.

They have received funding to put up new fencing around their property and to develop walkways for their residents, as well as the broader public, but in a secured environment. They want to extend this onto the municipal land, which is currently overgrown with alien scrubs/trees. They also undertake to rehabilitate the entire area, including the removal of alien species. There will be a controlled access to the area, for security reasons.

### 6.3 Financial Implications

The rental to be determined.

### 6.4 Legal requirements

#### 6.4.1 Municipal Ordinance, No 20/1974

In terms of Section 127 (1) of the Municipal Ordinance, No 20 of 1974, when any immovable property owned by a municipality is encroached upon, the council may take steps to regularize\* such encroachment.

\*The issue of a permit in terms of Section 126 (1) will be deemed to be a regularization of the encroachment referred to in such a permit.

#### 6.4.2 Municipal Asset Transfer Regulations

In terms of Section 36 of the Municipal Asset Transfer Regulation, when considering an application for an approval of a right to use municipal property, the following needs to be taken into account, *inter alia*:-



- 
- a) whether the capital asset may **be required for the municipality's own use** during the period for which the right is to be granted;
  - b) the extent to which any compensation to be received for the right, together with the estimated value of improvements or enhancements to the asset, will result in a significant financial benefit to the municipality;
  - c) the (possible) risks and rewards associated with the use in relation to the municipality's interests;
  - d) Any comments received from the local community, and
  - e) Compliance with the legislative regime applicable to the proposed granting of the right.

#### **6.4.3 Property Management Policy**

In terms of paragraph 9.2.2 of the Policy, the Municipal Council may dispense with the prescribed, competitive process, and may enter into a private treaty agreement through any convenient process, which may include direct negotiations, but only in specific circumstances, and only after having advertised Council's intention so to act. One of the circumstances listed in (h) is where encroachment applications are received from adjoining owners, subject to approved tariff structure\*.

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

#### **6.4.4 \*Approved tariff structure**

In terms of the current, approved tariff structure a fee of R60-00 p/m is payable.

#### **6.5 Staff Implications**

None

#### **6.6 Previous / Relevant Council Resolutions**

None

#### **6.7 Risk Implications**

None

#### **6.8 Comments from Senior Management**

##### **6.8.1 Director: Infrastructure Services**

Herewith comment for proposed encroachment permit application Horizon House Erf 3722:

1. This Directorate has no objection to the above application.
2. If any portion of land must be subdivided and/or rezoned then a formal rezoning application must be submitted for approval, which will be for the applicants account.
3. Building plans for the proposed fence must be submitted on which further municipal conditions may be applicable, the proposed fence/ or any other facility must be constructed a minimum of 5 meters from the face of the road kerb.

4. There is a municipal services including stormwater pipe line running along Patrys Road and Tarentaal Roads, these services must at all times be accessible by the Municipality for maintenance purposes.
5. Encroachment into the road reserve will cease or be amended when the municipality requires the area for municipal purposes such as road widening, sidewalk construction or widening public transport facilities such as bus/ taxi embayments.
6. Encroachment into the road reserve will cease or be amended when the municipality requires the area for municipal or public services such as sewer pipes, electricity cabling and telecommunication cables etc.
7. Encroachment into Stormwater Retention Facility, (Erf3722) must at all times be accessible by the Municipality for maintenance purposes.
8. Fencing around the Stormwater Retention Facility must be constructed on the cadastral boundary of the retention facility.
9. Stormwater facility on Erf 3722 must, at all times be accessible by die Municipality to carry out maintenance or construction works.
10. No permanent fixtures or infrastructure can be installed within the encroached area.
11. Any damages caused to municipal services / infrastructure within the proposed encroached must be repaired by the applicant.
12. The municipality cannot be held liable for damages to any facility, vegetation / landscaping etc. in the course of the municipality carrying out maintenance or construction works.

#### **6.8.2 Director: Planning and Economic Development**

None

#### **6.8.3 Chief Financial Officer**

None

#### **6.8.4 Director: Community and Protection Services**

This department is in support of the application. See attached as **APPENDIX 4**.

#### **RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.2.6**

- (a) that the portion of erf 3722 Stellenbosch, as well as the portion of street reserve and agricultural land, as indicated on Fig 3,4 and 5, respectively be identified as land not required for the municipality's own use during the period of the proposed encroachment agreement;
- (b) that approval be granted in principle to enter into an encroachment agreement with Horison House to enable them to use/manage the land for the purpose as per their request subject to advertising the intent to enter into the agreement for public comment/inputs/objections; and
- (c) that the rental be determined as per the tariff rate.

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**ANNEXURES:**

Annexure 1: Application Huis Horison

Annexure 2: Second application

Appendix 3: Windeed search

Appendix 4: Comments from Directorate: Community Services

Appendix 5: Encroachment tariffs

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<b>PIET SMIT</b>
<b>POSITION</b>	<b>Manager: Property Management</b>
<b>DIRECTORATE</b>	<b>Corporate Services</b>
<b>CONTACT NUMBERS</b>	<b>021-8088750</b>
<b>E-MAIL ADDRESS</b>	<b><a href="mailto:Piet.smit@stellenbosch.gov.za">Piet.smit@stellenbosch.gov.za</a></b>
<b>REPORT DATE</b>	<b>2019-10-28</b>

# APPENDIX 1

Patrysstraat 1 Patrys Street Onder-Papegaaiberg Stellenbosch 7600  
 Posbus / P.O. Box 102 Stellenbosch 7599  
 Tel: 021 887 5080 Faks / Fax: 021 887 5337  
 E-pos/Email: [admin@huishorison.org.za](mailto:admin@huishorison.org.za)  
 NPC  
 2008/026927/08  
 003-306-NPO  
 Vat Reg #: 4590129161

08 Februarie 2019



## VIR WIE DIT MAG AANGAAN

Huis Horison is 'n residensiële en beskutte werksentrum in Stellenbosch wat op die holistiese versorging van mense met 'n primêre intellektuele gestremdheid fokus. Die sentrum, wat op 'n kleinhoewe aan die voet van Papegaaiberg in die buitewyke van die dorp lê, is in 1974 gestig en kan 102 mense huisves en versorg. Ons verskaf werk aan al die inwoners en 39 dagbesoekers.

Die inwoners het 'n behoefte aan omgee, groei, eiewaarde, sosialisering en verhoudings. Hulle het ook drome en hulle wil graag dinge doen. Maar hulle is weerloos. Daarom het hulle 'n geborge omgewing nodig waarin hulle tot hul reg kan kom.

Die inwoners word volgens hul intellektuele vermoëns en belangstelling by een van tien werkareas ingedeel. Sô kan hulle deur handwerk, herwinning, herstelwerk, kosmaak, tuinwerk of iets anders in 'n beskutte omgewing werk en 'n sinvolle bydrae lewer. Terselfdertyd bied die werkareas terapeutiese waarde en al die voordele van 'n volwaardige werk – diensbaarheid, erkenning, trots, eiewaarde, sosiale samesyn, lewensgehalte en hoop.

Holistiese en kliëntgesentreerde diens word verskaf deur die personeel van Huis Horison, instruktors, mediese personeel en 'n maatskaplike werker. Daar word omgesien na hul ontspanning, geestelike behoeftes en persoonlike ontwikkeling. Ons ondersteun ook hul ouers, families asook die breër gemeenskap.

Huis Horison is 'n maatskappy sonder winsbejag wat vir sy eie befondsing verantwoordelik is. Om die sentrum finansiëel volhoubaar te kan bedryf, moet ons ons inkomste aanvul deur donasies, fondsinsamelings, funksies, verkope en nalatenskappe uit testamente.

Vriendelike groete

  
**EC Bresler**  
 Uitvoerende Direkteur



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

**ENCROACHMENT PERMIT APPLICATION FORM**

**A: APPLICANT'S DETAILS**

Name: Huis Horison Sentrum Vir Die Versorging Van  
Intellektueel Gestremde Volwasse Mense

Physical address: Patrysstraat 1  
Onder-papegaaiberg  
Stellenbosch

Postal code: 7600

Mailing address: Posbus 102  
Stellenbosch

Postal code: 7599

E-mail address: [admin@huishorison.org.za](mailto:admin@huishorison.org.za)

Telephone: 021 887 5080

Cell phone: 072 380 1110

**B: PROPERTY DETAILS OF APPLICANT**

Erf/farm number: 6287

Suburb: Onder-papegaaiberg

Town: Stellenbosch

**C: PROPERTY DETAILS OF ENCROACHMENT AREA**

Erf/farm number: 3722

Suburb: **Onder-papegaaiberg**  
 Town: **Stellenbosch**

Area of encroachment: **+ - 2500 m<sup>2</sup>**

\* To be supplemented with a sketch-plan with dimension in m<sup>2</sup>

**D: TYPE OF APPLICATION:**

Please mark the appropriate block

- For commercial purposes, other than for parking
- For commercial parking purposes,
- For residential parking purposes
- For non-commercial purposes (such as garden purposes, gates, ect)
- For projecting structures onto street reserves
- For projecting structures onto other council-owned land
- Other: please provide description:

Brief description of application:

**Die omheining van die vleilandgrond en aanbring van stappaadjie.**

Motivation:

1. **Sekuriteit**
2. **Rehabilitasie**
3. **Terapeutiese waarde**
4. **Beheerde toegang**

**Bogenoemde punte word verder verduidelik in aangehegde brief.**

**E: LIST OF ATTACHEMENTS AND SUPPORTING DOCUMENTS**

Please mark the appropriate box

- Special Power of Attorney, where Applicant is not the owner
- Diagram of proposed area of encroachment

Letters of consent (affected neighbours)

Application fee - non-refundable

I hereby certify that the information supplied in this application form is correct and that I am properly authorized to make this application.

Applicant's signature:  .....

Date: 08/02/2019

Full name: **Elza C Bresler**



**FOR OFFICIAL USE**

- The application was considered on ..... by .....
- The application was

**APPROVED**

**NOT APPROVED**

Conditions (if any): .....  
.....  
.....

Applicant was informed of outcome on .....

.....  
**SIGNATURE OF RESPONSIBLE OFFICIAL**

.....  
**DATE**

Name: .....

**\*If approved**


Encroachment fee paid

Encroachment Agreement signed

Agreement/Permit processed on Contract Management System

.....  
**SIGNATURE OF RESPONSIBLE OFFICIAL**

.....  
**DATE**

Name: .....

Patrysstraat 1 Patrys Street Onder-Papegaaiberg Stellenbosch 7600  
 Posbus / P.O. Box 102 Stellenbosch 7599  
 Tel: 021 887 5080 Faks / Fax: 021 887 5337  
 E-pos/Email: [admin@huishorison.org.za](mailto:admin@huishorison.org.za)  
 NPC  
 2008/026927/08  
 003-306-NPO  
 Vat Reg #: 4590129161



Hiermee doen ons graag aansoek vir 'n Oorskrydingspermit ten opsigte van erf nommer 3722, naasliggend erf 6287, Onder-papegaaiberg, Stellenbosch.

Ter motivering wil ons graag uitbrei op die 4 punte gestipuleer in ons aansoekvorm;

**1. Sekuriteit**

Die sekuriteit ten opsigte van die hele woonbuurt sal verhoog word. As gevolg van die kwesbaarheid van die organisasie asook die woonbuurt op die oomblik, sal die verhoging van sekuriteit in die area 'n positiewe uitwerking hê. Die area is tans maklike wegkruipplek vir skelms / diewe.

**2. Rehabilitasie**

Met die oog op rehabilitasie van die vleiland, word die oprigting van 'n voëluitkyk asook 'n stadpaadjie beplan. Ons sal ook verantwoordelikheid neem vir die verwydering van indringer plantegroei.

**3. Terapeutiese waarde**

Die natuurlike omgewing sal van groot terapeutiese waarde wees vir veral mense met gestremdhede.

**4. Beheerde toegang**

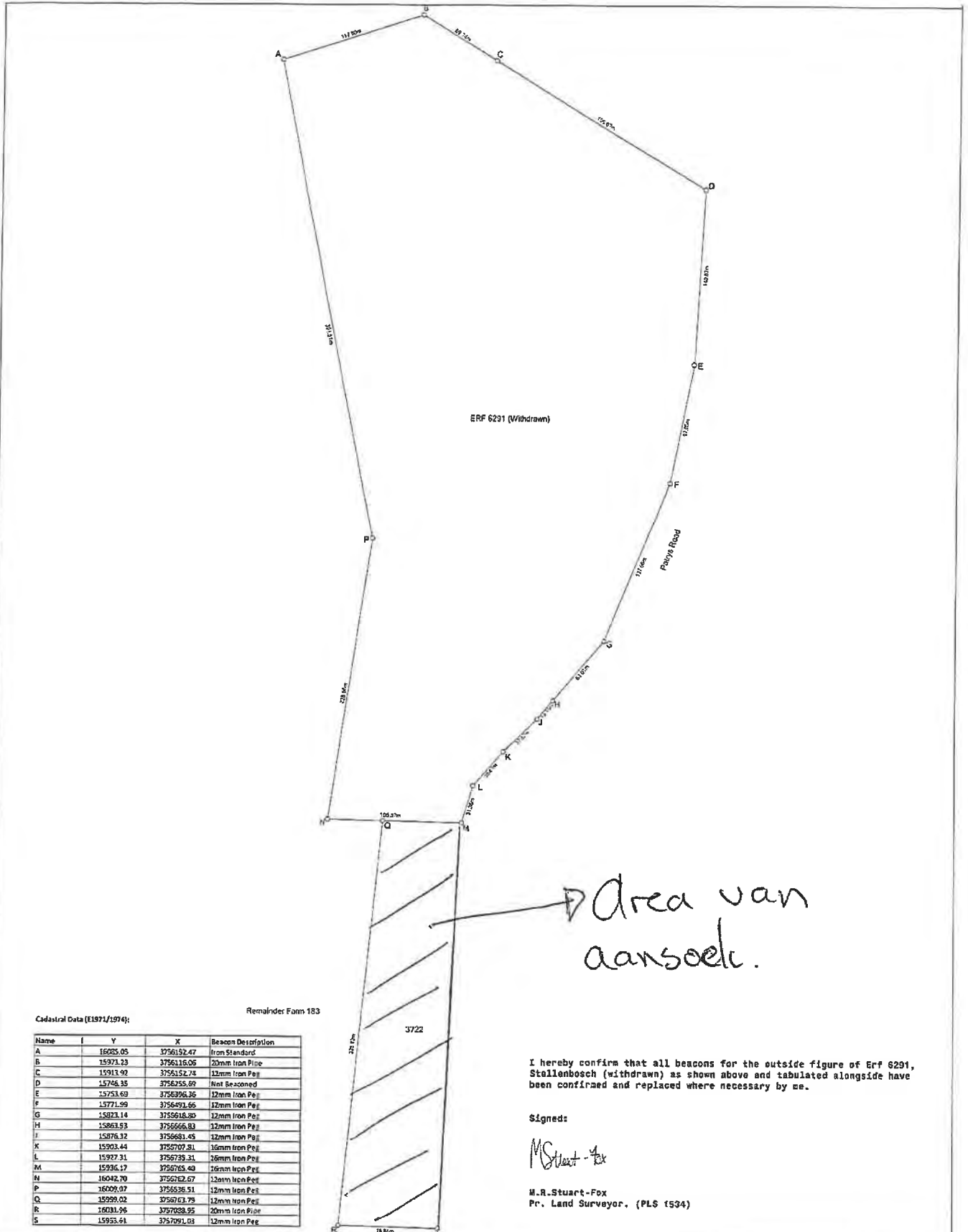
Beheerde toegang sal toegestaan word vir die publiek om ook die omgewing te kan geniet.

Die area waarvoor aansoek gedoen word, is aangedui op die aangehegte kaart en lugfoto. Dit is in rooi gemerk.

Vriendelike groete

**EC Bresler**

Uitvoerende Direkteur



Cadastral Data (E1971/1974):

Name	Y	X	Beacon Description
A	16025.05	3756152.47	Iron Standard
B	15971.23	3756116.06	20mm Iron Peg
C	15913.92	3756152.74	12mm Iron Peg
D	15748.35	3756255.69	Not Beacons
E	15753.69	3756396.36	12mm Iron Peg
F	15771.99	3756493.66	12mm Iron Peg
G	15823.14	3756618.20	12mm Iron Peg
H	15863.53	3756665.83	12mm Iron Peg
I	15878.32	3756681.45	12mm Iron Peg
K	15903.44	3756707.81	16mm Iron Peg
L	15927.31	3756735.31	16mm Iron Peg
M	15936.17	3756765.40	16mm Iron Peg
N	16042.70	3756762.67	12mm Iron Peg
P	16009.07	3756836.51	12mm Iron Peg
Q	15999.02	3756763.75	12mm Iron Peg
R	16031.96	3757038.95	20mm Iron Peg
S	15955.61	3757091.03	12mm Iron Peg

Remainder Form 183

I hereby confirm that all beacons for the outside figure of Erf 6291, Stellenbosch (withdrawn) as shown above and tabulated alongside have been confirmed and replaced where necessary by me.

Signed:

*M. Stuart-Fox*

M.R. Stuart-Fox  
Pr. Land Surveyor. (PLS 1534)

Notes

1. Beacon D could not be placed and so an Indicatory beacon (12mm Iron Peg) was placed on line DE 0.45m from D.



Consent

1. Any areas and dimensions are provisional and will be finalised at time of subdivision survey.
2. All levels are to be confirmed prior to construction.

Scale 1: 1000

Date: April 2017

Contours: H/A

System: WG 19

Beacon Certificate  
Erf 6287  
Stellenbosch  
Huis Horizon

Revisions	
No.	Description

Client

**FRIEDLAENDER, BURGER & VOLKMANH**  
 Professional Land Surveyors Incorporated 150 Convent Road, Stellenbosch  
 7130 Stellenbosch, South Africa  
 Tel: 021 885 1111 Fax: 021 885 1112  
 www.fvsa.co.za

Ref: ERF6287

Dwg: BEACON CERTIFICATE.dwg

# APPENDIX 2



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

## ENCROACHMENT PERMIT APPLICATION FORM

### A: APPLICANT'S DETAILS

Name: FRIEDLAENDER BURGER VOLKMANN  
ON BEHALF OF HUIS HORIZON SENTRUM – VERSORGING  
VAN INTELLEKTUEEL GESTREMDE VOLWASSE W.

Physical address: 39 HERTE STREET  
STELLENBOSCH  
Postal code: 7600

Mailing address: PO BOX 154  
STELLENBOSCH  
Postal code: 7600...

E-mail address: [matthew@fbvsurvey.co.za](mailto:matthew@fbvsurvey.co.za)

Telephone: 021 8864004

Cell phone: 0833777059

### B: PROPERTY DETAILS OF APPLICANT

Erf/farm number: ERVEN 6286 & 6287, STELLENBOSCH

Suburb: ONDER PAPEGAAIBERG

Town: STELLENBOSCH

**C: PROPERTY DETAILS OF ENCROACHMENT AREA**

**AREA: 1 & 2**

Erf/farm number: ERF 4645 (PUBLIC PLACE) & PORTION 38 OF FARM NO. 183 (PATRYS ROAD), STELLENBOSCH

Suburb: ONDER PAPEGAAIBERG

Town: STELLENBOSCH

Area of encroachment: 3043m<sup>2</sup>

**AREA: 3**

Erf/farm number: FARM NO. 183 (LEASE AREA 183D), STELLENBOSCH

Suburb: ONDER PAPEGAAIBERG

Town: STELLENBOSCH

Area of encroachment: 723m<sup>2</sup>

\* To be supplemented with a sketch-plan with dimension in m<sup>2</sup>

**D: TYPE OF APPLICATION:**

Please mark the appropriate block

- For commercial purposes, other than for parking
- For commercial parking purposes,
- For residential parking purposes
- For non-commercial purposes (such as garden purposes, gates, ect)
- For projecting structures onto street reserves
- For projecting structures onto other council-owned land
- Other: ACCESS ROAD OVER COUCIL-OWNED LAND

**Brief description of application:**

For safety reasons, a security fence is to be erected around Erven 6141, 6286, 6287 & 6289, Stellenbosch. There is a logical position for the new fence to be erected; this position will however result in an encroachment onto municipal land in three separate areas.

**Motivation:**

Erven 6141, 6286, 6287 & 6289, Stellenbosch are owned by Huis Horizon, a non-profit company who provide residential and sheltered employment specializing in holistic care of people with intellectual disabilities.

Safety and security has been an ongoing concern for Huis Horizon. It has been proposed to fence the entire complex and in certain areas upgrade the existing fence, compromising the above mentioned erven. For the most part, the fence will run precisely on the cadastral boundaries.

Please refer to our encroachment permit plan included with this application.

- ***Encroachment Area: 1***

Currently Huis Horizon utilizes an olive grove shown towards the North-East of the property. Part of the existing olive grove encroaches onto Erf 4656 (public place) and Patrys road, as it has for many years. If the new fence was to run along the cadastral boundary line here then many of the existing olive trees would be destroyed.

- ***Encroachment Area: 2***

This area is defined by an existing fence which is to be upgraded. Huis Horizon has been utilizing this area in the past and wishes to formalize the agreement.

- ***Encroachment Area: 3***

Between the boundary line NP there is a steep bank which is densely vegetated running down to the dam. It does not make logical sense to construct the new fence precisely on this boundary line. This line borders onto a municipal lease area (183D). The logical place to build the fence is between the steep slope and the road. The farmer utilizing the lease area 183D has given consent to construct the new fence along this line.

It is therefore proposed that an encroachment agreement be entered into in order to accommodate the proposed new fence line and account for the three encroachment areas described above.

**E: LIST OF ATTACHEMENTS AND SUPPORTING DOCUMENTS**

Please mark the appropriate box

- Special Power of Attorney, where Applicant is not the owner
- Diagram of proposed area of encroachment
- Letters of consent (affected neighbor for lease area 183D)
- Application fee (R600, non-refundable)

I hereby certify that the information supplied in this application form is correct and that I am properly authorized to make this application.



Applicant's signature: .....

Full name: MATTHEW ROBERT STUART-FOX

Date: May 2019



**FOR OFFICIAL USE**

- The application was considered on .....by.....
- The application was

<input type="checkbox"/>	<b>APPROVED</b>
--------------------------	-----------------

<input type="checkbox"/>	<b>NOT APPROVED</b>
--------------------------	---------------------

Conditions (if any): .....

.....

.....

Applicant was informed of outcome on .....

.....  
**SIGNATURE OF RESPONSIBLE OFFICIAL**

.....  
**DATE**

Name:.....

**\*If approved**

- Encroachment fee paid
- Encroachment Agreement signed
- Agreement/Permit processed on Contract Management System

.....  
**SIGNATURE OF RESPONSIBLE OFFICIAL**

.....  
**DATE**

Name:.....

**SPECIAL POWER OF ATTORNEY**

I / We, the undersigned

Huis Horison

Address 1 Patrys street, Stell. Postal Code 7600

Telephone 021 8875080 Cell 072 380 1110

in my / our capacity as the registered owner(s) or lawful Agent of the registered owner(s) (duly authorized thereto) of

**Erven 6141, 6286, 6287 & 6289, Stellenbosch**

do hereby nominate, constitute and appoint Damien Pieter Burger and / or Mark Bernard Straughan and / or Matthew Stuart-Fox of the firm Friedlaender, Burger and Volkmann, Land Surveyors with the power of Substitution, to be my / our lawful Agent(s) in my / our name, place and stead, to make the necessary applications for the following:

- **Proposed Encroachment Permit**

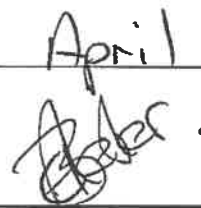
on the abovementioned property and to proceed with any required survey work to the final end and termination thereof

and generally for effecting the purposes aforesaid, to do our cause to be done whatsoever shall be requisite, as fully and effectually, for all intents and purposes, as I/we might or could do if personally present and acting herein – hereby ratifying, allowing and confirming and promising and agreeing to ratify, allow and confirm all and whatsoever my/our said Agent(s) shall lawfully do, or cause to be done


and undertake and agree to settle all accounts rendered in connection with the abovementioned work which are payable within 30 days of same being rendered failing which it is agreed that interest will accrue on the balance outstanding from time to time at the rate of 2% per month,

SIGNED at Stellenbosch this 17 day of April 2019  
in the presence of the undersigned witness.

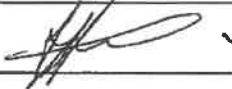
Signature (Owner(s) or Lawful Agent)



WITNESS 1:



WITNESS 2:



## RESOLUSIE

Uittreksel uit die notules van 'n direksievergadering wat gehou is te Huis Horison, Patrysstraat 1, Onder-Papegaaiberg, Stellenbosch op 12 November 2008.

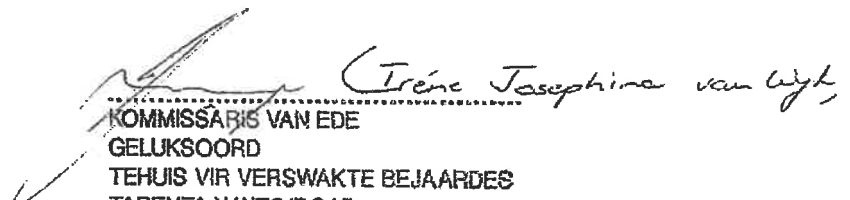
Besluit: (i) Om Elsie Catharina Bresler (ID No 560313 0088 087) aan te stel vanaf 12 November 2008 as Uitvoerende Direkteur van Huis Horison, 'n maatskappy sonder winsoogmerk (Registrasie No 2008/026927/08).

(ii) Dat die Uitvoerende Direkteur gemagtig word om Huis Horison te verteenwoordig in alle aangeleenthede en om enige dokumentasie namens Huis Horison te onderteken.

Gesertifiseer 'n ware afskrif



Voorsitter van die Direksie



KOMMISSARIS VAN EDE  
GELUKSOORD  
TEHUIS VIR VERSWAKTE BEJAARDES  
TARENTAALWEG/ROAD  
STELLENBOSCH



**Notes:**

1. Figure ABCDEFGHJKLMNP represents Erf 6291 (Withdrawn).
2. Erf 6291 represents erven 6141, 6286, 6287 & 6289.
3. Encroachment area 1 over Erf 4645(public place) & Portion 38 of Farm No. 183, Stellenbosch (Prtrys Road).
4. Encroachment area 2 over Portion 38 of Farm No. 183, Stellenbosch (Prtrys Road).
5. Encroachment area 3 over Farm No.183, Stellenbosch (lease area 1830).

**Caveat:**

1. Any areas and dimensions are provisional and will be finalized at time of subdivision survey.
2. All levels are to be confirmed prior to construction.

**Legend:**

- Cadastral
- Adjoining Cadastral
- Lease area
- Encroachment Area

Encroachment Area 1	+/- 1773 Square Meters
Encroachment Area 2	+/- 1270 Square Meters
Encroachment Area 3	+/- 723 Square Meters



Scale 1: 750 @ A0      Date: April 2019      Contours: N/A      System: WGS 1984

**Huis Horizon - Encroachment Permit Plan**

Erven 6286 & 6287  
Stellenbosch

Revisions				
Rev	Desc	Date	By	Appr

**fbv**  
friedlaender, burger & volkmann  
PROFESSIONAL LAND SURVEYORS, SECTIONAL TITLE CONSULTANTS, MAPPING CONSULTANTS  
38 Hertz Street, Stellenbosch, 7800 • PO Box 151, Stellenbosch, 7800  
Tel +27 21 886 4004 • Email info@fbv.co.za

**Letter of Consent**

I the undersigned

PS Carinus  
 Address Fransmanskraal, Ooservalle, Stellenbosch Postal Code 7600  
 Telephone \_\_\_\_\_ Cell 082 788 3532

As the rightful person currently occupying the rights to utilize

**Lease area 183D on Farm No. 183, Stellenbosch**


do hereby give consent for the erection of a fence between Erf 6286, Stellenbosch (Huis Horizon) and lease area 183D as per the attached Encroachment Permit Plan dated April 2019 by Friedlaender, Burger and Volkmann.

I agree on the location of the proposed new fence line and am aware of the encroachment that will be caused.

SIGNED at Stellenbosch this 16th day of May 2019

in the presence of the undersigned witness.

Signature: 

WITNESS 1: 

WITNESS 2: 

# APPENDIX 3



## WinDeed Database Deeds Office Property

STELLENBOSCH, 3722, 0 (REMAINING EXTENT) (CAPE TOWN)

**GENERAL INFORMATION**

Date Requested	2019/03/13 13:39
Deeds Office	CAPE TOWN
Information Source	WINDEED DATABASE
Reference	-

**PROPERTY INFORMATION**

Property Type	ERF
Erf Number	3722
Portion Number	0 (REMAINING EXTENT)
Township	STELLENBOSCH
Local Authority	STELLENBOSCH MUN
Registration Division	STELLENBOSCH RD
Province	WESTERN CAPE
Diagram Deed	T24127/1976
Extent	38283.0000H
Previous Description	-
LPI Code	C06700220000372200000

**OWNER INFORMATION****Owner 1 of 1**

Type	LOCAL AUTHORITY
Name	MUN STELLENBOSCH
ID / Reg. Number	-
Title Deed	T24127/1976
Registration Date	1976/08/09
Purchase Price (R)	UNKNOWN
Purchase Date	-
Share	0.00
Microfilm	0000000000
Multiple Properties	NO
Multiple Owners	NO

**ENDORSEMENTS**

No documents to display

**HISTORIC DOCUMENTS**

No documents to display

**DISCLAIMER**

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

# APPENDIX 4



**Piet Smit**

---

**From:** Albert van der Merwe  
**Sent:** 20 February 2019 09:52 AM  
**To:** Piet Smit  
**Cc:** Leon Lourens; Schalk Van der Merwe  
**Subject:** FW: Encroachment Permit Application Form

More Piet

Ek ondersteun Leon se onderstaande kommentaar.

Please copy me into your reply / Kopieer myself asseblief in u terugvoer!

Winners of the Arbor City Awards 2014 & 2017 Local Municipality Category



*Kind regards,*

**Albert Van Der Merwe**

Waarnemende Direkteur:  
 Gemeenskap- en Veiligheidsdienste  
 Acting Director: Community and  
 Protection Services

**Community and Protection  
 Services**



T: +27 21 808 8165 | F: +27 21 887  
 7446  
 123 Merriman Avenue, Stellenbosch,  
 7600  
[www.stellenbosch.gov.za](http://www.stellenbosch.gov.za)



Disclaimer and confidentiality note: The legal status of this communication is governed by the terms and conditions published at the following link:  
[http://www.stellenbosch.gov.za/main\\_pages/disclaimerpage.htm](http://www.stellenbosch.gov.za/main_pages/disclaimerpage.htm)

---

**From:** Leon Lourens  
**Sent:** Wednesday, 20 February 2019 09:23  
**To:** Albert van der Merwe  
**Subject:** RE: Encroachment Permit Application Form

Ek support die aansoek.

Ek en Schalk het reeds hieroor met huis Horison gepraat.

Ek ondersteun die aansoek en sal dit aanbeveel.

Hulle sal die druk van ons afhaal om the gedeelte te bestuur, natuurlik met ons help.

Die vleiland is belangrik vir beide van ons. Die inwoners sal baie baat by die geddlte van die park. Ons sal steeds help met die verwydering van uitheemse plante.

Dankie

Leon

---

**From:** Albert van der Merwe  
**Sent:** 19 February 2019 03:35 PM  
**To:** Leon Lourens  
**Subject:** FW: Encroachment Permit Application Form

Leon

Kan jy weer jou kommentaar stuur asb. baie dankie

---

**From:** Piet Smit  
**Sent:** Monday, 11 February 2019 08:16  
**To:** Albert van der Merwe; Leon Lourens; Deon Louw; Bernabe De La Bat  
**Cc:** Annelene Rooifontein  
**Subject:** FW: Encroachment Permit Application Form

Kolegas,

Sien aangehegte aansoek van Huis Horison .Ek ontvang graag jul kommentaar/insette in die verband.

Piet

---

**From:** Crystal Pillay / Administratiewe Beampte [mailto:admin@huishorison.org.za]  
**Sent:** 08 February 2019 03:57 PM  
**To:** Piet Smit  
**Cc:** Elza Bresler / Uitvoerende Direkteur; Francois Burrows / Tegniesedienste  
**Subject:** [EX] Encroachment Permit Application Form

Beste Mnr Smit

Ontvang hiermee ons inligting en aansoek van Huis Horison vir die gebruik / huur van die aangrensende munisipale grond.

Ons sou graag 'n afspraak met u reël om dit te bespreek en indien daar enige navrae of onduidelikhede is, dit uit te klaar.

Ons hoop ons aansoek sal gunstig oorweeg word, ons glo dit sal 'n positiewe bydrae lewer.

Vriendelike groete

**EC Bresler**  
Uitvoerende Direkteur

Vriendelike groete / Kind regards

*Crystal Pillay*

**Uitvoerende Sekretaresse / Executive Secretary**

**Huis Horison / Horizon House**

Sentrum vir die versorging van mense met 'n intellektuele gestremdheid/Centre for the care of people with a primary intellectual disability

NPO : 003-306 ▪ VAT Reg : 4590 129 161

Tel: 021 887 5080 ▪ Faks: 021 887 5337

Patrysstraat 1 / 1 Patrys Street, Onder-Papegaaiberg, Stellenbosch, 7600

Posbus / PO Box 102, Stellenbosch, 7599

**Volg ons op / Follow us on [Facebook](#)**

**[www.huishorison.org.za](http://www.huishorison.org.za)**

# APPENDIX 5



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

TARIFF STRUCTURE: PROPERTY MANAGEMENT: 2019/20

DESCRIPTION	APPLICATION FEE	RENTAL/TARIFF
<b>1. Encroachment Agreements/Permits</b>		
1.1 For commercial purposes, other than outdoor dining and parking purposes	R2 500.00	To be determined by an independent valuer: on an <i>ad hoc</i> basis
1.2 For commercial parking purposes*	R1 200.00	
(a) Stellenbosch & Franschhoek CBD and Technopark		R275.00/parking bay/month
(b) Other Areas		R175.00/parking bay/month
*Up to 5 parking buys, thereafter 50% of the approved tariff		
1.3 For residential parking purposes*	R600.00	R130.00/parking bay/month
*Up to 3 parking buys, thereafter 50% of the approved tariff		
1.4 Tertiary Institutions, schools and pre-schools	R1 200.00	R60.00/parking bay/month
1.5 For outdoor dining purposes*	R1 200.00	
(a) Stellenbosch and Franschhoek CBD		R105.00/m <sup>2</sup> /month
(b) Other areas		R40/m <sup>2</sup> /month
*Up to 50m <sup>2</sup> , thereafter 20% of the approved tariff		
1.6 For non – commercial purposes (such as garden purposes, gates, ect.)*	R600.00	
Up to 50m <sup>2</sup>		R60.00 per month
51 m <sup>2</sup> to 100 m <sup>2</sup>		R80.00 per month
More than 100 m <sup>2</sup>		R150.00 per month

11.2.4	<b>CUSTOMER CARE FRAMEWORK</b>
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**Collaborator No:**

**IDP KPA Ref No:**

**Meeting Date:**

**Good Governance**

**22 January 2020**

**1. SUBJECT: CUSTOMER CARE FRAMEWORK**

**2. PURPOSE**

To inform and get approval of Council of the draft customer care framework within which the customer care electronic solution will be rolled out within the Stellenbosch Municipal Area (WC024) to improve service delivery structures and mechanisms in order to provide quality and consistent services to our customers.

**3. DELEGATED AUTHORITY**

Council approves frameworks for the administration to operate within.

**4. EXECUTIVE SUMMARY**

The report seeks to inform the Council with regards to the draft Customer Care Framework as well as the implementation of an electronic customer care management system. Although the municipality is already delivering quality services to its customers, the Administration uses various methods to keep track of service delivery complaints on different platforms and information is not centralised to be used for business decision and reporting purposes. By employing a central customer care electronic system for all Directorates it will improve the control over the complaints and provide info on the turnaround times and outstanding problems. It will also give valuable information to the staff to enable business decision on even asset management. This system will allow the Administration to manage our Service Delivery Units more effectively through management reports and analysis.

The implementation of the framework will force all directorates to develop standard turnaround times and they can be measured on the attention to complaints against these turnaround times.

This item served before Mayco in November and was referred back to the department to enable a presentation of the new electronic system to Mayco. This presentation took place on 15 January 2020. The item is resubmitted for the approval of the framework.

**5. RECOMMENDATIONS**

- (a) that the draft Customer Care Framework be approved;
- (b) that the Standard Operating Procedure be noted, and
- (c) that it be noted that a GIS-based customer care system will be customised and rolled out with a target date of June 2020 for full implementation.

**6. DISCUSSION / CONTENTS**

**6.1 Background**

Customer Care and service delivery is key to Local Government in fact it creates the foundation for the Municipality's existence. Stellenbosch Municipality delivers a vast

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array of services to its community which include approximately 52,000 households, these services include amongst others;

- Electrical services
- Water services
- Housing services
- Safety and security
- Development services
- Municipal infra-structure services

One of the biggest reasons why service delivery or delivery mechanisms fail is due to the fact that departments operate in silos and does not have a strategy that integrate and support each in order to create satisfied customers.

## **6.2 Discussion**

Our mission as Stellenbosch Municipality is to deliver cost-effective services that will provide the most enabling environment for civil and corporate citizens. This is already done, but the manner in which the complaints are dealt with differs in the various directorates. With the creation of a central customer care unit it provides the municipality with the ability to co-ordinate the customer care within the different directorates under one umbrella and to provide front desk support at the different municipal offices.

Section 95 of Municipal Systems Act 32 of 2000 requires amongst others, that the municipality or service provider must:

- (a) establish a sound customer management system that aims to create a positive and reciprocal relationship between persons liable for these payments and the municipality, and where applicable, a service provider,
- (b) establish mechanisms for users of services and ratepayers to give feedback to the municipality or other service provider regarding the quality of the services and the performance of the service provider;
- (c) take reasonable steps to ensure that users of services are informed of the costs involved in service provision, the reasons for the payment of service fees, and the manner in which monies raised from the service are utilised;
- (d) where the consumption of services has to be measured, take reasonable steps to ensure that the consumption by individual users of services is measured through accurate and verifiable metering systems;
- (e) ensure that persons liable for payments, receive regular and accurate accounts that indicate the basis for calculating the amounts due;
- (f) provide accessible mechanisms for those persons to query or verify accounts and metered consumption, and appeal procedures which allow such persons to receive prompt redress for inaccurate accounts;
- (g) provide accessible mechanisms for dealing with complaints from such persons, together with prompt replies and corrective action by the municipality;
- (h) provide mechanisms to monitor the response time and efficiency in complying with paragraph (g); and
- (i) provide accessible pay points and other mechanisms for settling accounts or for making pre-payments for services.

Various engagements were held with different staff, departments, and directors and even on - site inspections to experience the level of service and the customer systems employed. These engagements and inspections in loco revealed that the municipality

has a variety of electronic and manual systems which are utilised to deliver services and or track the performance of services. It is clear from the assessment, that although at the time of acquiring these systems, departments thought that they will implement a specific system to aid their specific services, however this behaviour has resulted in acquiring systems that are duplicated from one department to the next. Secondly, none of these systems are integrated or management / evaluated from a central point or system.

The result of which lead to duplication and desperate systems, of which each has its own operating set of rules. A good example if the Chase system that was acquired by the Municipality to deal with customer care and was never rolled out to the other directorates. Currently Law Enforcement who bought the system are not even using all its functions.

The draft Customer Care Framework (CCF) to a large degree was presented to Council some years ago, but was never officially adopted. To fully support and ensure that such customer care is fully rolled out within such a framework a custodian must be appointed to co-ordinate the function. That was done in 2017 when the new structure was approved. The post swill be filled over the next few months and individuals in the different directorates identified that will also play their role with the implementation of the system.

Further to the above the draft CCF will strive to achieve:

- quality services to all stakeholders interacting with the Municipality,
- ensure that customers are provided with relevant information as and when is needed.
- ensure customer complaints are addressed promptly, timeously and to the satisfaction of the customer.
- equip municipal staff with knowledge and competencies to continually enhance the service standards according to changing customer needs.

The draft CCF must be followed by the development of service standard applicable to each department/service unit as a base line of quality and performance. Each staff member should sign the customer care commitment as a pledge by the municipality to its customers to deliver excellent services.

In a further extension of the system asset management will be rolled out where the service request will be logged and the process on completion lead to an update of the assets to ensure the asset register is continually updated.

### **6.3 Financial Implications**

The municipality will have to incur financial expenditure to fill posts needed for customer care and are in the process of evaluation of Job descriptions to enable the advertisement of the posts. Chase was requested to make a presentation to the Directors on the possible roll out of the system to all departments and they have indicated that there will be further costs for the Municipality to customize the system. It also has the shortcoming that for GIS integration needed can only be attained through a further integration to another system. In view of the Municipalities strive for integration on ICT systems and smart city concept geo-location is vital. The municipality already have a module as part of our ESRI system that can deal with customer care, but there will also be costs involved in the customisation of the system. We are awaiting the exact amounts.

The financial expense in respect of the staffing of the Customer Relations Management Unit will be determined once the vacant positions' job description has been evaluated by the Provincial TASK Committee.



**6.4 Legal Implications**

The recommendation complies with council policies and legislation.

**6.5 Staff Implications**

The customer care unit approved in 2017 will play a co-ordination role and customer care champions will be identified in all directorates with whom the customer care unit will work closely to ensure good integration. The current customer care employees in the different directorates will continue to operate in that department and directorate and will just have an added role in terms of the co-ordination of the customer care unit.

**6.6 Previous / Relevant Council Resolutions**

None. Mayco resolution 20 November 2019.

**6.7 Risk Implications**

**Risk implications has been addressed in the item.**

**6.8 Comments from Senior Management**

The framework was discussed in the management meeting and the comments already contained in the item

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.2.8**

- (a) that the draft Customer Care Framework be approved;
- (b) that the Standard Operating Procedure be noted, and
- (c) that it be noted that a GIS-based customer care system will be customised and rolled out with a target date of June 2020 for full implementation.

**ANNEXURES**

Attached to the report / draft CCP are following:

1. Draft Customer Care Framework
2. Customer Care Commitment
3. Customer Care SOP

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	William September
<b>POSITION</b>	<b>Manager: Registry &amp; Auxiliary Services</b>
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<b>REPORT DATE</b>	<b>20 January 2020</b>

# APPENDIX 1



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

**CUSTOMER CARE FRAMEWORK**

**FEBRUARY 2019**

DRAFT

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## 1. PURPOSE

To provide for sound principles when transacting with customers, and to establish norms and service standards for the Municipality as a measurement for our customers to demand good service delivery practices.

## 2. OUR MISSION

Our mission is to deliver cost-effective services that will provide the most enabling environment for civil and corporate citizens (our customer are all those who temporarily or permanently interacts with the Stellenbosch Municipality).

## 3. OUR VALUES

In all of our work and engagements with external and internal, our aim is to be reminded that the Municipality subscribes to the following values:

- **Integrity:**

As servants of the public, we undertake to perform the functions and operations of the Municipality in an honest and ethical manner.

- **Accountability:**

As responsible public servants, we pledge to perform our duties in a manner that is open to oversight and public scrutiny. This commitment is shaped by our understanding to give an account of our actions to individuals, groups and organizations.

- **Transformation:**

We will tirelessly work at transforming our municipality, communities and broader society as custodians of hope through unlocking the endless possibilities our valley holds treasure.

- **Innovation:**

We will continuously review our systems, procedures and processes to make them more responsive to customer needs. In partnership with our stakeholders we will seek innovative solutions to complex problems. We will encourage and reward initiatives which show creativity and ingenuity.

## 4. THE BATHO PELE PRINCIPLES

Customer care cannot be exercised without the understanding of the Batho Pele principles. Batho Pele means “**People First**” and the eight principles set out in it are the foundation of the approach to guide all interaction between Local Government (Stellenbosch Municipality) and the public (our customers):

- **Access:** All customers should have equitable access to the services we deliver.
- **Openness and Transparency:** The Municipality must strive and put mechanisms in place to create a culture of collaboration and accountability to keep our customers informed.
- **Consultation:** The Municipality should engage regularly with its community and customers through public participation sessions in order to obtain their needs and provide information and feedback on the processes through which the municipality communicate with its customers.
- **Redress:** The Municipality must ensure that a system and procedures are in place to address any queries and service delivery issues raised by customers ensuring feedback and resolution on issues raised through a system providing accountability
- **Courtesy:** All Municipal Services delivered and communication should be dealt with courtesy and consideration.
- **Service Standards:** The Municipality should indicate what are the level of service standards as well as the delivery time and frequency of these services. These services standard should be known to the customers in order for them to be able to raise any deviations from the standards.
- **Information:** Complete, accurate information about the Municipality and its services should be displayed on its website, notice boards and in the local media. Communication through monitored and responsive social media must be promoted. Other communication mechanisms including newsletters, flyers, video clips, advertisements and other media must be promoted. An electronic system providing a tracking system through which logged customer care issues raised per ward can be accounted for including the turn around on every service delivery issue raised.
- **Value for Money:** Service delivery to the community/customers should be guided be economical and efficient strategies.

## 5. OUR CUSTOMERS

Every member of the public either residing (permanent or temporary) or entering the municipal boundaries of Stellenbosch Municipality (WC024) for tourist, economic or other reason is our customer and the Municipality must strive to find ways to interact and communicate with all.

## 6. WHAT DOES CUSTOMER CARE ENTAIL

Customer Care in this context refers to this municipality's commitment to make the customer's contact with the municipality pleasant, convenient, positive and effective. The customer should be assisted and matters resolved with the first contact with the municipal official of the relevant department/section, if not possible the municipal official should advise the customer on the service standard, what the process of resolving the matter encompass and what the delivery or resolution time frame will be.

The above principle of **"getting it right the first time"** is incorporated in the Municipality's Mission, Values and the Batho Pele principles stipulated in this document.

In practice, good Customer Care includes:

- A customer must be able to contact the municipality easily, reaching the correct department to handle its request or enquiry. This include various manners of communication either through electronic, telephonic, written or personal interaction.
- A customer must have welcoming and user friendly access to municipal buildings where adequate signage and access for people living with disabilities is provided.
- A customer must be assisted in their language of preference in accordance with the municipality's Language Policy (English, Afrikaans or isiXhosa).
- Telephone calls must be answered at all times. All employees who has a land line in their workplace is the first line of interaction with a customer.
- Directorates should assign employees in each department as a customer care ambassador for the department ensuring that customer calls are dealt with in an effective and cost effective manner.
- A municipal employee should identify himself/herself by name when communicating with a customer, listen attentively and respond appropriately.
- Front office employees must wear name tags for identification when dealing on a personal level with the public.
- Customers should be provided with relevant, accurate and up-to-date information, including an explanation when a service is not available as well as information on when the service will be available.

- Once a complaint, request or enquiry has been received it must be logged on the electronic customer care system providing the customer with a reference for follow up purposes.
- The electronic system must be monitored by the customer care unit to ensure that turnaround times are adhered to.
- Monthly reports must be made available to Directors on customer care matters and the resolution of the issues raised. Directors must take responsibility and assign responsibility to line managers to ensure turnaround times are adhered to.
- Prompt action must within the be service standard for resolving the service query and a clear response must be given to the customer.
- In the case of on-going or long-term, unresolved matters/complaints/ enquiries, a customer must be kept informed of any anticipated delays and progress reported regularly on the way forward in addressing the complaints, requests or enquiries.
- Municipal staff will be trained to enable better service, increased awareness and understanding of the municipality's commitment to our customers.
- Actively and regularly seeking comments on service delivery with the purpose of on-going development and improvement. Compliance with or adherence to the Customer Care Service Standards must be reflected as a Key Performance Indicator on each responsible official's job description.
- Processes will be regularly evaluated in all departments to ensure best practices making what we do is about the customer.
- Staff will be trained to record and communicate feedback from customers – no matter whether the feedback directly relates to the department where it was reported or not – so that problems can be dealt with speedily and without sending customers to and from. Feedback may also be incorporated in procedures and processes related to Customer Care and service delivery.

## **7. MEASURING SUCCESS: MONITORING AND EVALUATION**

This Customer Care Framework is supported by a Customer Service Charter to be developed by each Directorate on their own service standards. These Service Standards will define deliverables for each Directorate and will serve as the municipality's promise to customers.

### **7.1 Service Standards are important to ensure:**

- That all customers, whether they are residents or visitors, receive services at their residence (permanent or temporary), business or tourist attraction or when doing



business with municipality, will receive uniform, consistent and high standards of services by all Directorates within the municipality.

- That customer is informed on what to expect and how to keep the Municipality accountable.
- That municipal staff are aware of what is expected from them as employees and to ensure that all employees are aware that everything we do is about the customer.
- That Council ensure effectiveness by providing services **“Right the First Time”**.

## **7.2. Monitoring and evaluation, to monitor and evaluate adherence to the Service Standards the Municipality shall;**

- Organise annual focus group sessions to determine possible gaps that may exist
- Customer surveys to capture customer perceptions of municipal service delivery.
- Request customers to complete a Customer Satisfaction Questionnaire/survey post an interaction with the municipality either face to face or through any electronic or telephonic medium to provide continuous monitoring of services delivery and customer satisfaction;
- Place feedback or suggestion boxes in strategic places and on an electronic platform to encourage Customer Care related feedback that will assist in addressing any shortcomings in the standard of service;
- Sign the Pledge by the all employees in which they commit themselves to upholding Customer Service Standards;
- Give feed-back to customers regarding the actions which have been taken to address the issues which have been raised;

These monitoring methods will assist the municipality to develop programmes to address any shortcomings in the standard of our service.

## **8. SERVICE STANDARDS**

Service Standards must be specific, service-oriented actions incorporated in the Customer Service Charter as a means to continually measure/monitor and improve service to customers. At its core, the Standards aim to manage queries and complaints across all departments in a timeous, efficient and effective manner – incorporating the Customer Care principles discussed above.

Service Standards are designed to:

- Be measurable, with set performance targets which can be reviewed
- Stipulate the exact manner in which staff should behave in dealing with customers (Standard Operating Procedures)
- Incorporate training that would ensure that staff understand completely what is expected of them in terms of Customer Care

Service Standards, and the way in which the municipality will manage them, will be set out in the Customer Service Charter:

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# APPENDIX 2



# STELLENBOSCH

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## CUSTOMER CARE COMMITMENT

I ....., employed as ..... herewith acknowledges and commits to render quality services to Stellenbosch Municipality's customers.

I agree and commit to the Municipality values and to treat all customers with dignity, equality and courtesy.

I undertake to provide services within the customer services charter applicable to my Directorate and to provide feedback to customers whenever required.

SIGNED ON THIS .....DAY OF .....20...

# APPENDIX 3



# STELLENBOSCH

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## STANDARD OPERATING PROCEDURE

### FUNCTION TO BE PERFORMED:

Receive and process public complaints on the electronic system .....

### DIRECTORATE/S RESPONSIBLE:

Corporate Services: Customer Relations Management (CRM) Section

No	Action	Responsible Directorate	Responsible person (designation)	When	Service Standard.
1	Receive Service Requests (SR) via telephone, email, website and public visiting the offices	Dept Corporate Service: CRM	CRM Officer	Daily	
2	The Service Request is logged on the electronic complaints system	Dept Corporate Service: CRM	CRM Officer	Daily	Log Service Request same day it is received
3	The complainant receives a sms or e-mail with a Reference number informing her/him that the complaint or suggestion receiving attention by the Municipality and contact details in case of further enquiries.	Dept Corporate Service: CRM	CRM Officer	Daily	
4	The Service Request is	All	Department's	Daily	Same day

	then classified and referred to the responsible department official that will attend to the Service Request. (Service Request Owner)	Departments	Official		when Service Request is received
5	The responsible official attends to the Service Request.	All Departments	Service request owner	Daily	
6	The responsible official reports on the system regarding progress made with resolving of the Service Request.	All Departments	Service request owner		As and when Service Request is attended to
7.	Close Service Request on when issue is Resolved.	All Departments	Service request owner	Daily	Close Service Request immediately when Resolved
8	The complainant receives an sms or e-mail informing him/her that the Service Request has been resolved	Dept Corporate Service: CRM	Service request owner	After the complaint has been finalised	
9	In the case where Service Requests are overdue a follow up on the Service Request is being done.	All Departments	Department's Officials, monitored by CRM Officer	As and when necessary	A target period of 14 days apply. This period may vary depending on the complexity and nature of complaint.
10	In the case where Service Request is still outstanding after 14 days, it is escalated to the Service Request Owner's Manager.	Dept. Corporate Services: CRM	CRM Officer		
11	A monthly report on outstanding Service Requests are sent to Executive Managers	Dept: Corporate Services: CRM	Responsible Official	Monthly	15 <sup>th</sup> of month following reporting month.

\_\_\_\_\_  
**CUSTOMER CARE UNIT MANAGER**

**DATE:** \_\_\_\_\_

\_\_\_\_\_  
**MANAGER REGISTRY & AUXILIARY SERVICES**

**DATE:** \_\_\_\_\_

\_\_\_\_\_  
**DIRECTOR: CORPORATE SERVICES**

**DATE:** \_\_\_\_\_

\_\_\_\_\_  
**DIRECTOR: INFRASTRUCTURE SERVICES**

**DATE:** \_\_\_\_\_

\_\_\_\_\_  
**DIRECTOR: COMMUNITY AND PROTECTION SERVICES**

**DATE:** \_\_\_\_\_

\_\_\_\_\_  
**DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT**

**DATE:** \_\_\_\_\_

\_\_\_\_\_  
**DIRECTOR: FINANCIAL SERVICES**

**DATE:** \_\_\_\_\_

DRAFT



11.3	FINANCIAL SERVICES: [PC: CLLR P CRAWLEY (MS)]
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11.3.1	WRITE-OFF OF DEBTS – INDIGENT CONSUMERS
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Collaborator No: 675015  
IDP KPA Ref No: Good Governance and Compliance  
Meeting Date: 22 January 2020

**1. SUBJECT: WRITE-OFF OF DEBTS – INDIGENT CONSUMERS**

**2. PURPOSE**

To request Council to approve the writing off of indigent debt that is considered to be irrecoverable.

**3. DELEGATED AUTHORITY**

Council to approve in terms of the approved Irrecoverable Debts Policy.

**4. EXECUTIVE SUMMARY**

Indigent debt rises constantly despite the fact that it is periodically written off by Council. This is mainly due to the municipality's inability to terminate or restrict electricity supply in areas where the municipality does not provide the service, coupled with the municipality's inability to manage and prevent excessive consumption of water.

Large scale installation of Water Management Devices (WMDs) will provide relief for both challenges, as it will assist in preventing an indigent consumer from building up an outstanding amount that he is unable to pay.

**5. RECOMMENDATIONS**

- (a) that it be noted that the write-off of indigent debt older than 90 days with regards to indigent consumers currently amounts to R17 267 791.18 as listed in **ANNEXURE 1**;
- (b) that the indigent accounts listed in **ANNEXURE 1** be written off as irrecoverable at the amounts reflected as being outstanding for ninety days in the Financial System of the Municipality on the day of actual write-off; and
- (c) that a concerted effort be made to install Water Management Devices, capped at 6 kilolitres per month, at the properties of all indigent consumers.

**6. DISCUSSION / CONTENTS**

**6.1 Background**

Total debt of indigent consumers outstanding for longer than ninety (90) days and being submitted to council to consider writing off the debt amounts to R17 267 791.18 on 16 January 2020. Any indigent debt older than ninety (90) days should be regarded as potentially irrecoverable.

**ANNEXURE A** provides details of the Indigent debt older than 90 days.

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All possible credit control and debt collection procedures have been under taken, but have been unsuccessful. Main causes of this would be irresponsible and unrestricted water consumption by indigent consumers and the municipality's inability to restrict electricity in areas where the municipality does not provide the service.

## **6.2 Discussion**

Council writes off irrecoverable debt relating to indigent consumers periodically. Due to the general inability of indigent consumers to pay their accounts, these debts however, escalate constantly.

There are two main challenges faced by the municipality that hamper efforts at credit control and debt collection. Firstly, there are several areas where the municipality does not provide an electricity service. Consequently, the termination or restriction of the electricity supply is not possible. This is a most critical tool of credit control that is rendered useless in this case

The second reason is the way indigent consumers tend to have very high water consumption that results in high accounts that they are unable to pay.

Both these issues can be dealt with by the large scale installation of water management devices. (WMD) Such devices are being installed by the Water Division, but unfortunately, the majority of indigent consumers do not yet have such devices. All WDMs should also be capped at 6 Kilolitres, being the amount of Free Basic Water supplied to an indigent consumer in terms of the Indigent Policy.

The majority of people living in areas where the municipality does not provide electricity are also registered indigent consumers. Installation of WMDs will in these instances, also address the issue of high accounts that are not paid.

Should the WMD have pre-paid functionality as well, the challenges can really be addressed in a meaningful way.

Indigent consumers will then get their free Water and Electricity Units, as well as free Sewerage and Refuse and buy on a cash basis, any additional water and electricity that they might require. An indigent consumer need never have to have an unpaid account, or an account that cannot be afforded again.

Irrecoverable debt stemming from indigent consumers will then largely be a thing of the past.

## **6.3 Financial Implications**

Current debt of indigent consumers that is older than 90 days and requires a council decision to write off amounts to around R17.3 million. A write-off of this nature will be offset against the provision for Bad Debts, for which an amount of R72 066 800,00 is budgeted for. Due to figures constantly changing and the time lapse between the date of report, the date of council decision and date of processing of the transactions, council is requested to approve of the writing off of outstanding debt of indigents for more than ninety days as it reflects in the financial records of the municipality on the day of actually processing the write-off transaction.

## **6.4 Legal Implications**

Write off will be done in terms of the Irrecoverable Debts Policy.

**6.5 Staff Implications**

None

**6.6 Previous / Relevant Council Resolutions**

None.

**6.7 Risk Implications**

No particular risk has been identified. The indigent debt older than 90 days can for all practical intents be regarded as irrecoverable. Such irrecoverable debts have already been budgeted for.

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

Compiled the Item.

**6.8.2 Municipal Manager**

Item was discussed with the Municipal Manager

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.3.3**

- (a) that it be noted that the write-off of indigent debt older than 90 days with regards to indigent consumers currently amounts to R17 267 791.18 as listed in **ANNEXURE 1**;
- (b) that the indigent accounts listed in **ANNEXURE 1** be written off as irrecoverable at the amounts reflected as being outstanding for ninety days in the Financial System of the Municipality on the day of actual write-off;
- (c) that a concerted effort be made to install Water Management Devices, capped at 6 kilolitres per month, at the properties of all indigent consumers;
- (d) that before write off the indigent status be verified; and
- (e) that a Condition of write off is that Water Management devices for every indigent customer is installed; should the department not have adequate capacity to install the Water management devices the Municipal Manager is mandated to contract a service provider.

**ANNEXURE:**

A – Indigent debt older than 90 days that requires a Council Decision to be written off.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<b>A Treurnich</b>
<b>POSITION</b>	
<b>DIRECTORATE</b>	<b>Finance</b>
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<b>REPORT DATE</b>	<b>16 January 2020</b>

# **ANNEXURE A**

ACCOUNT NUMBER	TOTAL BALANCE 90 DAYS+	SUBURB	ERF NUMBER	INITIALS	SURNAME	ID NUMBER
7227	73 125,42	FGDAL	603	LBR&E	BOONZAAIER	7107215192085
8888	55 542,82	FGDAL	354	PS	DE JAGER	6404250079082
10339	36 792,18	FGDAL	320	HM	FORTUIN	4610170113080
11457	35 297,63	FGDAL	1166	A	JEFTHAS	6504160720087
14254	41 715,81	FGDAL	1244	E	BUYS	2705040212088
40147	100 304,09	FGDAL	1886	Z	SIDUKA	6806280969084
40226	57 029,45	FGDAL	1894	V	SIKUMBUZO + D NANCY	6802126142085
40305	216 287,03	FGDAL	1901	N	KUZA	6609230869085
41447	62 137,13	FGDAL	2019	MZ+NG	SIDIYA	6608230724084
42163	91 152,57	FGDAL	2092	MC+S	HOGARTH	6011140238081
42376	34 494,11	FGDAL	2117	C	KOLBIE	6906190759086
42888	57 648,74	FGDAL	2172	N	NTUNJA	5709270863088
42967	28 080,86	FGDAL	2181	T	MADONONO	3401016462084
44079	33 660,43	FGDAL	2295	NS	MSEBENZI	3906150402084
44567	274 872,65	FGDAL	2342	VJ+TV	SIFUBA	6708255827083
45070	38 080,75	FGDAL	2397	M+N	GIBISELA	5007195602081
45111	118 199,13	FGDAL	2401	JM	SAMEULS	6005270209086
46198	31 118,87	FGDAL	2519	M	CLOETE	7002180117086
100003	20 273,29	PNIEL	331	P	ADAMS	4611115695082
100093	25 265,64	PNIEL	378	CDD+K	WILLEMSE	6003165081082
100098	77 120,54	PNIEL	790	DB	HENDRICKS	5308290209081
100593	46 679,32	PNIEL	360	GC	SIMPSON	6003025184084
100670	62 928,56	PNIEL	607	JM	FISHER	6812195250081
10022795	23 068,77	KMAND	852	TP	MASANGWANA	6702010684087
10036097	54 880,84	KMORE	295	PJ	MANUEL	6608035238082
10036437	24 961,86	KMORE	375	D+G	HENDRICKS	6702245178087
10042418	23 588,28	KMORE	356	H	PHILLIPS	5208190163083
10042432	20 548,65	KMORE	353	M	ROBAIN	7210135233086
10067208	39 296,37	KMAND	665	W	NGEWA	4904245356083
10069963	88 030,88	KMUTS	217	C	GONE	5406025024088
10070688	57 400,48	KMUTS	111	H	JACOBS	2401050064086
10072604	33 235,81	KMORE	292	H	BEVILE + L NDZUZO	5611295462088
10080742	40 758,40	KMAND	692	NNL	KHWEYIYA	5306110624083
10084179	20 752,94	KMUTS	670	VM+AM	JACOBS	4202085504080
10101401	107 141,90	KMAND	851	AL	MASHIYA	7005245335080
10101487	58 403,99	KMAND	908	GG	MCITEKA	4109215438081
10102718	128 467,19	KMAND	1193	A	MODIBEDI	6809150612081
10105890	37 552,90	KMAND	1080	Z	TOFILE	9012101133086
10106444	210 267,54	KMAND	1080	PD	ZONKE	8706266002082
10106530	33 329,53	KMAND	1080	TE	MAZIBUKO	7211220375089
10108178	21 972,87	JTOWN	235	HC	PIETERSEN	7307105189080
10110588	89 296,70	KMUTS	51	HP	NEL	7902105104087
10113361	32 932,36	KMAND	1080	MB	MBUTI	7810155725083
10155125	29 949,11	KMUTS	816	D	JORDAAN	6611085094017
10155606	21 321,56	KMUTS	926	J	PAULSEN	4408185125086
10162451	98 436,35	KMUTS	814	OG	JOCHUM	4909095691083
10162767	61 890,64	KMUTS	826	Z+MB	KRAQA	5506125967084
10162815	32 244,16	KMUTS	834	J+M	ZAS	6908245134083
10162956	66 814,61	KMUTS	853	A	PLAATJIES	6508280585080
10163081	56 737,52	KMUTS	873	M	MARTIN	5804156194086
10163098	63 745,00	KMUTS	875	FT	DE KLERK	6003135047080
10163153	50 450,80	KMUTS	882	MR+R	WILLEMSE	8004140184080
10163201	25 815,13	KMUTS	891	W	VAN STADEN + J ADRIAANSE	6911095747087
10163263	31 695,97	KMUTS	898	A	NDINGANI	5901215841085
10163270	44 344,81	KMUTS	899	P	NIEWOUDT	5802135167082
10163421	52 870,77	KMUTS	919	M	MBIBA	6301016621084
10163438	45 809,71	KMUTS	921	MS	NGQWANA	7304075427087
10163658	53 584,66	KMUTS	955	Z	GUSHA	7601060678081
10163940	59 642,85	KMUTS	984	JL	LAURENCE	5209205815089

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10164130	54 648,87	KMUTS	1009	R	VISAGIE + C MIYA	7306145102087
10164202	124 941,87	KMUTS	1020	G	APRIL	5103290151015
10165674	35 778,41	KMUTS	1083	M	CAROLUS	6006290180083
10167652	49 544,09	KMUTS	963	NV	MADOLO	6604270369088
10167690	38 968,40	KMUTS	1089	J	SWARTZ + S SNYMAN	7106015779083
10167717	20 629,08	KMUTS	1097	H+N	SMITH	6408245228084
10167762	221 674,79	KMUTS	1107	EM	JACOBS	7403150150083
10170908	36 356,62	KMUTS	1191	A	KLEIN	5809170070089
10171002	110 060,22	KMUTS	1203	J	VAN ROOYEN + K PHILANDER	6810205240084
10171057	26 001,29	KMUTS	1208	S	DE KOCK	6711105793083
10171064	50 260,04	KMUTS	1209		L SAMSON + H MULLER	7008105220087
10171466	47 702,46	KMUTS	1223	S	STEFANUS + C JEPHTAS	4909175195085
10171473	50 071,42	KMUTS	1224	N	NXELE	6801013721084
10174940	56 232,23	KMAND	168	N	DYANI	3005060553084
10201233	41 708,89	KMAND	948	MV	NONGOGO	5103195366080
10201240	33 562,16	KMAND	955	NE	SIBARA	5405010688089
10205811	22 941,08	FGDAL	420	J	BESS	5412075780082
10218992	31 185,08	KMAND	2097	YM	MTUYEDWA	6808190680082
10219254	44 616,41	KMAND	2011	N	NONKANGA	5509240231089
10219357	127 329,33	KMAND	2018	B	NQANDISA	9004121200086
10219601	60 017,01	KMAND	2046	MM	STUURMAN	7110025617085
10234800	144 254,85	LDOC	204	M	NONDLWANA	7306067058085
10234879	64 948,97	LDOC	212	Z	DYONTA	4605145453082
10235485	109 945,04	LDOC	353	S	NDLAZI	6812195365087
10235605	82 403,73	LDOC	273	NT	MADOLO	4104140317088
10235746	55 675,13	LDOC	543	D	CUPIDO	6208295833084
10235856	28 576,43	LDOC	556	F	BLANKENBERG	6705295170086
10236259	86 609,26	LDOC	602	M	NGCACA	3503255159089
10236266	52 629,30	LDOC	603	NJ	MGAYI	5103125311081
10236352	20 806,67	LDOC	627	L	ALEXANDER	4402145472084
10241435	33 115,43	LDOC	402	S	BALENI	5201285745088
10241480	37 373,69	LDOC	407	MJ	MACKENZIE	6211280074086
10246636	32 206,85	LDOC	467	P	PIETERSEN	5707195804088
10247022	31 251,61	LDOC	608	M	NEETHLING	6406210711084
10247709	207 646,42	LAMOT	10	NG	GUDU	3607290062081
10247716	48 553,98	LAMOT	12	G	SAMUELS	6704095490083
10247761	72 127,08	LAMOT	18	R+D	RICHTER	7005065234082
10247802	54 648,82	LAMOT	24	J	VAN WYK	5710275030087
10247967	27 743,55	LAMOT	40	C	SEPTEMBER	6306095814088
10248092	35 109,72	LAMOT	57	A	BURROWS	4208310140087
10248102	33 622,03	LAMOT	58	J	STOFFELS	6307275202086
10248119	33 833,32	LAMOT	60	C	JOHANNES	4711050139086
10248140	47 680,15	LAMOT	71		MULLER P + KORDOM J	4908115101081
10248384	36 113,02	LAMOT	129	P	KLEIN	6602105229089
10249945	27 614,98	KMAND	1080	T	TYAMPOLO	7402036184084
10251300	73 227,57	LDOC	159	D	JACOBS + S PIETERSE	5409135757084
10251317	21 438,14	LDOC	160	DD	CUPIDO	6009115161080
10251393	20 018,38	LDOC	338	NS	MQOKOZO	7004185454084
10251537	54 601,47	LDOC	320	NF	MSHICILELI	4504120186082
10251544	22 655,90	LDOC	319	RV	SITELA	6507190574085
10252686	43 124,28	IVAL	3435	A	ADAMS	7301035260087
10256518	69 522,84	PNIEL	853	F	LEWIS	4408295085089
10257681	88 618,64	LAMOT	20	W	AUGUST	3806245252082
10257887	24 356,92	LAMOT	111	DM	STALL	7202050819080
10257966	40 325,18	LAMOT	162	JL	BROWN	6206060164081
10262582	126 156,89	FHPLA	1041	SC	BELL	6001210114080
10267185	59 237,24	LAMOT	37	M	PAULSE	5302085643083
10267257	23 564,51	LAMOT	59	J	PEERS	5507095113089
10267288	38 540,57	LAMOT	69	H	PIENAAR	5805225077087

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10267398	41 752,87	LAMOT	121	HJ	CYSTER	4708195177088
10271229	24 889,96	WEMHK	176	RW	CARELSE	5405110104086
10271391	26 819,04	WEMHK	199	D+LJ	ENGELBRECHT	4601075134081
10271779	31 586,64	LDOC	24	JPL	ROBYN	3909225114080
10271982	51 226,02	LDOC	49	PA	MANUEL	6111045057089
10272062	22 918,52	LDOC	58	D	CUPIDO	3911230118080
10272268	43 377,07	LDOC	80	D	CLAASSEN	5712175130082
10274514	66 815,07	LDOC	104	J	MASEKO	5010025150016
10274916	87 751,09	LDOC	148	E	SWARTS	2112040161086
10275584	48 792,63	FHPLA	748	H	DE LEWIS	4605175157082
10277115	27 937,44	WEMHK	113	J+M	ADAMS	3911075306089
10277177	20 723,26	WEMHK	180	DA+R	DUIMPIES	5911285155084
10278587	23 279,57	LAMOT	150	ME	SOLOMONS	7101180107087
10286766	32 527,52	CVILL	15205	W	MORKEL	5502235693082
10286838	50 828,95	CVILL	15198	J	ARRISON	6809025536085
10291265	39 637,40	KMAND	351	MG	NJOKWANA	7904015874080
10291306	51 205,81	KMAND	355	GE	MATYATYA	Deceased
10293205	54 835,65	KMAND	1595	NM	YANTA	4505110261082
10294024	51 726,88	CVILL	15210	K	ADAMS	5810205271080
10297869	32 703,28	LDOC	424	J	LOUW	5410155226083
10301498	48 040,91	FHPLA	748	T	GOEMAS	4410205430082
10301508	129 535,23	FHPLA	748	D	JACOBS	5301125095080
10301522	61 218,88	FHPLA	748	H	MATHEWS	7106015568080
10301546	78 232,94	FHPLA	748	F	MULLER	6401275656084
10301560	91 638,31	FHPLA	748	J	PRICE	5908145218086
10301577	83 959,22	FHPLA	748	S	STEVENS	4408095117082
10301601	70 168,12	FHPLA	748	K	SWARTZ	6410070837088
10301618	23 685,96	FHPLA	748	A	WILLEMSE	6103275177083
10301625	79 174,80	FHPLA	748	L	MULLER	6709030513089
10312704	24 946,32	IVAL	11319	M	JANUARIE	7812110221083
10333301	29 797,87	KMAND	2418	N	MAYEKISO	7005145467082
10349887	291 290,19	FHPLA	1006	WMJ	MOUTON	6612295566083
10349894	26 379,95	FHPLA	1006	LK	RHODE	6710135158085
10349904	51 659,18	FHPLA	1006	W	VAN WYK	3511035203085
10349911	29 348,77	FHPLA	1006	S	SEPTEMBER	6009185277089
10350069	90 709,63	FHPLA	1006	S	DAVIDS	5506125236084
10350100	114 649,29	FHPLA	1006	J	VLOTMAN	5605065104086
10350131	23 110,20	FHPLA	1006	E	DAVIDS	5304265174087
10412622	55 044,62	CVILL	8450	V	FERNANDEZ	5108300615081
10429714	39 964,27	KMAND	2505	MZ	MEMELA	7712251947084
10436844	30 569,55	KMAND	2560	NL	PETELA	7006051312080
10437168	46 082,56	KMAND	2841	NP	MARUBELELE	6901240470081
10437216	116 876,28	KMAND	2926	NZ	SIGXASHE	7603260858083
10491434	26 599,56	CVILL	8588	M	DAYSEL	4812270626082
10493340	81 762,13	LDOC	530	G	ERASMUS	6707090793088
10495270	33 603,73	FHPLA	1041	H	DANIELS	5209145038081
10513998	50 074,49	KMUTS	2084	D+AG	ZAS	4508285129084
10533257	29 378,94	FGDAL	2130	M	HOFFMAN	8607260213081
10542578	24 094,22	FGDAL	3216	J	RUITERS	3509065110089
10610806	25 470,67	KMAND	2595	GI	PHETHO	8209230465089
10611694	23 896,34	KMAND	2732	N+DM	KHATSANE	6506235790086
10618158	20 270,08	FGDAL	3061	Z+R	MQWEBO	7305235739089
10619379	37 951,91	FGDAL	3110	GM	LENOS	7306010554081
10620180	31 843,73	FGDAL	3180	Z	MCOSANA	5306105272088
10620238	36 501,99	FGDAL	3185	N	PONI	6807170827085
10620290	34 114,94	FGDAL	3692	ZD	NQUMA	7409086206089
10626571	21 508,18	KMAND	1080	P	KASWANA	7306210639088
10634334	30 900,17	LAMOT	21	DC	JACOBS	8806135106088
10660674	35 219,67	KMUTS	3299	JJ+W	HUGO	5705065206087

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10660698	37 264,15	KMUTS	3346	A+NE	JULIUS	7711285206087
10660777	34 008,60	KMUTS	3271	D+B	RANK	7303205065080
10660997	28 309,90	KMUTS	3351	M+B	DAVIDS	7909305180080
10661338	35 362,97	KMUTS	3372	ER+J	KING	8208215150088
10667114	103 388,47	KMAND	2999	PM	GQIBA	5305125729085
10668500	29 689,54	KMUTS	2213		J SMITH + M BEUKES	6004155250083
10668902	39 197,12	KMUTS	2273	SF +	F STEVENS + SM TITUS	7501305389082
10669123	28 512,89	KMUTS	2277	K+P	FILANDER	7910045231084
10669367	29 675,62	KMUTS	2253	M	POKELA	7306090994082
10669769	32 642,07	KMUTS	2310	F+JH	CORNELIUS	8307115092083
10669989	33 312,40	KMUTS	2322	CD+SO	BROWN	7407105209084
10670044	38 225,64	KMUTS	2325	NN	SIDLABANE	7605130315087
10670075	40 087,14	KMUTS	2328	F+SM	HARTZENBERG	8008275191083
10670185	40 757,21	KMUTS	2335	Y	JACOBS	7807090440083
10670336	21 901,39	KMUTS	2350	XF	MAGQAKA	7403015694085
10670635	31 039,54	KMUTS	2379		K PIETERSEN + F PLAATJIES	8005290661082
10670800	36 043,00	KMUTS	2396		K NQOTHE + L SIPHOFANA	8205115668086
10670879	30 461,19	KMUTS	2403	T	LOGGENBERG + KN BENSON	8303280250085
10670941	34 282,02	KMUTS	2410	EW	LUIKES + J SWARTS	8502155257089
10671241	42 833,11	KMUTS	2473	MA	KORTOM	6411120995082
10671540	33 873,88	KMUTS	2519	T	BROOKS	6301215239084
10671636	47 241,57	KMUTS	2528	RJ	VISAGIE	7009180171088
10671849	32 662,83	KMUTS	2563	MD	MAFE	7301255658085
10671928	31 626,02	KMUTS	2571	C	JACOBS	7405066478086
10672132	77 852,34	KMUTS	2605	RM	GORDON	7203060123083
10672242	44 305,06	KMUTS	2621	C+V	VAN ROOYEN	5503055827081
10672424	32 296,35	KMUTS	2640	L	KAHN	8209250221081
10672431	29 758,29	KMUTS	2641	EJ	CARNOW+CA JACOBS	8403175169083
10672493	27 465,47	KMUTS	2647	N	VENGE	8302130871082
10672503	34 565,26	KMUTS	2648	C	JUMAT + E. HENDRIKS	7508225695084
10672613	27 334,54	KMUTS	2696	J	MAKAMBA	5101075676081
10672857	34 516,87	KMUTS	2737	MM	ARENDSE	6402180139083
10672943	36 654,44	KMUTS	2774	NP	SOBETHWA	6803081040082
10678028	30 922,51	KMUTS	2744	DB	LANGEVELDT	6601026122084
10678059	31 018,37	KMUTS	2747	H	PHILANDER	6601150713088
10678262	28 915,10	KMUTS	2768	H	STUURMAN	7305070237082
10681635	37 396,13	LAMOT	227	J	MAERMAN	7409190207080
10694840	28 212,97	KMUTS	2479	ML	ZEZE	7904115279081
10700330	35 705,71	KMUTS	2977	J	TAYLOR	6106305231085
10702899	24 818,62	KMUTS	2552	J+J	KAYSER	5611055839087
10703319	43 539,29	KMUTS	2671	T	GCWABE	7102230735083
10703340	40 189,04	KMUTS	2673	MJ	KHITLELI	7509156374087
10703546	21 212,22	KMUTS	2655	BC	GOLIATH	8402260104088
10703759	27 614,28	KMUTS	2688	TS	SIGIJIMI	8505276258084
10704028	58 077,99	KMUTS	2815	GL	HERADIEN	8308050208080
10704183	23 422,12	KMUTS	2831	WM	NKOHLA	8011111557087
10704310	26 823,79	KMUTS	2844		MS MAKAPA + MJ MAKWALA	8211306039087
10704509	33 233,58	KMUTS	2878	S+NE	NQWENISO	8202027587082
10704602	23 684,82	KMUTS	2910	NM	NQWENISO	6812140880081
10705225	24 058,77	KMUTS	2990	A	VAN NIEKERK	5010205785086
10705548	46 436,08	KMUTS	3023	T+SM	NORMAN	4610315141087
10705658	21 556,61	KMUTS	2590		DN SAAYMAN + R FREDERICKS	8311145259084
10712771	22 313,95	KMUTS	2665	P	SWARTS	5212105863084
10721717	51 061,21	KMUTS	799	W+M	BOSWELL	5708025105084
10732690	40 179,54	JDAL	2		ESTATE LATE AC MENTOOR +	3108170070088
10849167	85 364,25	KMAND	1080	P	FILE	7707165890081
10871025	22 192,86	CVILL	6767	CA	PLAATJIES	6806090130083
10872071	38 823,17	CVILL	7255	F	ARMOED	6902055253083
10877296	177 629,88	KMAND	1080	S	MHAMBI	8104255456081



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10877313	91 969,45	KMAND	1080	W	MENDU	8803066103085
10878417	20 439,10	CVILL	6767	J	ROMAN	6508190130084
10881251	27 809,79	CVILL	7255	M	WITBOOI	5210050826080
10892024	22 999,87	KMAND	2035	MC	WELLEM	8010055116082
10901854	79 904,94	KMAND	1080	N	MJAME	8506291037081
10901957	93 548,24	KMAND	1080	SP+S	VANQA	7804175526084
10902006	31 201,84	KMAND	1080	A	MARTIN	6502155207086
11670016	25 720,44	IVAL	3303	NF+CM	VAN GRAAN	5507165137083
21150007	24 503,75	IVAL	3089	CB	NEWMAN	4406065121084
21520015	28 048,12	IVAL	3124	C+N	ISAACS	5904215106087
23403851	53 464,39	IVAL	12879	LM	FLINK	5812070061083
370140485	78 444,62	CVILL	6786	J&H	ALFESTUS	5410085005086
370140856	67 327,48	CVILL	6786	HC	DAVIDS	64102335059081
370172556	627 810,22	CVILL	8590	CJ	SOUTMAN EN A J	4711210103089
370192042	69 733,09	CVILL	8638	E	STEVENS	4611120180088
370200462	161 618,63	CVILL	8644	P	JACOBS	5310300776083
370740061	65 503,51	CVILL	14024	DR	DE KLERK	5506115183080
370840154	42 832,49	CVILL	8452	C	ADAMS	3908010412089
371390047	72 706,69	CVILL	6707	U	ADAMS	4606260624085
371920541	27 293,97	CVILL	6767	M	NOBLE	6411130148086
371931754	47 181,34	CVILL	6767	JG	JANSEN	4911085616088
372793151	120 665,83	CVILL	7255	M	FAROA	530614515083
372795263	22 948,59	CVILL	6767	NM	ADAMS	5905160211087
375530410	22 307,28	CVILL	5201	FJ+A	THEUNIS	1809095098086
379217104	22 513,65	CVILL	7672	J	DAVIDS	4801315126083
460640608	41 805,53	GOAKS	11710	J	DAVIDS	6703185188086
600010003	31 043,00	KMAND	182	N	SINQANA	4807295417087
600085001	45 039,46	KMAND	404	V	DYWILI	6805100470083
600097002	81 022,19	KMAND	357	BT	MATIWANE	5512250768081
600124003	144 103,18	KMAND	335	T	TSHELA	3806075225083
600198000	44 788,17	KMAND	40	ZT	MAKWASA	5803295797080
600286037	37 410,42	KMAND	951	M	MANGCUNYANA	7006066206087
600301697	45 712,19	KMAND	1783	J	MEMELA	6105025834087
600341026	39 524,16	KMAND	920	S	MPUHLU	4106255417082
600341033	37 161,62	KMAND	921	Z	KRAZIYO	6806061667089
600343004	35 648,19	KMAND	922	N	HALA	4305315205087
620000192	26 020,10	KMAND	1480	G	BOOI	6512251470082
620000233	38 257,22	KMAND	1484	P	NKAMISA	8102040902088
620000745	22 947,75	KMAND	1505	I	TYHALA	6308290585083
620002675	22 311,94	KMAND	1698	NC	MATHO	6603110679086
700689305	60 687,71	JTOWN	428	PW	STONE (JNR)	5807295167087
700752463	52 401,73	JTOWN	595	HJ	FEBRUARY	6101155173081
703190103	43 018,77	KMUTS	345	BJ&EN	DYANVANE	5608275677081
703192057	53 254,41	KMUTS	384	HL	JONAS	6711075737086
703192459	92 199,26	KMUTS	392	N	MBUNGENI	3401085162086
703200051	25 127,95	KMUTS	522	R&G	CUPIDO	6212175206080
703201203	20 451,46	KMUTS	435	F	CORNELISSEN	6510295609087
703201708	41 485,06	KMUTS	445	KP	NEWMAN	6208085212010
703202101	44 431,74	KMUTS	453	PP	NKOHLA	7012090521087
703202259	146 934,90	KMUTS	456	C	JEFTHAS	6405315059019
703203205	83 496,12	KMUTS	475	M&BL	MEINTJIES	6103185192081
703205104	55 565,87	KMUTS	513	MM	ABRAHAMS	7305100793088
703205159	93 922,56	KMUTS	514	A	VAN ROOYEN	6705135694089
703206301	32 322,82	KMUTS	538	GJ	SWARTZ	4909285676084
703207704	27 050,05	KMUTS	566	A	FINGO	6708060702083
703209201	20 757,21	KMUTS	597	HM	FITZ + J VAN WYK	5211215166081
703210751	190 012,30	KMUTS	628	VJ	GROOTBOOM	3903015290085
703212052	28 590,17	KMUTS	654	HZM	SIKINYA	6210155992083
703212203	20 148,88	KMUTS	657	M	LOUW	6512310702087

ACCOUNT NUMBER	TOTAL BALANCE 90 DAYS+	SUBURB	ERF NUMBER	INITIALS	SURNAME	ID NUMBER
703212557	51 957,92	KMUTS	664	J	VAN ZITTERS	5301215745081
703212605	20 977,21	KMUTS	665	Z	YAYA	5501295256087
703213503	59 218,87	KMUTS	682	BS	SANBANA + MNGESI MB	6802160426089
703214652	56 411,13	KMUTS	703	S	NODADA	7204115617087
703215103	54 042,14	KMUTS	711	D	MILLER	6903120271084
703216908	45 396,49	KMUTS	747	J	DU PREEZ	7110065752081
703217019	67 163,06	KMUTS	749	R	KHAN	4606200618080
703611004	179 765,19	KMUTS	250	H&SE	NELSON	6505165171085
703612029	50 214,63	KMUTS	171	PJ	JULLIES	5507055146087
703612294	111 831,28	KMUTS	225	JA+E	COLLINS	6010255185087
703612988	71 146,88	KMUTS	183	MM	JACOBS	6106060137089
706722529	35 260,34	JDAL	60	IJ	MEYER	6405315202080
707561303	25 215,30	KMORE	182	AN	ADAMS	5207215803087
707561372	40 538,80	KMORE	136	AH+J	BRANDT	6510075209082
707561451	29 137,34	KMORE	135	GJ+MD	GERTZE	5812175211088
707561516	100 467,19	KMORE	178	S	JACOBS	4008180394081
707561633	31 687,40	KMORE	162	M	AFRIKA	5807200217084
707561808	20 816,15	KMORE	159	JF	WILLIAMS	6103110050081
707561815	74 876,81	KMORE	175	RE	WILLIAMS	4901150103088
707599793	48 638,82	KMORE	123	IF	LAWRENCE	5507155177081
707620004	49 152,96	KMORE	107	AM	BASSON	6103230183085
707680802	25 408,40	KMORE	20	MT	BROOKS 101	4812060126087

**17 267 791,18 TOTAL**

11.3.2	<b>REVISED INDIGENT POLICY</b>
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**Collaborator No:** 675017  
**IDP KPA Ref No:** Good Governance and Compliance  
**Meeting Date:** 22 January 2020

**1. SUBJECT: REVISED INDIGENT POLICY**

**2. PURPOSE**

Council to approve amendments to the Indigent Policy.

**3. DELEGATED AUTHORITY**

Council to approve.

**4. EXECUTIVE SUMMARY**

Shortcomings pointed out by the Auditor General (AG) during the audit of the 2018/19 financial year necessitate that certain amendments be made to the Indigent Policy.

The amendments proposed herein will address the concern of the AG, prevent possible audit queries in future and also make the Policy more user friendly in general to both Indigent residents as well as the Administration.

**5. RECOMMENDATIONS**

- (a) that Council takes cognisance of the proposed amendments and approve the amended Indigent Policy for the 2019/20 financial year; and
- (b) that the amended Policy be made public in terms of S21 of the Municipal Systems Act before actual implementation thereof.

**6. DISCUSSION / CONTENTS**

**6.1 Background**

The AG pointed to paragraph 7(e) of the Indigent Policy, a stipulation whereby all indigent subsidy applications must be renewed every 12 months.

The spirit of this provision is to review periodically whether the circumstances of a particular indigent consumer remains unchanged and whether the consumer does indeed, still qualify for receiving the indigent subsidy.

Although the Administration is constantly reviewing applications, this is not being done to all applications every 12 months as required by the policy.

In this regard, the Policy is prescriptive and the AG regarded the municipality as being in non-compliance to the Policy.

**6.2 Discussion**

Officials review indigent applications on a continuous basis, both new and existing applications.

This is done by means of annual indigent drives, house visits and notices are sent on several occasions to indigent consumers with the request to come and renew their applications at the municipal offices.

In practice, not all applications are reviewed strictly every 12 months. The municipality has between 6000 to 7000 registered indigent consumers at any given time and due to staff constraints, an annual review of all applications is not practically implementable. Many residents also simply ignore the notices and neglect to visit the offices for purposes of renewal.

In the past the Administration has resorted to cancelling the indigent status of those that did not renew their applications. This resulted in much unhappiness amongst indigent consumers, a general increase in the number of electricity cut-offs and an increased administrative burden with regards to indigent management and debt collection. Although a procedure like this is within the ambit of the Policy it is highly impractical and does not achieve its intended purpose.

Research has shown that most municipalities do not prescribe an annual review/renewal process in their Indigent Policies any more. This is precisely due to the practical issues alluded to above. Larger municipalities now opt for a less rigid approach that includes any or all of the following:

- A non-targeted or so-called blanket approach;
- SASSA pensioners or handicapped indigents need never apply again;
- Subsidy applicable for as long as the municipality receives Equitable Share for the purpose;
- Municipality may review when it deems necessary;
- Only child headed or unemployed indigent households get reviewed periodically;
- Onus is on the recipient to inform the municipality of changes in financial position, etc.

The proposed amendments to the Stellenbosch Indigent Policy allow for:

- One of the Policy principles to be that the municipality will aim to maintain the relief measures to indigent households for as long as the households remain registered on the indigent database and the municipality continues to receive Equitable Share for the purpose. (Paragraph 3 (d))
- In addition to the above, the onus lies with the recipient to inform the municipality of any changes in financial position and the municipality also reserves the right to conduct house visits periodically to review the validity of the indigent status of the consumer. (Paragraph 7 (e)).
- Other, minor cosmetic changes.

### **6.3 Financial Implications**

There will be no additional financial implications, other than the expenditure already incurred by the municipality with regards to indigent relief.

### **6.4 Legal Implications**

None. As long as the public is properly involved and informed in the process, the Policy may be amended by Council.

### **6.5 Staff Implications**

None.

**6.6 Previous / Relevant Council Resolutions**

Annual approval of Budget and Budget-related Policies.

**6.7 Risk Implications**

None.

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

Compiled the Item.

**6.8.2 Municipal Manager**

Item was discussed with the Municipal Manager.

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.3.4**

- (a) that Council takes cognisance of the proposed amendments and approve the amended Indigent Policy for the 2019/20 financial year; and
- (b) that the amended Policy be made public in terms of S21 of the Municipal Systems Act before actual implementation thereof.

**ANNEXURES**

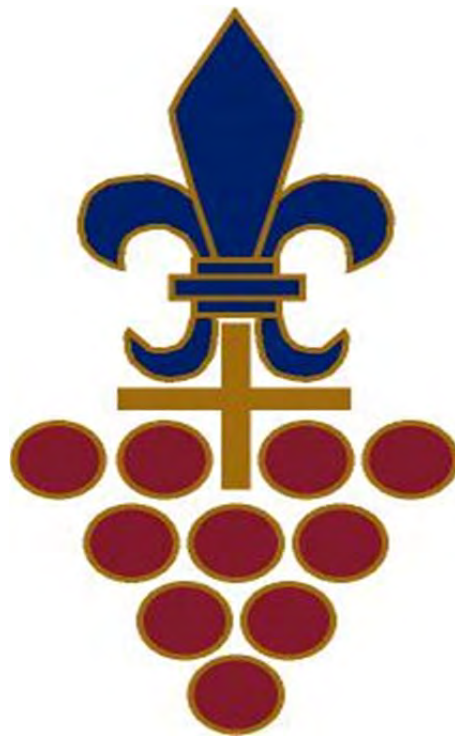
A - Amended Indigent Policy for 2019/20 financial year.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<i>A Treurnich</i>
<b>POSITION</b>	
<b>DIRECTORATE</b>	<i>Finance</i>
<b>CONTACT NUMBERS</b>	<i>021 808 8016</i>
<b>E-MAIL ADDRESS</b>	<i>Andre.treurnich@stellenbosch.org.za</i>
<b>REPORT DATE</b>	<i>17 January 2020</i>

# **ANNEXURE A**

# **STELLENBOSCH MUNICIPALITY**



## **INDIGENT POLICY**

**2019/2020**



# STELLENBOSCH MUNICIPALITY

## INDIGENT POLICY

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## PREAMBLE

The Stellenbosch Municipal Council accepts and acknowledges its Constitutional duties and mandate relating to indigent support in terms of Sections 152 and 153 of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) towards the community/consumers within the jurisdiction of Stellenbosch Municipality (WC024).

Council further acknowledges that because of the level of unemployment and consequential poverty in the municipal area, there are households incapable of paying for basic municipal services.

Indigent relief measures are thus a fundamental requirement that is achievable only within sustainable budgets set by Council as well as support and direction via National Government.

Concomitantly, indigent households equally have the responsibility of managing their levels of consumption and that they are responsible for the payment of municipal services that are consumed in excess of the reduced cost or Free Basic Service levels as described in this Policy.

The effective implementation of such a program depends principally on affordability and is supported by the socio-economic analysis of various areas as included in the Council's Integrated Development Planning. The Council's mandate regarding affordability of basic services to poor households is directed by mechanisms in Section 74(2)(c) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and Section 15 of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004).

In order to give effect to the foregoing, the Council of Stellenbosch Municipality has adopted a policy relating to indigence as set out hereinafter.

## 1. DEFINITIONS

In this Policy, a word or expression derived from a word or expression as defined, has a corresponding meaning unless the context indicates that another meaning is intended.

**“the Municipality”** means Stellenbosch Municipality (WC024).

**“Basic Services”** means that level of services delivered by the Municipality at a reduced cost or at no cost to the Indigent consumer and which the Council has considered reasonable and sustainable within budget constraints.

**“Child-headed household”** means a household where the main caregiver of said household is not older than 18 years of age and is a child as defined in Section 28(3) of the Constitution.

**“Constitution”** refers to the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)

**“Household”** means a family unit comprising a head of the family, being a natural person. The family may include blood related or adopted dependents. This is further described in paragraph 5.2 of this Policy.

**“Indigent”** means the lack of necessities of life such as sufficient water, basic sanitation, refuse removal, environmental health, basic energy, health care, housing, food and clothing.

**“Indigent Income Threshold”** means the qualifying monthly income as described in paragraph 5.5 and as set in paragraph 5.5(b) of this Policy.

**“Valuation Threshold”** means that value of municipal valuation (the reduction amount) as set for residential properties in paragraph 8.2 of the Municipality’s Rates Policy.

## 2. POLICY OBJECTIVES

The objectives of this Policy are to:

- (a) Provide a framework within which the Municipality can exercise its executive and legislative authority regarding the identification of indigent households and the implementation of financial aid to such.
- (a) ensure the provision of basic services to indigent households within the jurisdiction of the Municipality in a sustainable manner and within the financial and administrative capacity of the Municipality.
- (b) ensure the establishment of procedures and guidelines for the effective subsidisation of basic services charges to such approved indigent households within budgetary and national grant guidelines.

## 3. POLICY PRINCIPLES

The following guiding principles for the formulation of this Policy, are to:

- (a) ensure that the portion for free basic services allocated as part of the equitable share received annually, be utilised for the benefit of indigent households.
- (b) promote an integrated approach to subsidised basic service delivery.
- (c) optionally use external services and/or references to verify the information provided by the applicants.
- (d) maintain the relief measures to indigent households for as long as such indigent household remains registered on the indigent data base or register and the municipality continues to receive equitable share for this purpose. ~~period of 12 months after the approval of such, after which the subsidy will automatically lapse,~~
- (e) review the relief measures by random sampling to ensure *bona fide* indigent support.
- (f) engage the community in the development and implementation of this Policy.

#### 4. LEGISLATIVE CONTEXT

4.1 This policy is implemented within the framework of the following legislation:

All citations to applicable Acts as referenced in this Policy shall include all amendments and regulations to such as promulgated.

- (a) The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), in particular Sections 152 and 153.
- (b) Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).
- (c) Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).
- (d) Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004), in particular Section 15 and/or.
- (e) any other legislation that may be applicable

4.2 This Policy was developed using the following guideline(s):

- (a) National Framework for Municipal Policies.
- (b) National Indigent Policy Assessment tool, 2018 - COGTA

#### 5. QUALIFICATIONS AND SCOPE

The introduction of reduced cost or free basic services will ensure that indigent consumers have access to basic services.

##### 5.1 Subsidy:

Subsidies are granted from external funds, allocated by the National Government as an Equitable Share allocation, to subsidize Indigent households with specified levels of basic services. This is based on a:

- (a) Level of income enabling Indigent households to pay for a basic package of municipal services; and/or
- (b) Municipal property valuation value that sets the level at which indigent support may be granted.
- (c) Subsidy scheme that is promoted through the press and by means of personal referral, but principally via referrals by the credit control and debt recovery section of the Municipality.

**5.2 Household:**

- (a) The head of the household must be a South African citizen and have permanent residency.
- (b) The head of the household should be:
  - (i) the registered owner or part owner of the property; or
  - (ii) the registered lessee of a Council housing unit; or
  - (iii) the registered lessee of a Government owned housing unit; or
  - (iv) a person, being the head of the household, who is incapable of paying for basic municipal services and who resides in said property/unit.

The head of the child-headed household shall be deemed to meet these criteria.

- (c) To register as an indigent consumer the head of the household must personally complete and sign the registration form.
- (d) Child-headed households will only be approved on the basis of the following criteria:
  - (i) both parents of the household are deceased, or one parent and/or guardian is deceased, and the other is totally alienated from the household;
  - (ii) a minor has assumed the role of caregiver in respect of the other minor(s) in the household;
  - (iii) such minors reside permanently on the property;
  - (iv) such minors, and exclusively only minors occupy the property as their normal residence;
  - (v) such minors are scholars or unemployed and if income is derived, the household earns less than the qualifying income as envisaged by the defined Indigent Income Threshold;
  - (vi) the situation pertaining to the household has been verified by the Municipality; and
  - (vii) the situation pertaining to the household will be reviewed when the caregiver as per (ii) above reaches the age older than 18 years.

- (e) Indigent households living in homes for senior citizens shall be eligible to qualify for assistance and support under this Policy, subject to the following rules and procedures:

- (i) For the purposes of passing/issuing the free basic electricity units to such indigent household, the onus will be on the unit owner or lessee to apply and submit proof that the electricity connection is in the name of the Indigent consumer and not in the name of the organization providing the accommodation.
- (ii) In the event of the unit being occupied by a single individual without any dependents as per the definition of a household above, the level of income to qualify shall be equal to or less than 50% (fifty percent) of the defined Indigent Income Threshold per month.

### **5.3 Basis of Subsidy:**

- (a) Only formal or informal housing units utilized for residential purposes will be taken into consideration for the purpose of this subsidy, being the provision of free basic services.
- (b) All informal structures where a prepaid electricity meter has been installed by the Municipality will qualify for this subsidy. In the cases where off-grid electricity is supplied by an authorised service provider appointed in terms of paragraph 5.7.2(b) of this Policy such households will also qualify for a subsidy, which subsidy will be paid directly to the authorised service provider.
- (c) Applications deviating from the above will only be considered after a detailed investigation and evaluation by the Municipality.

### **5.4 Liability for payment of municipal accounts:**

- (a) Subsidies will only be granted to households liable for the payment of municipal service fees.
- (b) Subsidies will only be granted by means of a credit on municipal accounts and free basic electricity vouchers or in the form of subsidy paid directly to the authorised service providers of off-grid electricity as envisaged in paragraph 5.7.2(b) of this Policy. No subsidy will be paid directly to any Indigent consumer or household in the form of cash or any such disbursement.
- (c) Households are liable for the payment of fees, as stated on the monthly account, for any service in a given month that exceeds that service's subsidy.
- (d) Monthly accounts, as well as the instalments arranged in respect of the repayment of debt, must be paid punctually and in full. If required, and after reasonable alternatives have been exhausted, the process to recover debt from indigent consumers will be dealt with in terms of the Credit Control and Debt Collection Policy and procedures of the Municipality.
- (e) Prepaid electricity meters will be installed on all properties of formal households before receiving indigent subsidies to prevent escalation of debt.
- (f) Water management devices may be installed on properties of formal households before receiving indigent subsidies to prevent escalation of debt.

### **5.5 Qualifying income:**

- (a) Gross household income is defined as the earnings of the head of the family, plus any other financial contribution towards the household income by any other

dependant or occupant. Government grants as received by dependent minors will be ignored and not be added as a financial contribution towards the household income.

- (b) The maximum qualifying income level defined as the Indigent Income Threshold for a household as described in paragraph 5.2 of this Policy will be equal to or less than R 6 500 per month. Proof must be produced in the form of pay slips, unemployment certificates, income certificates or other acceptable proof of income.
- (c) Should proof of income not be available, income may be declared by means of a sworn statement. Such applications may be verified by means of a full investigation and a socio-economic survey.

## 5.6 Targeting mechanisms:

The following principles for the granting of free basic services apply:

- (a) Properties in respect of which property tax is levied on a municipal valuation amount -will qualify as follows:
  - (i) The municipal valuation of a property being less than or equal to the defined Valuation Threshold will be used as the guiding threshold.

## 5.7 Basic services :

The Municipality will provide the following basic services at reduced or at no cost to the Indigent consumer:

### 5.7.1 Formal Households

Free basic services for Formal households will consist of the following:

- (a) 100 kWh electricity per household per month subject to it being supplied via a prepayment metering system as the qualifying criteria for a registered indigent household to be placed on the Lifeline Electricity Tariff. Free electricity units will not be applicable should the Indigent Household choose not to install a pre-paid meter;
- (b) a basic charge for water and a maximum of 6 kl water per household per month;
- (c) a service subsidy not exceeding the cost of one refuse unit in respect of a single residential property not exceeding an area of 250m<sup>2</sup> and a maximum valuation not exceeding the defined Valuation Threshold;
- (d) a service subsidy not exceeding the cost of one sewerage service unit supplied to residential properties with a maximum area of 250m<sup>2</sup>; and/or
- (e) 50% of the applicable tariff for clearances of septic tanks.

### 5.7.2 Informal Settlement Households

Free basic services for Informal Settlement Households will consist of the following:

- (a) 100 kWh electricity per household per month; or

- (b) a maintenance and operations subsidy (equivalent in Rand value to 100kWh electricity per household per month) for off-grid solar home systems, operated by a municipal approved service provider or Energy Service Company (ESCO).  
(In the case of off-grid electricity subsidies as contemplated above, the Municipality may, subject to a detailed review by the Revenue Section appoint an authorised service provider to provide the maintenance and operations function for a group or groups of indigent recipients of off-grid electricity at a maximum rand equivalence of the value of 100 kWh electricity per household per month.)
- (c) Other services (specifically water, sewerage and refuse removal services) are not billed for.

### 5.7.3 Indigent households residing in homes for senior citizens

Free basic services for qualifying households residing in homes for senior citizens as per paragraph 5.2(e) of this Policy will consist of 100 kWh electricity per household per month.

### 5.8 Free bulk services

Free Bulk Services shall be the provision of services (water stand pipes, high mast lighting, ablution facilities and refuse removal) to informal settlements.

The cost of the provision of free bulk services is recovered from the Equitable Share Allocation from National Government and processed monthly.

### 5.9 Other concessions

- (a) Registered indigent consumers limited to the immediate occupants of the household occupying the property excluding any extended family members could qualify for a discount of up to 50% (fifty percent) on the approved fees and tariffs for non-trading services (refer paragraph (d) below) as defined by Council from time to time subject to application to the relevant Director.
- (b) Proof of registration as an indigent consumer must be obtained from the Credit Control Section of Financial Services prior to the application for the discount being made.
- (c) For the purposes of clarity, other categories of consumers (other than registered indigent consumers) such as back yard dwellers, farm workers and lessees of other property earning equal to or below the Indigent Income Threshold per month, may also qualify for the concessions (i.e. a discount of up to 50% (fifty percent) on the approved fees and tariffs, limited to the services envisaged in paragraph (d) below.
- (d) Discounted non-trading Services; refers to:
  - (i) Community hall discounts.
  - (ii) Burial fees in sections of cemeteries without head stones (i.e. crosses or flat stone areas only) and cremations when available. This concession is only applicable for burials on Mondays to Saturdays, excluding Public Holidays. Farm workers must provide written confirmation regarding the burial site from the farm owner.

## 6. ALLOCATION OF SUBSIDIES

- (a) The subsidy in any given month and service will be an amount not exceeding the amount as reflected in the Council's approved Tariff Schedules for services for Indigent households as per paragraphs 5.7 and 5.9 of this Policy.
- (b) Only one subsidy per service per property may be allocated in any given month.
- (c) Subsidy levels may be adjusted from time to time, depending on the availability of funds.
- (d) Lessees of subsidized housing units already receiving a municipal subsidy for the alleviation of municipal service costs included in rentals will not qualify for an Indigent subsidy. Should the latter subsidy be more advantageous, such a lessee may request that the Indigent subsidy replace the Rental subsidy.

## 7. APPLICATIONS FOR INDIGENT SUBSIDIES

- (a) Self-targeting applications (i.e. applications submitted by individuals) will be required if the property does not qualify within the Valuation Threshold parameter as described in paragraph 5.6(a) of this Policy or if a household considers themselves to be an indigent household.
- (b) Self-targeting applications lodged by means of the prescribed application form will be considered by the Municipality.
- (c) Such households may be visited by employees of the Municipality or approved service providers, where after a written recommendation would be considered.
- (d) The maximum subsidy may be granted to households with no income, even if the corresponding accounts are not paid in full. The status of any change of employment must be reported to the Municipality for the purposes of reviewing the subsidy.
- (e) Indigent assistance will be applicable for as long as an indigent household remains registered as such on the indigent data base or register and the municipality continues to receive equitable share for this purpose. The onus is on the recipient of indigent subsidy to inform the municipality immediately of any changes in personal circumstances that may warrant a review of his/her indigent status. The municipality also reserves the right to conduct home visits periodically with the view of assessing whether a household would still qualify for receiving indigent assistance. Indigent subsidy applications must be renewed every 12 months to ensure that circumstances did not change to such an extent that it could have an influence on the granting of such a subsidy. An Indigent consumer shall automatically be de-registered if an application is not renewed and such subsidy will be cancelled. Normal credit control procedures will be applicable on arrear accounts of such cancelled applications.
- (f) The Municipality has the right to disclose a list of Indigent households for public inspection, which may include the publication thereof.
- (g) In a case of misrepresentation or any other transgression of the conditions for the provision of subsidies, the subsidy will be withdrawn with immediate effect



and not be reconsidered for a period of at least 12 months. Legal actions may be instituted to recover subsidies obtained under false pretences.

- (h) Indigent relief will not apply in respect of property owners with more than one property registered to their name, whether such property is situated inside or outside the area of jurisdiction of the Municipality.
- (i) Subsidies will not be granted on a pro-rata basis and applications received after the twentieth day of a month will be granted in the following month.

## **8. PROPERTY TAX REBATES BASED ON MUNICIPAL VALUATION**

This Policy only addresses indigent subsidies and any form of rates relief is addressed as provided for in the Rates Policy of the Municipality.

## **9. CONTACT OF RESPONSIBLE OFFICE**

The contact details for Indigent enquiries:

E-mail Address: [Indigent.office@stellenbosch.gov.za](mailto:Indigent.office@stellenbosch.gov.za)

Telephone Numbers : 021 – 808 8501/8579/8597/8932

PO Box 17, Stellenbosch

Any Municipal Office in the jurisdiction of Stellenbosch Municipality

## **10. SHORT TITLE**

This Policy is the Indigent Policy of the Municipality.

11.4	<b>HUMAN SETTLEMENTS: (PC: CLLR N JINDELA)</b>
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11.4.1	<b>IDAS VALLEY LOW COST HOUSING PROJECT- CRITERIA FOR THE SELECTION OF BENEFICIARIES</b>
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**Collaborator No:**

**IDP KPA Ref No:**

**Meeting Date:**

**Good governance and Compliance**

**22 January 2020**

**1. SUBJECT: IDAS VALLEY LOW COST HOUSING PROJECT- CRITERIA FOR THE SELECTION OF BENEFICIARIES**

**2. PURPOSE**

The main objective of the report is to obtain approval from Council for the criteria to be used for the selection of beneficiaries to be allocated houses in the Idas Valley Low Cost Housing Project.

**3. DELEGATED AUTHORITY**

Council

**4. EXECUTIVE SUMMARY**

The application is for Council to approve the beneficiary selection criteria to be used for the selection of beneficiaries and the allocation for the 89 Low Cost Houses in Idas Valley Housing Project.

**5. RECOMMENDATIONS**

- (a) that 90% of the beneficiaries will be applicants residing in Idas Valley and its surrounding farms Ward 5 and Ward 6 who appear on the Municipal Housing Demand Database in order of their date of application;
- (b) that Prioritisation of beneficiaries of 40 years and older in a registration date ordered list;
- (c) that Prioritisation of households with applicant(s) or dependants with permanent disability and proof of such be obtained from SASSA in a registration date ordered list; and
- (c) that 10% of the sites will be reserved for persons residing in Idas Valley and surrounding farms Ward 5 and Ward 6 who qualify for housing assistance in terms of the Emergency Housing Policy.

**6. DISCUSSION / CONTENTS**

**6.1 Background**

The Directorate: Planning and Economic Development has started with the development of Phase 2 in Idas Valley. The first phase of the development consists of Affordable Houses to be financed under the Finance Linked Individual Subsidy Programme. The Western Cape Department of Human Settlements has already approved the funding for the implementation of the Low Cost Housing phase of the project that will make provision for 89 Serviced sites with top structures in the current financial year.

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**6.2 Discussion**

The Department: New Housing held various public meetings with the Idas Valley Community and Councillors in the lead up to this project. A Housing Committee will be elected by the potential beneficiaries on the housing demand database to represent their interests in the project once the criteria has been approved. It is imperative to note that a public meeting was held on 21 October 2019 where the criteria as mention as per discussion point 5 above was discussed with the Idas Valley community. The Housing Administration department also arranged two respective Housing Consumer Education meetings in Ward 5 on 15 October 2019 and Ward 6 on 9 December 2019 to inform the community in detail of the prescribed criteria. Upon Council approval on the criteria a committee will be selected.

This committee will be selected from potential beneficiaries on the Housing Demand Database residing within the ward boundaries of Idas Valley which is inclusive of backyard dwellers and the surrounding farms (Ward 5 and Ward 6).

The selection of beneficiaries will be from the Municipality's Housing Demand Database of persons living in Idas Valley and the surrounding farms in Ward 5 and Ward 6, who applied for housing assistance up to and including the year 2017. This list was published to allow persons who applied, but whose information did not appear on the list, to come forward so that the list could be updated and also to give the community an opportunity to submit objection if there were applicants on the Housing Demand Database who were not residing within Ward 5 and Ward 6.

Western Cape Department of Human Settlements issued a Circular regarding Beneficiary Selection for housing projects giving directive to the following:

Upon instruction of the National Minister of Human Settlements, municipalities were advised that the Criteria as set out in the National Housing Code as well as the following be used:-

- In all housing project beneficiaries 40 years and older should be prioritised;
- Households with applicants or dependants living with permanent disabilities as confirmed by SASSA be prioritized;
- All beneficiaries in projects must have registered an application for housing on the WC024 Housing Demand Database. This includes aged and disabled persons, as well as farm workers.

Based on the aforementioned information it is recommended that beneficiary selection for the Idas Valley Housing Project be done from the Housing Demand Database of applicants who reside within the Idas Valley area and its surrounding farms, in order of their date of application on the waiting list.

It should also be borne in mind that, in terms of the existing Emergency Housing Policy, 10% of the sites created within this project will have to be reserved for persons who have been evicted by a court of law residing in Idas Valley and surrounding farms.

**6.3 Financial Implications**

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

**6.4 Legal Implications**

Although not exhaustive, the following legislation and policies apply to this draft submission:

- ❖ Constitution of the Republic of South Africa, 1996 ( Act No 108 of 1996)
- ❖ National Housing Act 107 of 1997;
- ❖ National Housing Code 2009.
- ❖ Stellenbosch Emergency housing policy.

**6.5 Staff Implications**

This report has no staff implications to the Municipality.

**6.6 Risk Implications**

This report has no risk implications for the Municipality.

**6.7 Comments from Senior Management:**

The comments of the Office of the Municipal Manager, Legal Services, and Finance Departments have been solicited and are reflected below:

**6.7.1 COMMENTS BY OFFICE OF THE MUNICIPAL MANAGER**

Support the criteria proposed, criteria is in line with Council policy and legislative prescripts

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.4.1**

- (a) that 90% of the beneficiaries be applicants residing in Ida's Valley and its surrounding farms in Ward 5 and Ward 6 who appear on the Municipal Housing Demand Database in order of their date of application;
- (b) that prioritisation be given to the oldest beneficiaries, but not to beneficiaries younger than 40 years of age in order of the registration date;
- (c) that prioritisation be given to households with applicant(s) or dependants with permanent disability and proof of such be obtained from SASSA in a registration date ordered list; and
- (d) that 10% of the sites be reserved for people who qualify for housing assistance in terms of the Emergency Housing Policy already on the list, and preference be given to people residing in Ward 5 and Ward 6.

**FOR FURTHER DETAILS CONTACT:**

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<b>REPORT DATE</b>	

<b>11.4.2</b>	<b>TO ENTER INTO A LAND AVAILABILITY AGREEMENT WITH SOCIAL HOUSING INSTITUTIONS (SHI'S) AND/OR OTHER DEVELOPMENT AGENCIES (ODA) FOR THE DEVELOPMENT AND MANAGEMENT OF AFFORDABLE RENTAL ACCOMMODATION IN THE APPROVED RESTRUCTURING ZONES</b>
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Collaborator No: 675447  
 IDP KPA Ref No: Good governance and Compliance  
 Meeting Date: 22 January 2020

**1. SUBJECT: TO ENTER INTO A LAND AVAILABILITY AGREEMENT WITH SOCIAL HOUSING INSTITUTIONS (SHI'S) AND/OR OTHER DEVELOPMENT AGENCIES (ODA) FOR THE DEVELOPMENT AND MANAGEMENT OF AFFORDABLE RENTAL ACCOMMODATION IN THE APPROVED RESTRUCTURING ZONES**

**2. PURPOSE**

The purpose of this report is to obtain Council's approval to implement the recommendations of the Draft Feasibility Study on Social Housing by entering into Land Availability Agreements, with accredited Social Housing Institutions (SHI's) and/or another Development Agencies (ODA's), in order to extend the Municipality's housing intervention measures.

**3. DELEGATED AUTHORITY**

Council

**4. EXECUTIVE SUMMARY**

The Social Housing Regulatory Authority (SHRA) was established in 2010 by the Minister of Human Settlements in terms of the Social Housing Act No. 16 of 2008. Stellenbosch Municipality, was identified as one of the leader towns to promote Social Housing, requested the Provincial Department of Human Settlements and the SHRA for funding to do the necessary feasibility studies in the approved restructuring zone. On the 7<sup>th</sup> of June 2019, a service provider was appointed by SHRA to carry out feasibility studies to determine the potential for Social Housing project development on three sites located within the Stellenbosch Municipality boundary in terms of the Social Housing Regulatory Authority's contract SHRA/RFP/SDT/-1/201920. The draft feasibility study report has been completed and is available at the Human Settlements Department, Housing Development. An Executive Summary is attached as **ANNEXURE 1**.

The focus areas are 3 precincts, namely Lap Land, La Colline, Teen- die Bult are home to 22 erven in Ward 10.

**5. RECOMMENDATIONS**

- (a) that Council approves in principle the development proposal of the 3 precincts namely Lap Land, La Colline, Teen- die Bult as set out in the draft feasibility studies;
- (b) that the Municipal Manager is authorised to undertake a process towards entering into Land Availability Agreements with competent Social Housing Institutions (SHI's) or Other Development Agencies (ODA's);
- (c) that a Smart Partnership and a Land Availability Agreement be entered to with the successful accredited Social Housing Institution (SHI) or Other Development Agency (ODA); and

- (d) that the proposed base criteria which needs to be met by a viable Social Housing Institution be noted.

## 6. DISCUSSION / CONTENT

### 6.1 Background

Stellenbosch Municipality was identified by Provincial Department of Human Settlements (PDoHS) as one of seven leader Municipalities which form part of the Rental Housing Programme. From the onset of the programme it has always been the Municipality's viewpoint not to develop or manage the Restructuring Zones by itself but to acquire a viable SHI and/or ODA to develop and manage the sites on behalf of Stellenbosch Municipality.

It is imperative to note that Social Housing projects are implemented by **independent Social Housing Institutions (SHI's) and/or Other Delivery Agents (ODA's)** in designated **Restructuring Zones** with the benefit of public funding. SHI's and/or ODA's have to be **accredited** by the Social Housing Regulatory Authority (SHRA) to participate in the Programme. This approach has also been followed by other leader towns. This ensures that the Municipality is not held liable for collecting the rentals each month and that effective management of the units is done.

As part of the programme the Municipality identified and the National Minister of Human Settlements approved Restructuring Zones, as depicted in the **ANNEXURE 2** gazetted in 28 April 2017.

In terms of the approved restructuring Zones, a priority precinct to indicate affordable rental stock was identified on the following erven:

Description of property	Timeframe
Lapland Flats, RE/2149	Short term
Teen-die-Bult, La Colline, Erf 3481/2/3/4/5/6/2728 Farm 180	Short term
La Colline, Erf 2645, 2644, 2666, 2667, 2660, 2661, 2684, 2683	Medium term
Town Centre, Erf 2609 (Prison), 6590 (School), 6659 (Traffic Dept)	Long term

Stellenbosch Municipality in collaboration with the Provincial Human Settlements applied for funding to do a feasibility study in order to address the rental housing challenge for the low- and middle-income residents.

Stellenbosch Municipality was successful that SHRA appointed a Service Provider with the necessary funds to conduct a Feasibility Study on the sites mentioned above. The draft feasibility study was concluded December 2019. Attached find a presentation as **ANNEXURE 3** that also summarises the development potential for the various precincts. Hence the information obtained in the studies, the Municipality is now in a more favourable position to advertise for the appointment of a viable accredited SHI and/or ODA.

Social Housing caters to people earning between R1 500 – R15 000 pm (30% of a project is allocated to people earning less than R3 500 pm). SHRA and it is governed by its own sectorial legislation, namely the 'Social Housing Act (No 16 of 2008) (hereafter known as 'The Act').

It is a medium to high density form of rental and typically comprises a combination of bachelor's, one- and two-bedroom units in a complex or part of a mixed development and managed by a SHI and/or ODA.

Social Housing is not a method for mass delivery, but a way to pursue integrated and sustainable urban development. Restructuring Zones were identified based on their

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close proximity to social and economic amenities and their ability to promote integration, access to economic opportunities and spatial restructuring.

## 6.2 Discussion

In order to set forth the Social Housing Programme by means of inviting tenders from viable SHI's and/or ODA's, it is necessary that certain terms be established. A prospective SHI or ODA will be required to indicate that it meets at least the required base criteria which is as following:

- The SHI and/or ODA will be responsible to obtain funding from the Social Housing Regulatory Authority (SHRA) and Provincial Government's allocation to the Social Housing Programmes.
- The SHI and/or ODA will be required to have an office in Stellenbosch to foster a relationship with the tenants and the Municipality.
- The SHI and/or ODA must be accredited with the SHRA and the institution must provide evidence that it has development experience and is currently managing affordable and social housing portfolios.
- The SHI and/or ODA must be and remain in good standing with the SHRA and within the regulatory and reporting framework of the SHRA.

During the tender process, prospective SHI's and/or ODA's will have the opportunity to indicate their interest in investing and developing the Restructuring Zones as identified (**ANNEXURE 4**). Should more than one SHI and/or ODA be regarded as a valid candidate to develop and manage rental housing units in Stellenbosch, such SHI's and/or ODA's will form part of a pool from which the Municipality can obtain proposals for any of the Restructuring Zones and the most favorable proposal will be accepted. The Municipality and SHI's and/or ODA's will need to enter into a Smart Partner Agreement to guide the delivery and management of Social Housing projects. These agreements are meant to ensure the delivery of the correct typologies and numbers of units within the agreed timeframe.

SHI's and/or ODA's are mostly non-profit organizations and the subsidy they receive normally only covers the construction of the high-density units. Therefore, in order to facilitate the development of the Restructuring Zones for rental housing units and to assure the viability of the rental housing projects, other Municipalities had to provide incentives similar to what is proposed in this item. It is thus proposed the Stellenbosch Municipality considers a minimum level of incentives for this purpose, after the accredited SHI and/or ODA have submitted their proposals.

It is proposed that the land be made available through a Land Availability Agreement (LAA) to the SHI and/or ODA and that a special condition is inserted which limits the use and development of the land for Social Housing. No financial figures can be provided at this stage due to the project still in its infancy; however, throughout the process Council's approval will be obtained.

## 6.3 Conclusion

In order to progress with the development of the remaining Restructuring Zones, it is proposed that a process be embarked on towards enabling the development and management of affordable rental units by suitably competent SHI's and/or ODA's on areas demarcated as Restructuring Zones in the Stellenbosch municipal area.

## 6.4 Financial Implications

None at this stage. Future financial implications will be dealt with when a SHI and/or ODA has been appointed and a viability study has been done.

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**6.5 Legal Implications**

- Chapter 2, Section 5(a) of the Social Housing Act 16 of 2008;
- Local Government: Municipal Finance Management Act (Act 56 of 2003);
- Local Government: Municipal Systems Act (Act 32 of 2000); and
- Administration of Immovable Property Policy

**6.6 Staff Implications**

None at this stage

**6.7 Previous / Relevant Council Resolutions****39<sup>TH</sup> COUNCIL MEETING: 2016-03-30: ITEM 7.8****RESOLVED** (nem con)

- (a) that the demarcated restructuring zones for Stellenbosch be approved;
- (b) that the draft Rental Housing Strategy and Plan for Stellenbosch be approved in principle;
- (c) that the draft Rental Housing Strategy and Plan be advertised for public input; and
- (d) that, should any comment be received, same be considered by Council before a final decision is made.

**6.8 Risk Implications**

None at this stage

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.4.2**

- (a) that Council approves in principle the development proposal of the 3 precincts namely Lap Land, La Colline, Teen- die Bult as set out in the draft feasibility studies;
- (b) that the Municipal Manager is authorised to undertake a process towards entering into Land Availability Agreements with competent Social Housing Institutions (SHI's) or Other Development Agencies (ODA's);
- (c) that a Smart Partnership and a Land Availability Agreement be entered to with the successful accredited Social Housing Institution (SHI) or Other Development Agency (ODA); and
- (d) that the proposed base criteria which needs to be met by a viable Social Housing Institution be noted.



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**ANNEXURES:**

ANNEXURE 1: DRAFT FEASIBILITY REPORT

ANNEXURE 2: PRESENTATION

ANNEXURE 3: RESTRUCTURING ZONES GAZETTED DATED 28 APRIL 2017

ANNEXURE 4: IDENTIFICATION OF SOCIAL HOUSING RESTRUCTURING ZONES

**FOR FURTHER DETAILS CONTACT:**

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<b>REPORT DATE</b>	20-01-2020

# **ANNEXURE 1**



2019/20

# Stellenbosch Social Housing Feasibility Study Executive Summary



DEEP BLACK  
(PTY) LTD

**Deep Black (Pty) Ltd**

Property & Turnkey Built Environment specialist

## i. Executive Summary

This report concerns the investigation of the feasibility of Social Housing development on three precincts (La Colline, Teen-die-Bult and Lap Land) located in Ward 10 of Stellenbosch Municipality (restructuring zone) boundary in the Western Cape in terms of the Social Housing Regulatory Authority's contract SHRA/RFP/SDT/01/201920.

## ii. Background to Investigation

Since its inception in 2010, the Social Housing Regulatory Authority has been fulfilling its mission to invest, regulate and disperse affordable social housing in integrated urban landscapes. In its effort to restructure structural, economic and spatial short comings, the SHRA approves and rolls out the Restructuring Capital Grant (RCG) as per the Social Housing Act, No 16 of 2008. This feasibility study is part of the SHRA's efforts to fulfil its mandate of delivering affordable rental homes and renewing communities in conjunction with the Western Cape Department of Human Settlements' objective of developing sustainable human settlements.

## iii. Procedure Used

The methodology used in the investigation entailed a detailed study of the status quo, wherein the land description and rights were investigated in conjunction with a building audit and a structural assessment of the existing buildings. An examination of the engineering services to the sites was also part of the study. The proposal's alignment with municipal plans and the study area's restructuring zone status complete the status quo investigation. The next step in the methodology involved the formulation of town planning, architectural, project management and engineering proposals informed by the findings of the status quo. Following the proposals, the financial feasibility of the project was investigated which necessitated financial calculations, computation of development costs, rental and operational costs calculations. Finally, conclusions and recommendations were deduced from the results of the preceding investigation.

## iv. Investigation Findings & Conclusions

Having investigated in, great detail, all matters pertaining to the feasibility of social housing on the proposed precincts, i.e. land description, project municipal alignment, restructuring zone status, social housing demand, architectural and engineering inputs, SHRA Tools etc..., the following are the findings and conclusions.

- The La Colline and Teen-die-Bult sites range in extent from 800m<sup>2</sup> to 3ha and are worth between R700 000 and R3 700 000, zoned General Residential and Public Open Space. The Lap Land sites (like the other precincts) are owned by the municipality and the National Department of Public Works, range in value and extent from R7 100 00 and R107 000 00

and 9047m<sup>2</sup> to 447ha respectively and are zoned Government and are Medium to High Rise Flats.

- The building audits carried out revealed that the developed properties are in fair to good condition but required remedial works.
- Investigations revealed that Stellenbosch Prison was built prior to 1977 and is protected by heritage legislation as a Grade 3A building.
- Desktop geotechnical investigations revealed that the sites are suitable for the proposed social housing developments, but, further detailed geotechnical investigations must be carried out to ascertain the exact founding conditions and associated limitations.
- Details regarding the capacity, maintenance, age and condition of the services recommend that any future developments will likely require expansion of said services. The Council should calculate such costs as per demand requirements submitted by the Consultants.
- The study area population can be described as predominantly semi-skilled to high-skilled, mostly low to middle income with a 90% employment rate. The population enjoys fully serviced formal housing with 14.1% of the ward in ownership or are currently paying off their homes.
- The average monthly rental for a 2 bedroom unit in the La Colline area is R9 200 and R10 725 in Stellenbosch central, the local rentals are unaffordable for the social housing target market and present a huge opportunity to provide affordable rental housing.
- The project objectives and outcomes are in line with municipal, provincial and national planning goals. The themes of the planning policy documents of socio-spatial restructuring, economic revitalisation and integration are congruent with the requirements of social housing.
- Demand for social housing has been found to be responsive with a municipal and provincial backlog ranging from 200-15000 units (growing at 1.4%p.a.) with affordable student accommodation being found to be insufficient to cater for the local student population.
- The rental collection rates at municipal rental housing stock (especially at the Lap Land Flats) is of particular concern as this does affect the feasibility of additional social housing
- The high rentals noted in the study area present a huge opportunity to provide affordable rental housing as a mix to the housing typology with Social Housing being the primary housing option in order to maximise the sustainable use of the asset at higher densities/high rise. The primary Social Housing subsidy instrument, the RCG grant, does not incentivise tower buildings nor is it adequate to provide a reasonable equity base to seek commercial lending to build tower buildings.
- The typological mix will make up the funding gap and will be a measure of cross-subsidisation within a precinct. In addition, this type of development has the potential to make economically integrated neighbourhoods and prevent the development of low income enclaves.
- Social housing developments could be used as a mechanism to assist urban regeneration or inner-city revitalisation through economically integrated neighbourhoods.

From the conclusions discussed above, it is evident that the study area is suitable for higher density high rise mixed housing development with social housing being primary. The following is recommended:



- That tenant regularization and rightsizing exercises be carried out. These exercises must be executed in accordance with the relevant allocation policies for housing opportunities.
- Rezone erven 6590 and 6650 in terms of the Spluma from Local Authority purposes to Special for "Mixed Use", increase height restriction from 6 to 8 storeys.
- On the Department of Home Affairs site, the ground floor with frontage on Muller Street to be designated for retail shops/Offices on the floor fronting Van Ryneveld and Jan Cilliers Road. This is to maximise retail exposure as the pedestrian and vehicular density traversing on said roads is high (more so on Jan Cilliers Road). A mixed housing use to be implemented with Social housing typologies (1 and 2 bedrooms) for 5 floors and market oriented housing on two floors. The ground floor level on a portion of the site to be set aside for Road Traffic vehicular inspections (exact area to be advised by the traffic department) should be built 2m below ground level, so as to have a clearance height of 5 meters; this is to accommodate vehicles for inspection and the necessary ancillary equipment. Normal business associated with a Traffic Department, including offices and any related infrastructure to be accommodated within the site.
- For Erf 2609, which currently houses the Stellenbosch Prison, it is recommended that the prison should be relocated to the outskirts of the city on a site to be identified by the city and approved by the Department of Correctional Services. In this regard, negotiations should to be started for the relocation immediately as this is a protracted process. 8 Storey tower blocks to be developed on the same land use conditions as per erven 6590 and 6659.
- For R/E 2149, it is proposed that infill developments be implemented on the existing vacant land in between the flats in order to increase the density, similar to erven 6590 and 6659.
- In the Teen-die-Bult precinct, it is recommended to title survey Farm180, consolidate with Erf 2728 and simultaneously rezone the sites from Public Open Space to Residential IV for 8 storeys with the architecture to take advantage of surrounding rural townscape. A mixed housing typology with the primary social housing development and market focused residential being secondary.
- For the La Colline precinct, it is proposed that the residential sites remain as is and be the tradeoff for the density maximisation development on the consolidated Teen-die-Bult sites. The open spaces should be developed as active open space for the enjoyment of the residents.
- The following table details the potential; housing development of the above proposal:

Site	Development Cost (per m <sup>2</sup> )	Bachelor Units	1 Bedroom Unit	2 Bedroom Units	Total	Density (du/ha)
<b>Teen-die-Bult</b>						
Farm 180 &	R 5,762		350	280	630	184

Erf 2728						
Lap Land						
Erf 2609	R 4,852		218	444	662	616
R/E2149	R 6,945	96	128	480	704	186
Erf 6589 & 6590	R 5,281		358	448	806	320
<b>Total</b>		<b>96</b>	<b>1054</b>	<b>1652</b>	<b>2802</b>	<b>260</b>

- With regards to mechanical and electrical engineering, it is recommended that a competent and accredited professional engineer be appointed to conduct the detailed design and subsequent installation supervision of the entire mechanical equipment in line with the applicable standards and quality.
- The development should comply with all Municipal By-Laws, South African National Standards (SANS), legislative frameworks/policies as detailed in the report and specifically the National Building Regulations.
- The Development should be phased as follows: 1) Approval of Development Proposals/concepts; 2) Detailed Professional Services & Land Negotiations; 3) Teen-die-Bult development; 4) La Colline & NMT development; 5) Upgrading and infill development of Lap Land Flats; 6) Development of Lapland – Dept. of Home Affairs & Traffic; 7) Development of Lapland – Prison Site & new prison.
- An Environmental Management Plan should be submitted for approval by the Department of Environmental Affairs and comply with the requirements of the Municipality's Environmental Department.
- A Traffic Impact study should be done in compliance with local Transport Authority specifications. It is recommended that the road infrastructure around the site be upgraded in line with the results of said study in terms of the Urban Settlement Development Grant. The surrounding municipality infrastructure should be investigated further for capacity and likewise upgraded
- Lanes/spaces to be developed for Non-Motorised-Traffic and usage to be encouraged for development as per the attached NMT traffic proposals
- That the Council approves the Precinct Plan and budgets for the implementation of the development of Social Housing as per the phasing implementation strategy

# **ANNEXURE 2**



DEPARTMENT OF HUMAN SETTLEMENTS

NO. 390

28 APRIL 2017

**RESTRUCTURING ZONES**

The Department of Human Settlements hereby publishes for public information the following Restructuring Zones in terms of Social Housing Policy, the Guidelines and the Social Housing Act, 2008 (Act no. 16 of 2008) :

<b>Eastern Cape Province</b>		
<b>Municipality</b>	<b>Name of Town</b>	<b>Name of RZ area</b>
Cardeboo Local Municipality	Graaff-Reinet	Sunnyside A & B
King Sabata Dalindyebo Local Municipality		Mthatha & Suburbia (Maydene Farm Extension, Zimbane Heights Extension and Transkei United Dairies, Zimbane Valley, New Brighton, Mqanduli, Silverton, De Coligny and Payne's Farm)
Kouga Local Municipality	Jeffrey's Bay	Jeffrey's Bay and suburbia
Nelson Mandela Bay Metropolitan Municipality	Port Elizabeth	Summerstrand
		Fairview
		2010 Stadium Precinct
		Newton Park
		Stanford Road
	Uitenhage (10km radius)	Uitenhage CBD
		Dispatch CBD
		Florida Farms
	Coega IDZ node (10km radius)	Coega Vulindlela
		Wells Estate
		Amsterdamhoek
	Baywest node (10km radius)	Bay West/N2 Hub
		Lorraine
Hunters Retreat		
Kabega Park		
		Parsons Vlei
Buffalo City Metro	King Williams Town	King Williams Town/ Bisho

<b>Kwa Zulu Natal Province</b>		
<b>Municipality</b>	<b>Name of Town</b>	<b>Name of RZ area</b>
Emnambithi Local Municipality	Ladysmith	Hospital Park
		Ladysmith Central
		Dunlop
Newcastle Local Municipality	Newcastle	Arbor Park
		Newcastle central
		Fernwood
Kwa-Dukuza Local Municipality	Stanger	Kwadukuza CBD
		Blythedale Beach
		Hyde Park
Mhlathuze Local Municipality	Richards Bay	Aquadene
	Empangeni	uMhlathuze Village
Hibiscus Coast Local Municipality/Ray Nkonyeni LM	Port Shepstone	Marburg
		Protea Park
		Uvongo
eThekweni Metropolitan Municipality	eThekweni/Durban	Cornubia
		Bridge City
		Newlands
		Phoenix
		Chartsworth
		KwaMashu and surrounds

Western Cape Province		
Municipality	Name of Town	Name of RZ area
		Oudtshoorn CBD
Oudtshoorn Local Municipality	Oudtshoorn	Bridgton Development Precinct
Mossel Bay Local Municipality	Mossel Bay	Mossel Bay CBD (Schoeman Street, Louis Fourie Corridor) and Kwa-nonqaba
		Kwa-nonqaba
George Local Municipality	George	George Central (Central 1 & 2 and York Street)
Knysna Local Municipality	Knysna	Knysna CBD
		Lagoon
		Heidevallei
Bitou Local Municipality	Plettenberg Bay	Plettenberg Bay CBD
		Piesang Road
		Cape Nature
		Ladywood
Drakenstein Local Municipality	Paarl/Mbekweni	Paarl (Central & South)
		Viakkeland/Mbekweni
	Wellington/Mbekweni	Wellington CBD / Botterberg
Overstrand Local Municipality	Hermanus	Hermanus (which includes Mount Pleasant 1, 2 & 3, West Cliff & Zwelihle)
	Hawston	Hawston
	Gansbaai	Gansbaai
Stellenbosch Local Municipality	Stellenbosch	Greater Stellenbosch
		Plankenburg
Saldanha Bay Local Municipality	Vredenburg	Vredenburg CBD
		Vredenburg Urban Revitalisation
	Saldanha	Saldanha CBD
Breede Valley Local Municipality	Worcester	Worcester CBD (Esselenpark, Roux Park)
		Transhex
Swartland Local Municipality	Malmesbury	Malmesbury CBD
		Abbotsdale
		New Claire/Garden Village
		Garden Village
		Suikerbekkie

<b>Limpopo Province</b>		
<b>Municipality</b>	<b>Name of Town</b>	<b>Name of RZ area</b>
Polokwane Local Municipality	Polokwane	Polokwane Extensions
		Annadale
		Bendor
		Polokwane CBD
<b>Mpumalanga Province</b>		
<b>Municipality</b>	<b>Name of Town</b>	<b>Name of RZ area</b>
Govan mbeki Local Municipality	Bethal	Secunda CBD
		Embalenhle
		Bethal/Mzinoni
		Lebogang Precinct
eMalahleni Local Municipality	eMalahleni/Witbank	Duyha Park Ext 1
		eMalahleni CBD
		Comidor Hill
		Spring Valley
		Klarinet
		Siyanqoba
		Schoongezicht
Steve Tshwete Local Municipality	Middelburg	Steve Tshwete CBD
		Mhluzi Built Areas
		Rondebosch
Mbombela Local Municipality	White River	White River CBD
	Mbombela/Nelspruit	Mbombela CBD
		Maggiesdal Built up Area
		Tekwane South
		Hazyview CBD
		Sonheuvel
Umjindi Local Municipality	Barberton	Umjindi CBD
Nkomazi Local Municipality	Matelane	Matelane CBD
Thaba Chweu Local Municipality	Lydenburg	Mashishing
		Lydenburg CBD
Msukaligwa Local Municipality	Ermelo	Ermelo CBD
Lekwa Local Municipality	Standerton	Standerton CBD
		Sakhile
Victor Khanye Local Municipality	Delmas	Delmas CBD

Gauteng Province		
Municipality	Name of Town	Name of RZ area
Randfontein Local Municipality	Randfontein	Finsbury (RAND04)
		Toekomsrus (RAND05)
		Randfontein CBD (RAND01)
		Uncle Harry's Precinct (RAND02)
		Aureus (RAND03)
		Mohlakeng (RAND06)
		Middelvlei, Droogheuwel and Ridgeview Integrated Human Settlements (RAND07)
Mogale City Municipality	Krugersdorp	Leratong Mixed Development (MOGC04)
		Magaliesburg CBD (MOGC05)
		Nooitgedacht/ Rietfontein Integrated HS (MOGC06)
		Muldersdrif/ Pine Heaven (MOGC07)
		West Krugersdorp (MOGC02)
		Krugersdorp CBD including the UDF Precinct (MOGC01)
		Chief Mogale Integrated HS (MOGC03)
Merafong Local Municipality	Welverdiend	Welverdiend and Varkenslaagte Integrated Human Settlements (MERC03)
	Khutsong	Khutsong South Integrated Human Settlements (MERC04)
	Fochville	Fochville CBD (MERC01)
	Carletonville	Carletonville CBD (MERC02)
Westonaria Local Municipality	Simunye	Simunye (Including Simunye Civic Precinct) (WEST 02)
		Bekkersdal (WEST 03)
		Thusanang (WEST04)
		Westonaria CBD (WEST01)
		Westonaria Borwa Integrated HS (WEST05)

Gauteng Province		
Municipality	Name of Town	Name of RZ area
Ekurhuleni Metropolitan Municipality	Tembisa	Tembisa CBD
		Leralla Node
		Essellen Park
		Clayville
		Oakmoore
	Katorus	Mayberry Park
		Alrode
		Vosloorus CBD
		Vosloorus Hospital Node
		Kwesine - Palm Ridge
	Boksburg	Boksburg Mining Belt
		Boksburg CBD
		Boksburg North

# **ANNEXURE 3**



# STELLENBOSCH SOCIAL HOUSING

THIS PRESENTATION CONCERNS THE FEASIBILITY OF SOCIAL HOUSING IN  
STELLENBOSCH IN TERMS SOCIAL HOUSING REGULATORY AUTHORITY'S CONTRACT  
SHRA/RFP/SDT/01/201920.



**Deep Black (Pty) Ltd**

Property & Turnkey Built Environment specialist

## INTRODUCTION

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This presentation will present the findings of the investigation of the feasibility of Social Housing in 3 precincts on the outskirts of the Stellenbosch CBD. Located approximately 50km from the Cape Town CBD, Stellenbosch is accessible via the N1 in the north and the N2 in the south and is in close proximity to Cape Town International Airport and is the Leader town of the local municipality. The aforementioned 3 precincts, namely Lap Land, La Colline and Teen-die-Bult are home to 22 erven in Ward 10. The ward is a predominantly residential area consisting of the suburbs of Lap Land, La Colline, Kromriver and Tenantville (that has some light industrial land uses). The precincts are ideally situated close to commerce areas, educational facilities, social facilities



## LAND AUDIT – LA COLLINE

Erf Number	Ownership	Value	Valuation Roll
2645	Dept of Local Government & Housing	R3 348 000	Vol 01 SB 3794 _20190201
2644		R3 094 000	
2666		R3 583 000	
2667		R3 539 000	
2683		R3 685 000	
2684		R3 685 000	
2661		R3 671 000	
2660		R3 415 000	
2727	Stellenbosch Municipality	R745 000	
2729		R1 200 000	



## LA COLLINE





## LAND AUDIT – TEEN-DIE-BULT

Erf Number	Ownership	Value	Valuation Roll
3481	Stellenbosch Municipality	R 3 240 000	Vol 01 SB 3794 _20190201
3482		R 1 150 000	
3483		R 3 300 000	
3484		R 1 200 000	
3485		R 3 260 000	
3486		R 105 000	
2728		R 700 000	
FARM 180			



## TEEN-DIE-BULT



## LAP LAND – LAND AUDIT

Erf Number	Ownership	Value	Valuation Roll
R/E 2149	Stellenbosch Municipality	R107 419 000	Vol 01 SB 3794 _20190201
2609	National Dept of Public Works	R7 804 000	
6590	Stellenbosch Municipality	R 7 126 000	Vol 03 SB 9595 _20190201
6659		R9 248 000	



## LAP LAND



## BUILDING AUDIT – LA COLLINE

- The buildings are structurally sound and are unlikely to collapse under current dead and imposed loads
- The roofs and rainwater goods require some minor repairs but remain operational with no leaks. The finishes in most units also require some remedial action
- The electrical services in the units are operational, however, the fixtures exhibit signs of excessive wear and tear and need replacement
- The fire services at the precinct were judged to be totally non-compliant as the basic fire protection equipment, signage, hose reels, extinguishers and hydrants were absent
- The wet services are in operation but are non-compliant with regards to the fixtures (geysers and traps), drainage arrangement and poor maintenance



## BUILDING AUDIT – TEEN-DIE-BULT

- The overall condition of the Teen-die-Bult structures appears to be stable. Minor damage was noted with no settlement or unstable foundations
- The building fabric only exhibited negligible damage, however, maintenance work is required to keep the gutter system operational
- The electrical services in the units are operational, however, the fixtures exhibit signs of excessive wear and tear and need replacement
- The fire services at the Teen-die-Bult are non-compliant because the basic fire protection equipment, signage, hose reels, extinguishers and hydrants were absent
- It was noted that while they remain operational, the wet services require repairs and additional fixtures in order to achieve compliance





## BUILDING AUDIT – LAP LAND

- The structural integrity of the Lap Land flats was confirmed. The buildings remain stable and are not likely to fail under current loading. Minor repairs are needed for the finishes to some structural elements
- The flats recently received some cosmetic upgrades, however, vandalism and theft have undone the works
- The roofs are structurally sound. The rainwater goods, although functional, do need some replacing and repairs
- The electrical services in the Lap Land units are in working order, however, the fixtures exhibit signs of excessive wear and tear and need replacement
- The wet services at the flats were evaluated as being non-compliant due to the remedial work, additional fixtures and rational design amendments required
- The fire services at the Lap Land Flats are non-compliant because the basic fire protection equipment, signage, hose reels, extinguishers and hydrants were absent
- The lifts are Machine-less Room Lifts (MRL) which were installed in 1999. The lifts were not operational at the time of inspection but have been working intermittently. The lift buttons were also observed to have been vandalised in addition to some stolen cables



## BUILDING AUDIT – LAP LAND



## GEOTECHNICAL CONSIDERATIONS

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The desktop study indicates that the site is suitable for the proposed development provided that certain design considerations are adhered to.

It will be necessary to physically confirm the geotechnical features from this appraisal by conducting a more detailed investigation which will be in line with Phase I of GFSH-02.

The detailed investigation should comprise of the following:

- Drilling of boreholes,
- Conducting in-situ tests,
- Retrieving disturbed and undisturbed samples for laboratory testing,
- Preparation of a geotechnical investigation report with geotechnical parameters for pile designs as well as recommended piling depth.

## INFRASTRUCTURE SERVICES

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As seen from the diagrams the sites are well catered for in terms of bulk services.

Discussions with some residents of the precincts revealed that the services appear to adequately cater for their infrastructure needs with no flooding, power outages or water and sewerage problems reported.





## DEMAND FOR SOCIAL HOUSING

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In establishing the quantum of demand for Social Housing, various sources were used (SDF, Human Settlements Plan, Rental Housing Strategy etc.), from these sources it was abundantly clear that demand exists but the exact figure remains unclear. As such, it is only possible to define a range of possible demand. From the figures provided, the range of housing demand for the Stellenbosch Municipality can be stated as 200 – 15000 units (and a further 4200 student beds required), growing at 1.4% per annum. A test for “real demand” will require the practical delivery of actual projects to cover the lower end of the demand spectrum. The response to said test projects will then inform further valuations of “real demand”.

## PROJECT ADHERENCE TO MUNICIPAL PLANS

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During the investigation, it was found that of the roles and requirements of social housing and the municipal spatial development framework (the two underpinning documents that provide the impetus for this proposal) are commensurate with one another. Their similar socio-spatial restructuring objectives, the economic revitalisation and integration outcomes confirm the project’s alignment with municipal plans.

## RESTRUCTURING ZONE STATUS

WC: Stellenbosch LM, Plankenburg & Greater Stellenbosch

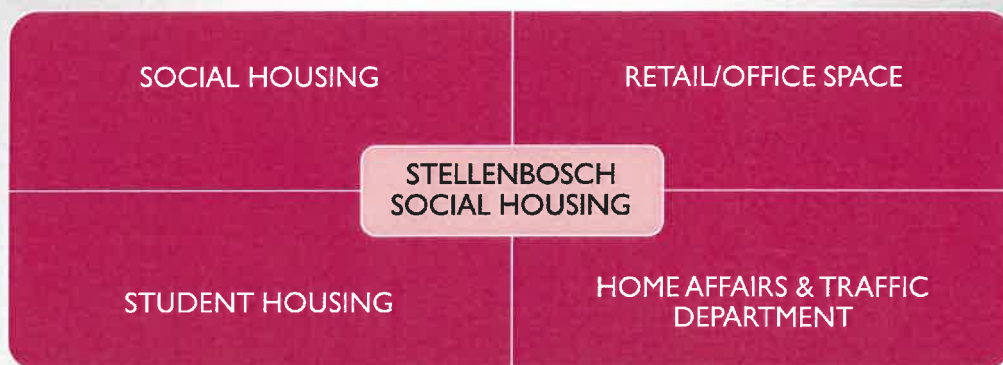


**Legend**

- Restructuring Zones
- Points of Interest
  - Educational Inst.
  - Medical Facilities
  - Police Stations
  - High density residential areas
- Transport Infrastructure
  - Highways
  - Main Roads
  - Railways
  - Streets
- Admin. Boundaries
  - Class /Major Towns
  - Sub Place
  - Local Municipality
  - Subject Sites

0 510 620 830  
Meters

## PROPOSALS



## PROPOSALS – ERVEN 6590 & 6650 LAP LAND

- Simultaneously consolidate and rezone erven 6590 and 6650 in terms of Spiuma from Local Authority purposes to Special for "Mixed Use". Special Zone to accommodate the proposal to increase height restriction from 6 storeys to 8 Storeys
- Develop mixed use 8 storey high rise tower blocks incorporating
- Department of Home Affairs on the ground floor with frontage on Muller Street and Traffic department facilities space set aside
- Retail shops/Offices on ground floor fronting Van Ryneveld and Jan Cilliers Road. This is to maximize retail exposure as the pedestrian and vehicular density traversing on the said roads is high (more so on Jan Cilliers road),
- Social housing with housing typologies ranging from 1 bedroom to 2 bedrooms for 7 floors.
- No vehicular access to the site to be gained from Jan Cilliers Road. Pavements to be widened on Jan Cilliers Road and Van Ryneveld and street furniture and informal traders to be accommodated in a pre-designed format. In this regard storage facilities for licensed informal traders facilities to the set aside on the ground floor of the tower block

The following land use conditions for the consolidated Erf

- Zoning: Special for Mixed Use
- Building lines: on Jan Cilliers Road/ Van Ryneveld -0 m, 3m on other boundaries
- Coverage: 85%
- Height Restriction: 8 storeys
- Parking: Ground floor - (Retail/Offices) 1 Bay/25m<sup>2</sup> gross leasable shop/office floor space. Social Housing – 0.25bays/dwelling unit





## PROPOSALS – ERF 2609 LAP LAND

This parcel houses Stellenbosch Prison and ancillary housing/facilities for department staff. The following is proposed:

- Relocate the prison to the outskirts of the city on a site to be identified by the city and approved by the Department of Correctional Services. In this regard, negotiations should to be started for the relocation immediately as this is a protracted process.
- The provision of the heritage act to be applied due to the site's heritage significance.
- The appointed SHI is to carry the cost of relocation and development of a prison.
- In order to recoup the costs, a portion of the site to be set aside for student accommodation (tower block) and retail/office uses on the ground floor.
- 8 Storey tower blocks to be developed on the same land use conditions as per erven 6550 and 6659.
- Direct access to the site via Jan Cilliers Road will be prohibited in the interest of reducing traffic congestion



## PROPOSALS – R/E 2149 LAP LAND

It is proposed that infill developments be implemented on the existing vacant land in between the flats in order to increase the density. The sites should be subdivided into 2 subdivisions and a road servitude created

- The existing crèche to be demolished and incorporated into the new designs.
- New designs to match with existing flats.
- Additional security measures to be accommodated for in the designs.
- Direct access to the site via Jan Cilliers Road will be prohibited in the interest of reducing traffic congestion
- Pavement on Jan Ryneveld to be widened to accommodate street furniture and licensed informal traders.

The following are proposed land use conditions for the consolidated parcel:

- Zoning: Group Housing
- Building lines on Jan Cilliers Road/ Van Ryneveld -3m, 3m on other boundaries
- Coverage: 80%
- Height Restriction: 8 storeys
- Parking: 0.25 bays/dwelling unit















## PROPOSALS – FARM 180 & ERF 2728 TEEN-DIE-BULT

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- Title survey of Farm 180, consolidation with Erf 2728 and simultaneously rezoning the sites from the public open space to Residential IV subject to the following conditions:
- Height Restriction: 8 storeys
- Parking Ratio: 0.25 bays/dwelling unit
- In the event that between 50 and 150 additional peak hour single direction trips traveling in the peak direction are generated, a traffic impact statement may be required by the municipality
- Building positioning and architecture to take advantage of surrounding rural towns cape and blend with the immediate environment and architecture











## PROPOSALS – LA COLLINE

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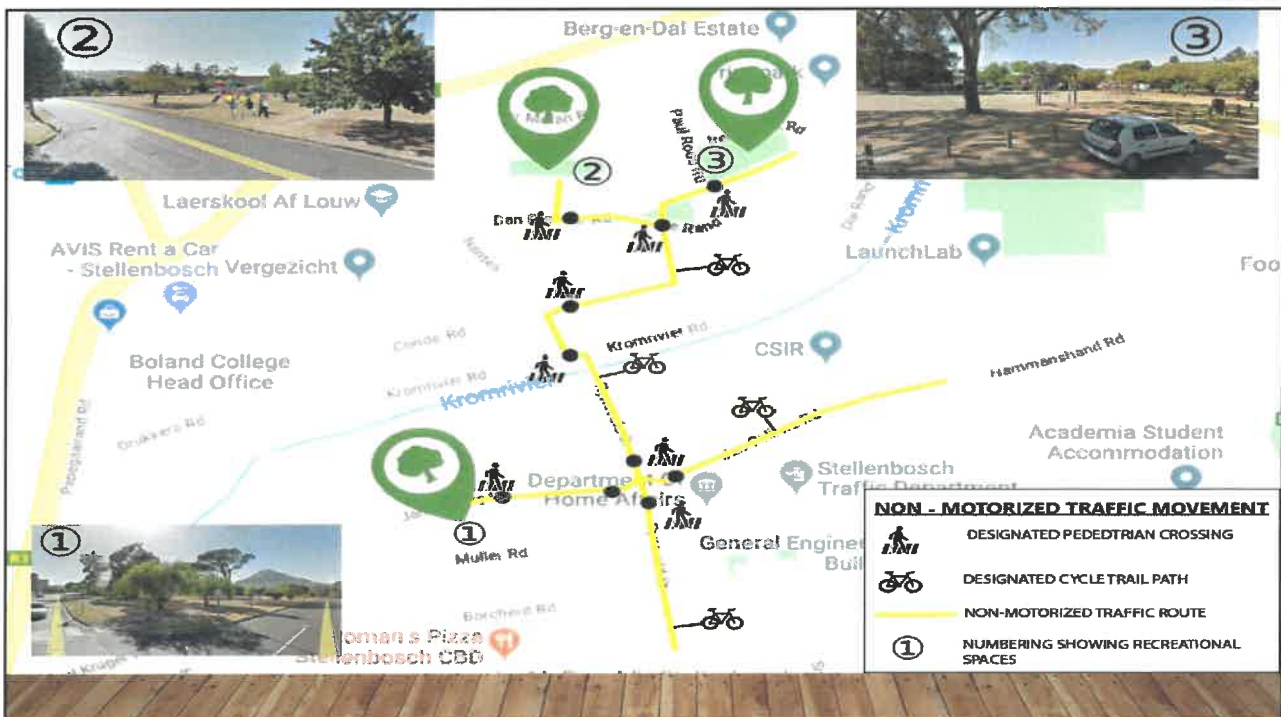
The La Colline erven are currently general residential save for erven 2727 and 2729 (public open spaces). As per similar sites, it is proposed that the residential sites remain as is and be the trade off for the density maximization development on the consolidated Teen-die-Bult sites. The open spaces should be developed as active open space for the enjoyment of the residents.



## NON-MOTORISED TRANSPORT (NMT)

Non-Motorised Transport (NMT) is expected to play a pivotal role in the implementation of the above proposed precincts. The NMT network should consist of sidewalks, footpaths, pedestrian bridges, designated pedestrian crossways and dedicated cycle areas along lines of demand CCTV to improve safety in the area.

To integrate the individual precincts, It is recommended that sites along Kromriver Road and Conde Road are expropriated and then used to create a direct linkage between the Lap Land and Teen-die-Bult precincts.



## DEVELOPMENT POTENTIAL

Site	Bachelor Units	1 Bedroom Units	2 Bedroom Units	Density (du/ha)	Total
<b>Teen-die-Bult</b>					
<b>Farm 180 &amp; Erf 2728</b>		350	280	184	630
<b>Lap Land</b>					
<b>Erf 2609</b>		218	444	616	662
<b>R/E2149</b>	96	128	480	186	704
<b>Erf 6589 &amp; 6590</b>		358	448	320	806
<b>Total</b>	<b>96</b>	<b>1054</b>	<b>1652</b>	<b>121</b>	<b>2802</b>

## FINANCIAL VIABILITY

Erf	Housing Yield	Capital Investment	Dev Costs per m <sup>2</sup>	Total Rentable Area (m <sup>2</sup> )	Initial Yield
<b>Teen-die-Bult</b>					
<b>Farm 180</b>	1 bed: 350 2 Bed: 280	R 222,901,000	R 5,762	38698	9.8%
<b>Lap Land</b>					
<b>2609</b>	1 Bed: 218 2 Bed: 444	R 217,435,000	R 4,852	44812	10.5%
<b>6590 &amp; 6659</b>	1 Bed: 358 2 Bed: 448	R 496,101,000	R 6,945	71428 (Office space: 19836)	7.4%
<b>R/E 2149</b>	Bach: 96 1 Bed: 128 2 Bed: 480	R 226,373,000	R 5,281	42863	9.4%

## STELLENBOSCH MUNICIPALITY & SHI PARTNERSHIPS

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The provision of social housing is dependent on effective and robust co-operative arrangements between municipalities and SHIs. This collaboration will ensure that the respective risks of all parties involved are mitigated and that governmental housing objectives are met.

## MUNICIPAL & SHI PARTNERSHIPS

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### Municipal Entity

- Mun. sets up independent SHI but is bound to management and finance systems
- Mun. controls assets, inputs, programme. Clear procedure & processes
- Mun. bears risk, political interference, Mun. red tape, harder to finance w/o Mun guarantee

### SHI & Mun. Partnership

- SHI & Mun partner over specific time or project, parties agree on functions & resources
- SHI remains independent, long term, better planning, easier land lease
- Requires Mun. owned land for SHI

### Ad Hoc Agreements

- SHI & Mun. collaborate if & when necessary
- Simple to implement, little Mun. control
- No long term POV, land transferred at market value



## MUNICIPAL LAND TRANSFER

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- **Outright Ownership:** Ownership of the land is passed to SHI with no conditions (conditions in separate agreement twixt Mun. & SHI that can override ownership rights if SHI under performs), SHI has full control of asset.
- **Conditional Ownership:** Ownership and conditions on long term disposal are linked to conditions registered on deed. A further contract is required regarding the conditions and use of land by SHI.
- **Long Term Leasehold:** Mun. enters into leasehold agreement that allows SHI to develop & manage stock over specified period. Mun. retains ownership of land & assets & can terminate lease as required. Lease agreement should ensure profitability & sustainability for SHI

## WAY FORWARD

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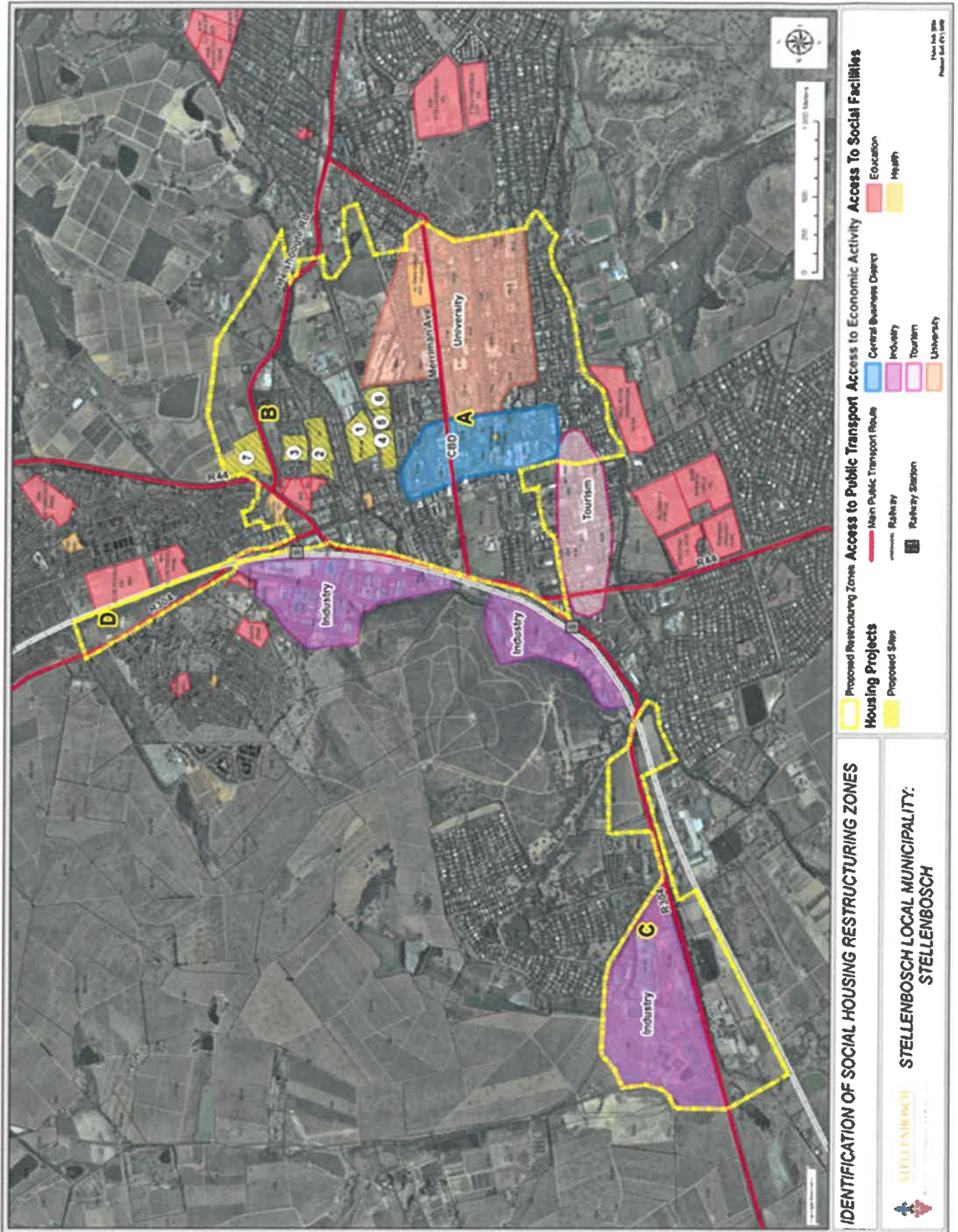
Given the development potential if the proposal and other factors discussed, it is hereby recommended that regardless of the Municipal and SHI relationship chosen, the land transfer form in the roll-out of this development must be a long term leasehold agreement between the municipality and the SHI. This is done, amongst other things, in order to:

- Prevent the land from falling into the private speculative market and thusly crowding out the deserving lower income groups
- Ensure the municipality retains control and ensures the responsible use of its resources
- Reduce the cost development, providing long term viable and sustainable SH and ensuring SHI's remain profitable

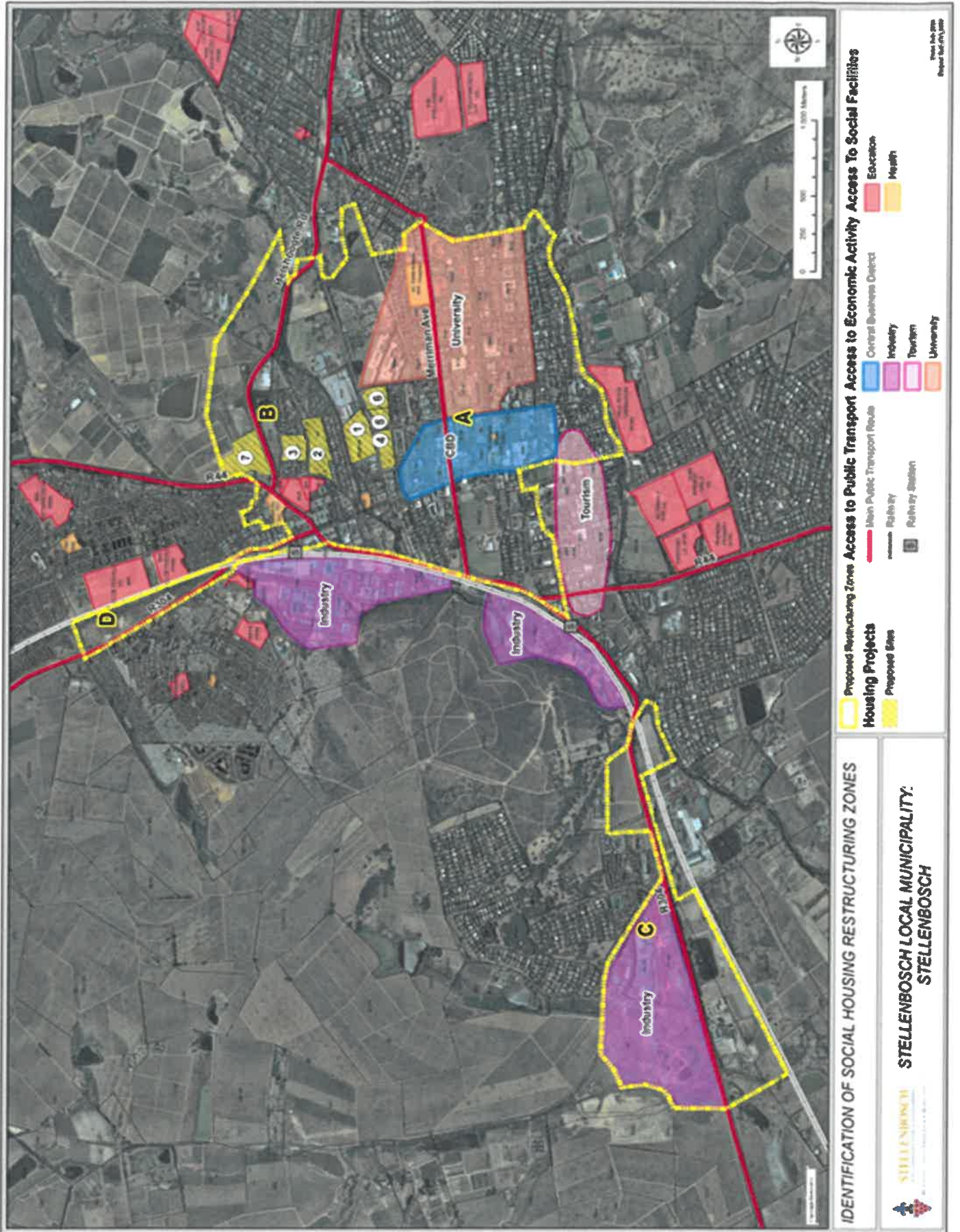
THANK YOU

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# **ANNEXURE 4**







11.5	<b>INFRASTRUCTURE SERVICES: (PC: CLLR Q SMIT)</b>
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11.5.1	<b>APPROVAL OF THE WATER SERVICES BY-LAW AND ADMISSION OF GUILT FINES</b>
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Collaborator No: 642472  
IDP KPA Ref No: Good Governance and Compliance  
Meeting Date: 20 November 2019

**1. SUBJECT: APPROVAL OF THE WATER SERVICES BY-LAW AND ADMISSION OF GUILT FINES**

**2. PURPOSE**

To submit the proposed Water Services By-Law for Stellenbosch Municipality to Council for approval.

**3. DELEGATED AUTHORITY**

**MUNICIPAL COUNCIL.**

The Water Services By-Law is a document that must in terms of the Municipal Systems Act (Act 32 of 2000), Section 12 be adopted by Municipal Council.

**4. EXECUTIVE SUMMARY**

The current By-law, Water Supply, Sanitation Services and Industrial Effluent: By-Law is not aligned with the Water Services Act 108 of 1997 and its associated regulations.

The proposed Water Supply, Sanitation Services and Industrial Effluent By-Law will in comparison with the existing by-law address a wider spectrum of Water and Sewerage (Sanitation) Management matters thus ensuring that the Municipality conforms to its mandate in terms of the Constitution ensuring for clean and safe water services for its citizens.

The By-law contains provisions in support of standard procedures relating service connections to consumers, services specifications, compliance regulations and obligation matters relating to the consumers reforms aimed at minimizing the impacts and volumes of waste in addition to the municipality's Constitutional obligation to effective service delivery, to all relevant legislation.

The By-law propose to regulate all activities, infrastructure and entities associated with potable water, waste water generation, the disposal of sewerage effluent by all types of consumers.

The proposed By-law is also not in contradiction with any existing policies (e.g., credit control policy).

**5. RECOMMENDATIONS**

- (a) that the content of this report be noted;
- (b) that the attached Draft Water Services By-law (2019) be approved and adopted by Council as the final Water Services By-Law;

- 
- (c) that the Draft Water Services By-Law (2019), attached as **ANNEXURE A**, once approved and adopted by Council, be promulgated in the Provincial Gazette by the Directorate: Corporate Services' Legal Services' team;
  - (d) that the By-law becomes active upon the date that it is published in the Western Cape Provincial Gazette;
  - (e) that the Promulgated By-law be published on Council's official website; and
  - (f) that the proposed set of Admission of Guilt Fines (Attached as **ANNEXURE B**) be accepted as the fines to be sought approval from the Chief Magistrate for this By-Law.

## 6. DISCUSSION / CONTENTS

### 6.1 Background

The current Water Services By-law was promulgated on 11 August 2017 but it has become necessary to review this By-Law.

Permission granted by Council on 12 December 2018 to embark on a public participation process to obtain input from the public. The public participation was then followed by publishing the notice in the local media for the public to view and comment on the draft by-law at the various municipal libraries and also on the municipal website. The viewing/commenting period was from 24 January 2019 – 25 February 2019. No comments were received by the closing date.

### 6.2 Discussion

A municipality may make and administer By-laws for the effective administration of matters it has a right to administer in terms of section 156(2) and of the Constitution, Act 108 (as amended). The Council is obliged to ensure the provision of municipal services in terms of Chapter 7 of the Constitution which is also underpinned by the Local Government Municipal Systems Act, Act 32 of 2000 as amended.

Water Services are a local government competence to ensure the provision of proper potable water services, collection of sewage effluent from a full spectrum of consumers according to Schedule 5B of the Constitution. The Council has to consider the promulgation of a new by-law that aligns current and new functions with the national policy and legislation. The Water Supply, Sanitation Services and Industrial Effluent By-Law does not clearly address all requirements of the Water Services Act, Act 108 of 1997 with its associated with relevant regulations.

In terms of Section 160(2) of the Constitution, the passing of by-laws may not be delegated. Section 160(2) of the Constitution of South Africa read with section 12 of the Systems Act empowers a municipal council to pass by-laws. In terms of section 13 of the Systems Act, a by-law gives effect when published in the Provincial Gazette. Local Government Municipal Systems Act, 2000 (Act 32 of 2000).

Chapter 4 of the Systems Act requires a municipality to develop a culture of participatory governance so as to enhance, encourage and create conditions for the local community to participate in the affairs of the municipality.

Section 11(1) of the Systems Act determines that the executive and legislative authority of a municipality is exercised by a municipal council. The legislative authority, which includes the right to make by-laws cannot be delegated, as this is prohibited by section 160(2) of the Constitution. Section 11(3)(m) of the Systems Act relates to the passing of

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by-laws as a means for a municipality to exercise its legislative authority. Section 12 of the Systems Act provides the following:

**Legislative procedures**

- (1) Only a member or committee of a municipal council may introduce a draft by-law in the council.
- (2) A by-law must be made by a decision taken by a municipal council-
  - (a) In accordance with the rules and orders of the council; and
  - (b) With a supporting vote of a majority of its members.
- (3) No by-law may be passed by a municipal council unless-
  - (a) All the members of the council have been given reasonable notice; and

The proposed By-law has been published for public comment in a manner that allows the public an opportunity to make representations with regard to the proposed by-law.

In terms of Section 13 of the Systems Act, a By-law gives effect when published in the Provincial Gazette.

As part of the prescribed legislative process for the adoption of the Municipality's by-laws, the following process flow applies:

- (a) serve before Standing Committee and Mayco;
- (b) serve before the Council;
- (c) be advertised in the press for public comments;
- (d) be open for inspection to the public at all municipal offices and libraries;
- (e) re-submit to the Standing Committee, Mayco and the Council for final adoption

**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.

The Municipal Systems Act, Act 32 of 2000 as amended, Section 12(2) & (3) applies:

*“(2) A by-law must be made by a decision taken by a municipal council—*

- (a) in accordance with the rules and orders of the council; and*
- (b) with a supporting vote of a majority of its members.*

*(3) No by-law may be passed by a municipal council unless—*

- (a) all the members of the council have been given reasonable notice; and*



- (b) *the proposed by-law has been published for public comment in a manner that allows the public an opportunity to make representations with regard to the proposed by-law."*

#### 6.5 **Staff Implications**

This report has no staff implications for the Municipality.

#### 6.6 **Previous / Relevant Council Resolutions:**

##### **SPECIAL COUNCIL MEETING: 2018-12-10: ITEM 5**

##### **RESOLVED** (nem con)

- (a) that the content of this report be noted;
- (b) that the Draft By-Law Relating to Water Services, attached as **ANNEXURE A**, be accepted as the copy of the By-Law to be used in a Public Participation process;
- (c) that the Draft By-Law relating to Water Services be duly advertised for the purpose of a public participation process;
- (d) that, upon the completion of the public participation process, the Draft By-Law together with any comments/objections by the public be resubmitted to Council for final approval and adoption; and
- (e) that a set of proposed spot fines as well as proposed system of delegations accompany the By-Law upon submission of the final draft to Council and to formally be accepted by Council together with the final By-Law.

#### 6.7 **Risk Implications**

This report has no risk implications for the Municipality.

#### 6.8 **Comments from Senior Management:**

##### 6.8.1 **Director: Infrastructure Services**

Agree with the recommendations

#### **RECOMMENDATIONS FROM INFRASTRUCURE SERVICES COMMITTEE MEETING TO THE EXECUTIVE MAYOR: 2019-09-05: ITEM 5.1.4**

- (a) that the content of this report be noted;
- (b) that the attached Draft Water Services By-law (2019) be accepted as the copy to be used in a Public Participation process, due to the administrative changes made to the By-law;
- (c) that the Draft Water Services By-Law (2019), attached as **ANNEXURE A**, once approved and adopted by Council, be promulgated in the Provincial Gazette by the Directorate: Corporate Services' Legal Services' team;
- (d) that the By-law becomes active upon the date that it is published in the Western Cape Provincial Gazette;

- 
- (e) that the Promulgated By-law be published on Council's official website; and
- (f) that the proposed set of Admission of Guilt Fines (Attached as **ANNEXURE B**) be accepted as the fines to be sought approval from the Chief Magistrate for this By-Law.

**RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2019-11-20: ITEM 7.5.4**

- (a) that the content of this report be noted;
- (b) that the attached Draft Water Services By-law (2019) be accepted as the copy to be used in a Public Participation process, due to the administrative changes made to the By-law;
- (c) that the Draft Water Services By-Law (2019), attached as **ANNEXURE A**, once approved and adopted by Council, be promulgated in the Provincial Gazette by the Directorate: Corporate Services' Legal Services' team;
- (d) that the By-law becomes active upon the date that it is published in the Western Cape Provincial Gazette;
- (e) that the Promulgated By-law be published on Council's official website; and
- (f) that the proposed set of Admission of Guilt Fines (Attached as **ANNEXURE B**) be accepted as the fines to be sought approval from the Chief Magistrate for this By-Law.

**ANNEXURES:**

Annexure A - Draft By-Law Relating to Water Services

Annexure B - Proposed set of Admission of Guilt Fines

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Deon Louw
<b>POSITION</b>	<i>Director</i>
<b>DIRECTORATE</b>	<i>Infrastructure Services</i>
<b>CONTACT NUMBERS</b>	<i>021 808 8213</i>
<b>E-MAIL ADDRESS</b>	<a href="mailto:Deon.louw@ Stellenbosch.gov.za">Deon.louw@ Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	<i>14 April 2019</i>

# **ANNEXURE A**



**STELLENBOSCH**  
 STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

To provide for the supply of water by the Municipality; to establish levels of supply; to provide for measures to protect water installations and for the approval of work on water installations; to provide for water supply matters relating to the development of property; to set requirements for the establishment, testing, disinfection and use of water installations; to provide measures to prevent the undue consumption and the pollution of water; to provide special measures for fire installations; to provide for payment for water supplied; to create offences and penalties; to provide for the repeal of laws and savings; and to provide for matters incidental thereto.

**PREAMBLE**

**WHEREAS** the Stellenbosch Municipal Council recognises that water is needed by people, plants and animals to survive, and that water is necessary for social and economic development, to create jobs, for recreation and for health, religious and spiritual purposes;

**WHEREAS** the Stellenbosch Municipal Council recognises that, as a water services authority, it has a duty to all customers or potential customers in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to clean water services;

**WHEREAS** the Stellenbosch Municipal Council recognises –

- (a) the need to regulate access to water services in an equitable way, taking into account financial, technological, socio-economic and conservation factors;
- (b) the duty of customers to pay reasonable charges;
- (c) the right of the water services authority to limit or discontinue the provision of water services if there is a failure to comply with reasonable conditions set for the provision of such services;
- (d) the need to manage the conflict between different uses and users in different catchments;
- (e) the need to provide a means of providing access to water services to those who are still without such access;
- (f) the need to maintain and improve services already supplied in a sustainable manner;
- (g) the need to provide various measures to assist those who are economically unable to meet normal service charges; and
- (h) the need to provide water services in support of all forms of economic development and to carry out the above in a manner which supports the preservation of impacted ecosystems.

;

**WHEREAS** the Water Services Act establishes the Municipality as a water services authority and the Municipality's Water and Sanitation Unit as a water services provider for the Municipality's area of jurisdiction;

**WHEREAS** the Municipal Council has competence in terms of Part B of Schedule 4 of the Constitution of the Republic of South Africa, 1996 relating to such matters as the control of the provision of water services;

**WHEREAS** the Stellenbosch Municipal Council has competence, in terms of section 156(2) of the Constitution of the Republic of South Africa, 1996 to make and administer By-laws for the effective administration of the matters which it has the right to administer;

**AND WHEREAS** Stellenbosch Municipality has a duty to make By-laws for the provision of water services in terms of section 21 of the Water Services Act;

**NOW THEREFORE** the Stellenbosch Municipal Council, acting in terms of section 156 read with Part B of Schedule 4 of the Constitution of the Republic of South Africa, 1996 and read with section 11 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), hereby makes the following by-law:

To provide for the supply of water by the Municipality; to establish levels of supply; to provide for measures to protect water installations and for the approval of work on water installations; to provide for water supply matters relating to the development of property; to set requirements for the establishment, testing, disinfection and use of water installations; to provide measures to prevent the undue consumption and the pollution of water; to provide special measures for fire installations; to provide for payment for water supplied; to create offences and penalties; to provide for the repeal of laws and savings; and to provide for matters incidental thereto.

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**OR**

In terms of the provisions of section 156 of the Constitution of the Republic of South Africa, 1996, the Stellenbosch Municipality hereby enacts as follows:

# **DRAFT WATER SERVICES BY-LAW**

13 September 2019

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## CHAPTER 1: DEFINITIONS

### 1. Definitions

For the purpose of these by-laws, any word or expressions to which a meaning has been assigned in the Water Services Act, 1996 (Act No 108 of 1996) the National Water Act (Act 36 of 1998), the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) or the National Building Regulations made in terms of the National Building Regulations and Building Standards Act, 1977 (Act No 103 of 1977) shall bear the same meaning in these by-laws and unless the context indicates otherwise and a word in any one gender shall be read as referring also, to the other two genders –

**“accommodation unit”** in relation to any premises, means a building or Section of a building occupied or used or intended for occupation or use for any purpose;

**“account”** means an account rendered for municipal services provided;

**“Act”** means the Water Services Act, 1997 (Act No 108 of 1997), as amended

from time to time;

**“agreement”** means the contractual relationship between the municipality and a customer, whether written or deemed as provided for in the Municipality's By-laws relating to Credit Control and Debt Collection;

**“approved”** means approved by the municipality in writing;

**“area of supply”** means any area within or partly within the area of jurisdiction of the municipality to which a water service is provided;

**“authorised agent”** means –

(a) any person authorised by the municipality to perform any act, function or duty in terms of, or to exercise any power under, these by-laws;

(b) any person to whom the municipality has delegated the performance of certain rights, duties and obligations in respect of providing water supply services; or

(c) any person appointed by the municipality in a written contract as a service provider for the provision of Water Services to customers on its behalf, to the extent authorised in such contract;

**“average consumption”** means the average consumption of a customer of a

municipal service during a specific period, and is calculated by dividing the total measured consumption of that municipal service by that customer over the preceding three months by three;

**“best practicable environmental option”** means the option that provides the most benefit or causes the least damage to the environment as a whole, at a cost acceptable to society, in the long term as well as in the short term;

**“blackwater”** means is mixture of urine, feces and flushwater along with anal cleansing water (if water is used for cleansing) and/or dry cleansing materials. Blackwater contains the pathogens of faeces and the nutrients of urine that are diluted in the flushwater.

**“borehole”** means a hole sunk into the earth for the purpose of locating, abstracting or using subterranean water and includes a spring;

**“Building Regulations”** means the National Building Regulations made in terms of the National Building Regulations and Building Standards, 1977 (Act No 103 of 1977) as amended;

**“charges”** means the rate, charge, tariff, flat rate or subsidy determined by the municipality;

**“cleaning eye”** means any access opening to the interior of a discharge pipe or trap provided for the purposes of internal cleaning;



**“combined installation”** means a water installation used for fire-fighting and domestic, commercial or industrial purposes;

**“commercial customer”** means any customer other than domestic consumer and indigent customers, including, without limitation, business, industrial, government and institutional customers;

**“connecting point”** means the point at which the drainage installation joins the connecting sewer;

**“connecting sewer”** means a pipe owned by the municipality and installed by it for the purpose of conveying sewage from a drainage installation on a premises to a sewer beyond the boundary of those premises or within a servitude area or within an area covered by a way-leave or by agreement;

**“connection”** means the point at which a customer gains access to Water Services;

**“connection pipe”** means a pipe, the ownership of which is vested in the municipality and installed by it for the purpose of conveying water from a main to a water installation, and includes a “communication pipe” referred to in SANS 0252 Part I;

**“conservancy tank”** means a covered tank used for the reception and temporary retention of sewage and which requires emptying at intervals;

**“customer”** means a person with whom the municipality has concluded an agreement for the provision a municipal service as provided for in the Municipality’s By-laws relating to Credit Control and Debt Collection;

**“determined”** means determined by the municipality or by any person who makes a determination in terms of these laws;

**“domestic consumer”** means a customer using water for domestic purposes;

**“domestic purposes”** in relation to the supply of water means water supplied for drinking, ablution and culinary purposes to premises used predominantly for residential purposes;

**“drain”** means that portion of the drainage installation that conveys sewage within any premises;

**“drainage installation”** means a system situated on any premises and vested in the owner thereof and which is used for or intended to be used for or in connection with the reception, storage, treatment or conveyance of sewage on that premises to the connecting point and includes drains, fittings, appliances, septic tanks, conservancy tanks, pit latrines and private pumping installations forming part of or ancillary to such systems;

**“drainage work”** includes any drain, sanitary fitting, water supplying apparatus, waste or other pipe or any work connected with the discharge of liquid or solid matter into any drain or sewer or otherwise connected with the drainage of any premises;

**“dwelling unit”** means an interconnected suite of rooms, including a kitchen or scullery, designed for occupation by a single family, irrespective of whether the dwelling unit is a single building or forms part of a building containing two or more dwelling units;

**“effluent”** means any liquid whether or not containing matter in solution or suspension;

**“engineer”** means the engineer of the municipality, or any other person authorised to act on his behalf;

**“emergency”** means any situation that poses a risk or potential risk to life, health, the environment or property;

**“environmental cost”** means the cost of all measures necessary to restore the environment to its condition prior to an incident resulting in damage;

**“estimated consumption”** means the consumption that a customer, whose consumption is not measured during a specific period, is deemed to have consumed, that is estimated by taking into account factors that are considered relevant by the municipality and which may include the consumption of Water Services by the totality of the users of a service within the area where the service is rendered by the municipality, at the appropriate level of service, for a specific time;

**“fire installation”** means a potable water installation that conveys water for fire-fighting purposes only;

**“french drain”** means a soil soak pit for the disposal of sewage and effluent from a septic tank;

**“greywater”** means all wastewater that is generated in household or office building sources, such as waste water from baths, showers, wash basins, sinks, washing machines, and other kitchen appliances all without faecal contamination

**“high strength sewage”** means industrial sewage with a strength or quality greater than standard domestic effluent in respect of which a specific charge as calculated in accordance with Schedule C may be charged;

**“household”** means a family unit, as determined by the municipality as constituting a traditional household by taking into account the number of persons comprising a household, the relationship between the members of a household, the age of the persons who are members of it and any other factor that the municipality considers to be relevant;



**“illegal connection”** means a connection to any system, by means of which Water Services are provided that is not authorised or approved by the municipality;

**“industrial effluent”** means effluent emanating from the use of water for industrial purposes and includes for purposes of these by-laws any effluent other than standard domestic effluent or storm-water;

**“industrial purposes”** in relation to the supply of water means water supplied to any premises which constitutes a factory as defined in the General Administrative Regulations, published in terms of the Occupational Health and Safety Act, 1993 (Act No 85 of 1993);

**“installation work”** means any work done in respect of a water installation, including construction, rehabilitation, improvement and maintenance;

**“interest”** means interests as may be prescribed by the Minister of Justice in terms of Section 1 of the Prescribed Rate of Interest Act, 1975 (Act No 55 of 1975);

**“manhole”** means any access chamber to the interior of the sewer provided for the purpose of maintenance and internal cleaning;

**“main”** means a pipe, other than a connection pipe, of which the ownership vests in the municipality and which is used by it for the purpose of conveying water to a customer;

**“measuring device”** means any method, procedure, process, device, apparatus or installation that enables the quantity of Water Services provided to be quantified and includes any method, procedure or process whereby the quantity is estimated or assumed;

**“meter”** means a water meter as defined by the regulations published in terms of the Trade Metrology Act, 1973 (Act No 77 of 1973) or, in the case of water meters of a size greater than 100 mm, a device that measures the quantity of water passing through it, including a pre-paid water meter;

**“municipality”** means-

- (a) the Stellenbosch Municipality, a local / district municipality established in terms of Section 12 of the Structures Act and its successors-in-title; or
- (b) subject to the provisions of any other law and only if expressly or impliedly required or permitted by these by-law the Municipal Manager in respect of the performance of any function, or the exercise of any duty, obligation, or right in terms of these by-laws or any other law; or
- (c) an authorised agent of the Municipal Council;

**“Municipal Council”** means a Municipal Council as referred to in Section 157(1) of the Constitution of the Republic of South Africa, 1996;

**“Municipal Manager”** means the person appointed by the Municipal Council as the Municipal Manager of the municipality in terms of Section 82 of the Local Government Municipal Structures Act, 1998 (Act No 117 of 1998) and includes any person to whom the Municipal Manager has delegated a power, function or duty but only in respect of that delegated power, function or duty;

**“municipal services”** means, for purposes of these by-laws, services provided by a municipality, including refuse removal, water supply, sanitation, electricity services and rates or any one of the above;

**“occupier”** means a person who occupies any (or part of any) land, building, structure or premises and includes a person who, for someone else’s reward or remuneration allows another person to use or occupy any (or any part of any) land, building structure or premises;

**“on-site Sanitation Services”** means any Sanitation Services other than water borne sewerage disposal through a sewerage disposal system;

**“owner”** means –

- (a) the person in whose name the ownership of the premises is registered from time to time or his agent;
- (b) where the registered owner of the premises is insolvent or dead, or for any reason lacks legal capacity, or is under any form of legal disability, that has the effect of preventing him from being able to perform a legal act on his own behalf, the person in whom the administration and control of such premises is vested as curator, trustee, executor, administrator, judicial manager, liquidator or other legal representative;
- (c) where the municipality is unable to determine the identity of the owner, a person who has a legal right in, or the benefit of the use of, any premises, building, or any part of a building, situated on them;
- (d) where a lease has been entered into for a period of 30 (thirty) years or longer, or for the natural life of the lessee or any other person mentioned in the lease, or is renewable from time to time at the will of the lessee indefinitely or for a period or periods which, together with the first period of the lease, amounts to 30 years, the lessee or any other person to whom he has ceded his right title and interest under the lease, or any gratuitous successor to the lessee;
- (e) in relation to -
  - (i) a piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No 95 of 1986), the developer or the body corporate in respect of the common property, or

- (ii) a Section as defined in the Sectional Titles Act, 1986 (Act No 95 of 1986), the person in whose name such Section is registered under a sectional title deed and includes the lawfully appointed agent of such a person; or
- (iii) a person occupying land under a register held by a tribal authority or in accordance with a sworn affidavit made by a tribal authority;

**“person”** means any person, whether natural or juristic and includes, but is not limited to, any local government body or like authority, a company or close corporation incorporated under any law, a body of persons whether incorporated or not, a statutory body, public utility body, voluntary association or trust;

**“plumber”** means a person who has passed a qualifying Trade Test in Plumbing or has been issued with a certificate of proficiency in terms of the Manpower Training Act, 1981 (Act No 56 of 1981) or such other qualification as may be required under national legislation;

**“pollution”** means the introduction of any substance into the water supply system, a water installation or a water resource that may make the water harmful to health or environment or impair its quality for the use for which it is normally intended;

**“premises”** means any piece of land, the external surface boundaries of which are delineated on -

- (a) a general plan or diagram registered in terms of the Land Survey Act, 1927 (Act No 9 of 1927), or in terms of the Deeds Registries Act, 1937 (Act No 47 of 1937);
- (b) a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No 95 of 1986); or
- (c) a register held by a tribal authority or in accordance with a sworn affidavit made by a tribal authority;

**“professional engineer”** means a person registered in terms of the Engineering Profession Act, 2000 (Act No 46 of 2000) as a professional engineer;

**“public notice”** means publication in the media including one or more of the following:

- (a) publication of a notice, in the official languages determined by the municipality:
  1. in any local newspaper or newspapers circulating in the area of supply of the municipality;
  2. in the newspaper or newspapers circulating in the area of supply of the municipality determined by the municipality as a newspaper of record; or

3. on the official website of the municipality;
  4. by means of radio broadcasts covering the area of supply of the municipality;
- (b) displaying a notice in or at any premises, office, library or pay-point of either the municipality, or of its authorised agent, to which the public has reasonable access; and
- (c) communication with customers through public meetings and ward committee meetings;

**“SANS”** means the South African National Standard;

**“Sanitation Services”** has the same meaning assigned to it in terms of the Act and includes for purposes of these by-laws the disposal of industrial effluent;

**“sanitation system”** means the structures, pipes, valves, pumps, meters or other appurtenances used in the conveyance through the sewer reticulation system and treatment at the sewage treatment plant under the control of the municipality and which may be used by it in connection with the disposal of sewage;

**“septic tank”** means a water tight tank designed to receive sewage and to effect the adequate decomposition of organic matter in sewage by bacterial action;

**“service pipe”** means a pipe which is part of a water installation provided and installed on any premises by the owner or occupier and which is connected or to be connected to a connection pipe to serve the water installation on the premises;

**“shared consumption”** means the consumption by a customer of a municipal service during a specific period, that is calculated by dividing the total metered consumption of that municipal service in the supply zone where the customer's premises are situated for the same period by the number of customers within the supply zone, during that period;

**“sewage”** means waste water, industrial effluent, standard domestic effluent and other liquid waste, either separately or in combination, but shall not include storm-water;

**“sewer”** means any pipe or conduit which is the property of or is vested in the municipality and which may be used for the conveyance of sewage from the connecting sewer and shall not include a drain as defined;

**“standpipe”** means a connection through which water supply services are supplied to more than one person;

**“standard domestic effluent”** means domestic effluent with prescribed strength characteristics as determined by the municipality in respect of chemical oxygen demand and settleable solids as being appropriate to sewage discharges from

domestic premises within the jurisdiction of the municipality, but shall not include industrial effluent;

**“storm-water”** means water resulting from natural precipitation or accumulation and includes rain-water, subsoil water or spring water;

**“terminal water fitting”** means water fitting at an outlet of a water installation that controls the discharge of water from a water installation;

**“trade premises”** means premises upon which industrial effluent is produced;

**“trap”** means a pipe fitting or portion of a sanitary appliance designed to retain water seal which serves as a barrier against the flow of foul air or gas, in position;

**“unauthorised service”** means the receipt, use or consumption of any municipal service which is not in terms of an agreement with, or approved by, the municipality;

**“water fitting”** means a component of a water installation, other than a pipe, through which water passes or in which it is stored;

**“water installation”** means the pipes and water fittings which are situated on any premises and ownership thereof vests in the owner thereof and used or intended to be used in connection with the use of water on such premises, and includes a pipe and water fitting situated outside the boundary of the premises, which either connects to the connection pipe relating to such premises or is otherwise laid with the permission of the municipality;

**“Water resource”** includes a watercourse, surface water, estuary, or aquifer;

**“Water Services”** means water supply services and Sanitation Services;

**“Water Services intermediaries”** has the same meaning as that assigned to it in terms of the Act;

**“water supply services”** has the same meaning assigned to it in terms of the Act and includes for purposes of these by-laws water for industrial purposes and fire extinguishing services;

**“water supply system”** means the structures, aqueducts, pipes, valves, pumps, meters or other apparatus relating thereto of which the ownership vests in the municipality and which are used or intended to be used by it in connection with the supply of water, and includes any part of the system; and

**“working day”** means a day other than a Saturday, Sunday or public holiday.



## CHAPTER 2: APPLICATION, PAYMENT AND TERMINATION

### Part 1: Application

#### 2. Application for Water Services

- (1) No person shall be provided with access to Water Services unless application has been made to, and approved by, the municipality on the form prescribed in terms of the Municipality's By-laws relating to Credit Control and Debt Collection.
- (2) Water Services rendered to a customer by the municipality are subject to the Municipality's By-laws relating to Credit Control and Debt Collection, these by-laws and the conditions contained in the relevant agreement.

#### 3. Special Agreements for Water Services

The municipality may enter into a special agreement for the provision of Water Services with an applicant in accordance with the Municipality's By-laws relating to Credit Control and Debt Collection.

#### **4. Change in purpose for which Water Services are used**

Where the purpose for, or extent to which, any municipal service is changed, the customer must promptly advise the municipality of the change and enter into a new agreement with the municipality.

### **Part 2: Charges**

#### **5. Prescribed charges for Water Services**

(1) All applicable charges payable in respect of Water Services, including but not restricted to the payment of connection charges, fixed charges or any additional charges or interest will be set by the municipality in accordance with -

- (a) its Rates and Tariff Policy;
- (b) any by-laws in respect thereof; and
- (c) any regulations in terms of national or provincial legislation; but

(2) Differences between categories of customers, users of services, types and levels of services, quantities of services, infrastructural requirements and geographic areas, may justify the imposition of differential charges.

#### **6. Availability charges for Water Services**

The municipality may, in addition to the charges determined for Water Services that have been actually provided, levy a monthly fixed charge, an annual fixed charge or only one fixed charge where Water Services are available, whether or not such services are consumed.

### **Part 3: Payment**

#### **7. Payment for Water Services**

The owner occupier and customer shall be jointly and severally liable and responsible for payment of all Water Services charges and Water Services consumed by a customer, in accordance with the Municipality's By-laws relating to Credit Control and Debt Collection.

#### **Part 4: Termination, Limitation and Disconnection**

##### **8. Termination of agreement for the provision of Water Services**

A customer may terminate an agreement for the provision of Water Services in accordance with the Municipality's By-laws relating to Credit Control and Debt Collection.

##### **9. Limitation and/or disconnection of Water Services provided**

- (1) The engineer may restrict or discontinue water supply services provided in terms of these by-laws -
  - (a) on failure to pay the determined charges on the date specified, in accordance with and after the procedure set out in the Municipality's By-laws relating to Credit Control and Debt Collection has been applied;
  - (b) at the written request of a customer;
  - (c) if the agreement for the provision of services has been terminated in accordance with the Municipality's By-laws relating to Credit Control and Debt Collection;
  - (d) the building on the premises to which services were provided has been demolished;
  - (e) if the customer has interfered with a restricted or discontinued service;
  - (f) in an emergency or emergency situation declared in terms of the Municipality's By-laws relating to Credit Control and Debt Collection; or
  - (g) if the customer has interfered, tampered or damaged or caused or permitted interference, tampering or damage to the water supply system of the municipality for the purposes of gaining access to water supply services after notice by the municipality.
- (2) The engineer may disconnect Sanitation Services provided in terms of these by-laws -
  - (a) at the written request of a customer;



- (b) if the agreement for the provision of Sanitation Services has been terminated in accordance with the Municipality's By-laws relating to Credit Control and Debt Collection; or
  - (c) the building on the premises to which services were provided has been demolished.
- (3) The municipality shall not be liable for any damages or claims that may arise from the limitation or disconnection of Water Services provided in terms of subsections (1) and (2), including damages or claims that may arise due to the limitation or disconnection of Water Services by the municipality in the bona fide belief that the provisions of subsections (1) and (2) applied.

## CHAPTER 3: SERVICE LEVELS

### 10. Service levels

- (1) The municipality may, from time to time, and in accordance with national policy, but subject to principles of sustainability and affordability, by public notice, determine the service levels it is able to provide to customers.
- (2) The municipality may in determining service levels differentiate between types of customers, domestic customers, geographical areas and socio-economic areas.
- (3) The following levels of service may, subject to subsection (1), be provided by the municipality on the promulgation of these by-laws:

- (a) Communal water supply services and on-site Sanitation Services -
- (i) constituting the minimum level of service provided by the municipality;
  - (ii) consisting of reticulated standpipes or stationary water tank serviced either through a network pipe or a water tanker located within a reasonable walking distance from any household with a Ventilated Improved Pit latrine located on each premises with premises meaning the lowest order of visibly demarcated area on which some sort of informal dwelling has been erected;
  - (iii) installed free of charge;
  - (iv) provided free of any charge to consumers; and
  - (v) maintained by the municipality.
- (b) Yard connection not connected to any water installation and an individual connection to the municipality's sanitation system -
- (i) consisting of an un-metered standpipe on a premises not connected to any water installation and a pour-flush toilet pan, wash-trough and suitable toilet top structure connected to the municipality's sanitation system;
  - (ii) installed free of charge;
  - (iii) maintained by the municipality.
- (c) a metered pressured water connection with an individual connection to the Municipality's sanitation system -
- (i) installed against payment of the relevant connection charges;
  - (ii) provided against payment of prescribed charges; and
  - (iii) with the water and drainage installations maintained by the customer.

## CHAPTER 4: CONDITIONS FOR WATER SUPPLY SERVICES

### Part 1: Connection to water supply system

#### 11. Provision of connection pipe

- (1) If an agreement for water supply services in respect of premises has been concluded and no connection pipe exists in respect of the premises, the owner shall make application on the prescribed form and pay the determined charge for the installation of such a pipe.
- (2) If an application is made for water supply services which are of such an extent or so situated that it is necessary to extend, modify or upgrade the water supply system in order to supply water to the premises, the municipality may agree to the extension provided that the owner shall pay for the cost of the extension, as determined by the engineer.

- (3) Only the engineer may install a connection pipe but the owner or customer may connect the water installation to the connection pipe.
- (4) No person may commence any development on any premises unless the engineer has installed a connection pipe and meter.

## **12. Location of connection pipe**

- (1) A connection pipe provided and installed by the engineer shall -
  - (a) be located in a position determined by the engineer and be of a suitable size as determined by the engineer;
  - (b) terminate at -
    - (i) the boundary of the land owned by or vested in the municipality, or over which it has a servitude or other right; or
    - (ii) at the outlet of the water meter or isolating valve if it is situated on the premises, close to the boundary.
- (2) The engineer may at the request of any person agree, subject to such conditions as the engineer may impose, to a connection to a main other than that which is most readily available for the provision of water supply to the premises; provided that the applicant shall be responsible for any extension of the water installation to the connecting point designated by the municipality and for obtaining at his cost, any servitudes over other premises that may be necessary.
- (3) An owner must pay the determined connection charge in advance before a water connection can be effected.

## **13. Provision of single water connection for supply to several customers on the same premises**

- (1) Notwithstanding the provisions of Section 12, only one connection pipe to the water supply system may be provided for the supply of water to any premises, irrespective of the number of accommodation units, business units or customers located on such premises.
- (2) Where the owner, or the person having the charge or management of any premises on which several accommodation units are situated, requires the supply of water to such premises for the purpose of supply to the different accommodation units, the engineer may, in its discretion, provide and install either -

- (a) a single measuring device in respect of the premises as a whole or any number of such accommodation units; or
  - (b) a separate measuring device for each accommodation unit or any number thereof.
- (3) Where the engineer has installed a single measuring device as contemplated in subsection (2) (a), the owner or the person having the charge or management of the premises, as the case may be -
- (a) must install and maintain on each branch pipe extending from the connection pipe to the different accommodation units -
    - (i) a separate measuring device;
    - (ii) an isolating valve; and
    - (iii) will be liable to the municipality for the charges for all water supplied to the premises through such a single measuring device, irrespective of the different quantities consumed by the different customers served by such measuring device.
- (4) Where premises are supplied by a number of connection pipes, the engineer may require the owner to reduce the number of connection points and alter his water installation accordingly.

#### **14. Disconnection of water installation from the connection pipe**

The engineer may disconnect a water installation from the connection pipe and remove the connection pipe on termination of an agreement for the provision of water supply services in accordance with the Municipality's By-laws relating to Credit Control and Debt Collection.

### **Part 2: Standards**

#### **15. Quantity, quality and pressure**

Water supply services provided by the municipality must comply with the minimum standards set for the provision of water supply services in terms of Section 9 of the Act.

#### **16. Testing of pressure in water supply systems**

The engineer may, on application by an owner and on payment of the determined charge, determine and furnish the owner with the amount of the pressure in the water supply system relating to his premises over such period as the owner may request.

#### **17. Pollution of water**

An owner must provide and maintain approved measures to prevent the entry of any substance, which might be a danger to health or adversely affect the potability of water or affect its fitness for use, into -

- (a) the water supply system; and
- (b) any part of the water installation on his premises.

No interconnection between the municipal water supply and any other source of water on the premises will be allowed.

#### **18. Water restrictions**

- (1) The municipality may for purposes of water conservation and demand management or where, in its opinion, drought conditions are imminent, by public notice -
  - (a) prohibit or restrict the consumption of water in the whole or part of its area of jurisdiction -
    - (i) in general or for specified purposes;
    - (ii) during specified hours of the day or on specified days; and
    - (iii) in a specified manner; and
  - (b) determine and impose -
    - (i) a restriction on the quantity of water that may be consumed over a specified period;
    - (ii) charges additional to those determined in respect of the supply of water in excess of a restriction contemplated in subsection (1)(b)(i); and
    - (iii) a general surcharge on the determined charges in respect of the supply of water; and

- (c) impose restrictions or prohibitions on the use or manner of use or disposition of an appliance by means of which water is used or consumed, or on the connection of such appliances to the water installation.
- (2) The municipality may restrict the application of the provisions of a notice contemplated by subsection (1) to specified areas and categories of customers or users of premises, and activities, and may permit deviations and exemptions from, and the relaxation of, any of its provisions where there is reason to do so.
- (3) The municipality -
- (a) may take, or by written notice require a customer at his own expense to take, such measures, including the installation of measurement devices and devices for restricting the flow of water, as may in its opinion be necessary to ensure compliance with a notice published in terms of subsection (1); or
  - (b) may, subject to notice, and for such period as it may consider fit, restrict or discontinue the supply of water to any premises in the event of a contravention of these by-laws that takes place on or in such premises or a failure to comply with the terms of a notice published in terms of subsection (1); and
  - (c) shall where the supply has been discontinued, restore it only when the determined charge for discontinuation and reconnecting the supply has been paid.

## **19. Specific conditions of supply**

- (1) The granting of a supply of water by the municipality shall not constitute an undertaking by it to maintain at any time or any point in its water supply system –
- (a) an uninterrupted supply, subject to the provisions of regulations 4 and 14 of Regulation 22355 promulgated in terms of the Act on 8 June 2001; or
  - (b) a specific pressure or rate of flow in such supply other than required in terms of Regulation 15(2) of Regulation 22355 promulgated in terms of the Act on 8 June 2001.
- (2) The engineer may, subject to the provisions of subsection (1)(b), specify the maximum pressure to which water will be supplied from the water supply system.
- (3) If an owner of customer requires -



- (a) that any of the standards referred to in subsection (1); or
  - (b) a higher standard of service than specified in Section 15; be maintained on his premises, he or she shall take the necessary steps to ensure that the proposed water installation is able to meet such standards.
- (4) The engineer may, in an emergency, interrupt the supply of water to any premises without prior notice.
  - (5) If in the opinion of the engineer the consumption of water by a customer adversely affects the supply of water to another customer, he may apply such restrictions as he may consider fit, to the supply of water to that customer in order to ensure a reasonable supply of water to the other customer and must inform that customer about the restrictions.
  - (6) The municipality shall not be liable for any damage to property caused by water flowing from any water installation that is left open by the consumer when the water supply is re-instated, after an interruption in supply.
  - (7) Every steam boiler, hospital, industry and any premises which requires, for the purpose of the work undertaken on the premises, a continuous supply of water shall have a storage tank, which must comply with the specification for water storage tanks as stipulated in SANS 0252 Part 1, with a capacity of not less than 24 hours water supply calculated as the quantity required to provide the average daily consumption, where water can be stored when the continuous supply is disrupted.
  - (8) No customer shall resell water supplied to him by the municipality except with the written permission of the municipality, which may stipulate the maximum price at which the water may be resold, and may impose such other conditions as the municipality may deem fit.

### **Part 3: Measurement**

#### **20. Measuring of quantity of water supplied**

- (1) The engineer must provide a measuring device designed to provide either a controlled volume of water, or an uncontrolled volume of water, to a customer.
- (2) The municipality must, at regular intervals, measure the quantity of water supplied through a measuring device designed to provide an uncontrolled volume of water.
- (3) Any measuring device and its associated apparatus through which water is supplied to a customer by the municipality, shall be provided and



installed by the engineer, shall remain its property and may be changed and maintained by the engineer when he considers it necessary to do so.

- (4) The engineer may install a measuring device, and its associated apparatus, at any point on the service pipe.
- (5) If the engineer installs a measuring device on a service pipe in terms of subsection (4), he may install a section of pipe and associated fittings between the end of its connection pipe and the meter, and that section shall form part of the water installation.
- (6) If the engineer installs a measuring device together with its associated apparatus on a service pipe in terms of subsection (4), the owner shall -
  - (a) provide a place satisfactory to the engineer in which to install it;
  - (b) ensure that unrestricted access is available to it at all times;
  - (c) be responsible for its protection and be liable for the costs arising from damage to it, excluding damage arising from normal fair wear and tear;
  - (d) ensure that no connection is made to the pipe in which the measuring device is in-stalled between the measuring device and the connection pipe serving the installation;
  - (e) make provision for the drainage of water which may be discharged from the pipe, in which the measuring device is installed, in the course of work done by the engineer on the measuring device; and
  - (f) not use, or permit to be used on any water installation, any fitting, machine or appliance which causes damage or which, in the opinion of the engineer, is likely to cause damage to any meter.
- (7) No person other than the engineer shall:
  - (a) disconnect a measuring device and its associated apparatus from the pipe on which they are installed;
  - (b) break a seal which the engineer has placed on a meter; or
  - (c) in any other way interfere with a measuring device and its associated apparatus.
- (8) If the engineer considers that, a measuring device is a meter whose size is unsuitable because of the quantity of water supplied to premises, he may install a meter of a size that he considers necessary, and may recover the determined charge for the installation of the meter from the owner of the premises.

- (9) The municipality may require the installation, at the owner's expense, of a measuring device to each dwelling unit, in separate occupancy, on any premises, for use in ascertaining the quantity of water supplied to each such unit; but where controlled volume water-delivery systems are used, a single measuring device may otherwise be used for more than one unit.

## **21. Quantity of water supplied to customer**

- (1) For the purposes of ascertaining the quantity of water that has been measured by a measuring device that has been installed by the engineer and that has been supplied to a customer over a specific period, it will, for the purposes of these by-laws, be presumed except in any criminal proceedings, unless the contrary is proved, that -
- (a) the quantity, where the measuring device designed to provide an uncontrolled volume of water, is the difference between measurements taken at the beginning and end of that period;
  - (b) the quantity, where the measuring device designed to provide a controlled volume of water, is the volume dispensed by the measuring device;
  - (c) the measuring device was accurate during that period;
  - (d) the entries in the records of the municipality were correctly made; and
  - (e) if water is supplied to, or taken by, a customer without having passed through a measuring device, the estimate by the municipality of the quantity of that water shall be presumed, except in any criminal proceedings, to be correct unless the contrary is proved.
- (2) Where water supplied by the municipality to any premises is in any way taken by the customer without the water passing through any measuring device provided by the municipality, the municipality may, for the purpose of rendering an account, estimate, in accordance with subsection (3), the quantity of water supplied to the customer during the period that water is so taken by the customer.
- (3) For the purposes of subsection (2), an estimate of the quantity of water supplied to a customer shall, as the municipality may decide, be based either on -
- (a) the average monthly consumption of water on the premises recorded over three succeeding measuring periods after the date on which an irregularity referred to in subsection (2) has been discovered and rectified, or

- (b) the average monthly consumption of water on the premises during any three consecutive measuring periods during the twelve months immediately before the date on which an irregularity referred to in subsection (2) was discovered.
- (4) Nothing in these by-laws shall be construed as imposing on the municipality an obligation to cause any measuring device installed by the engineer on any premises to be measured at the end of every month or any other fixed period, and the municipality may charge the customer for an average consumption during the interval between successive measurements by the measuring device.
- (5) Until the time when a measuring device has been installed in respect of water supplied to a customer, the estimated or shared consumption of that customer during a specific period, must be based on the average consumption of water supplied to the specific supply zone within which the customer's premises are situated.
- (6) Where in the opinion of the engineer it is not reasonably possible or cost effective to measure water that is supplied to each customer within a determined supply zone, the municipality may determine a tariff or charge based on the estimated or shared consumption of water supplied to that supply zone.
- (7) The municipality must within seven days, on receipt of a written notice from the customer and subject to payment of the determined charge, measure the quantity of water supplied to the customer at a time, or on a day, other than that upon which it would normally be measured.
- (8) If a contravention of subsection (7) occurs, the customer must pay to the municipality the cost of whatever quantity of water was, in the opinion by the municipality, supplied to him.

## **22. Special measurement**

- (1) If the engineer requires, for purposes other than charging for water consumed, to ascertain the quantity of water which is used in a part of a water installation, may, by written notice, advise the owner concerned of his intention to install a measuring device at any point in the water installation that he may specify.
- (2) The installation of a measuring device referred to in subsection (1), its removal, and the restoration of the water installation after such a removal shall be carried out at the expense of the municipality.

- (3) The provisions of Sections 86(5) and 86(6) shall apply, insofar as they may be applicable, in respect of a measuring device that has been installed in terms of subsection (1).

**23. No reduction of amount payable for water wasted**

- (1) A customer shall not be entitled to a reduction of the amount payable for water wasted or lost in a water installation.
- (2) Notwithstanding (1) above, the engineer may consider the granting of a rebate in the case of a pipe burst, geyser burst or underground leak provided that:
- (a) the leak is reported to the municipality within 7 days of it being repaired.
- (b) a certificate or affidavit confirming the leak and its repair by a registered/qualified plumber or owner is submitted.
- (c) The certificate or affidavit must confirm
- (i) the date of the repair
- (ii) that the leak was not discernible from the surface
- (iii) that the leak occurred on a pipe listed in the standard of approved pipes and fittings prescribed by the engineer
- (d) the maximum period for the rebate shall be 3 months. If longer, approval by the Municipal Manager is required.
- (3) the rebate tariff is approved annually in the municipality's Tariff Schedules.
- (4) The volume will be determined by the engineer as the difference between the average consumption from previous corresponding readings during the same period as the leak and the consumption during the period of leakage.

**Part 4: Audit**

**24. Water audit**

- (1) The municipality may require a customer, within one month after the end of a financial year of the municipality, to undertake a water audit at his own cost.
- (2) The audit must at least involve and report-
- (a) the amount of water used during the financial year;

- (b) the amount paid for water for the financial year;
- (c) the number of people living on the stand or premises;
- (d) the number of people permanently working on the stand or premises;
- (e) the seasonal variation in demand through monthly consumption figures;
- (f) the water pollution monitoring methods;
- (g) the current initiatives for the management of the demand for water;
- (h) the plans to manage their demand for water;
- (i) a comparison of the report with any report that may have been made during the previous three years;
- (j) estimates of consumption by various components of use; and
- (k) a comparison of the above factors with those reported in each of the previous three years, where available.

## Part 5: Installation Work

### 25. Approval of installation work

- (1) If an owner wishes to have installation work done, he or she must first obtain the Municipality's written approval; provided that approval shall not be required in the case of water installations in dwelling units or installations where no fire installation is required in terms of SANS 0400, or in terms of any Municipal by-laws, or for the repair or replacement of an existing pipe or water fitting other than a **fixed water heater and its associated protective devices**.
- (2) Application for the approval referred to in subsection (1) shall be made on the prescribed form and shall be accompanied by -
  - (a) the determined charge, if applicable; and
  - (b) copies of the drawings as may be determined by the municipality, giving information in the form required by Clause 4.1.1 of SANS Code 0252: Part I;

- (c) a certificate certifying that the installation has been designed in accordance with SANS Code 0252: Part I by a professional engineer.
- (3) Authority given in terms of subsection (1) shall lapse at the expiry of a period of twenty-four months.
- (4) Where approval was required in terms of subsection (1), a complete set of approved drawings of installation work must be available at the site of the work at all times until the work has been completed.
- (5) If installation work has been done in contravention of subsection (1) or (2), the municipality may require the owner –
  - (a) to rectify the contravention within a specified period;
  - (b) if work is in progress, to cease the work; and
  - (c) to remove all such work which does not comply with these by-laws.

## **26. Persons permitted to do installation and other work**

- (1) Only a plumber, a person working under the control of a plumber, or another person authorised in writing by the municipality, shall be permitted to:
  - (a) do installation work other than the replacement or repair of an existing pipe or water fitting provided that material used on repairs shall be in adherence to the specifications required by the National Building Regulations;
  - (b) replace a fixed water heater or its associated protective devices;
  - (c) inspect, disinfect and test a water installation, fire installation or storage tank;
  - (d) service, repair or replace a back flow pre-valve; or
  - (e) install, maintain or replace a meter provided by an owner in a water installation.



- (2) No person shall require or engage a person who is not a plumber to do the work referred to in subsection (1).
- (3) Notwithstanding the provisions of subsection (1) the municipality may permit a person who is not a plumber to do installation work on his own behalf on premises owned and occupied solely by himself and his immediate household, provided that such work must be inspected and approved by a plumber at the direction of the engineer.

## **27. Provision and maintenance of water installations**

- (1) An owner must provide and maintain his water installation at his own cost and except where permitted in terms of Section 25, must ensure that the installation is situated within the boundary of his premises.
- (2) An owner must install an isolating valve at a suitable point on service pipe immediately inside the boundary of the property in the case of a meter installed outside the boundary, and in the case of a meter installed on the premises at a suitable point on his service pipe.
- (3) Before doing work in connection with the maintenance of a portion of his water installation, which is situated outside the boundary of his premises, an owner shall obtain the written consent of the municipality or the owner of the land on which the portion is situated, as the case may be.

## **28. Technical requirements for a water installation**

Notwithstanding the requirement that a certificate be issued in terms of Section 25, all water installations shall comply with SANS 0252 Part 1 and all fixed electrical storage water heaters shall comply with SANS 0254.

## **29. Use of pipes and water fittings to be authorised**

- (1) No person shall, without the prior written authority of the engineer, install or use a pipe or water fitting in a water installation within the Municipality's area of jurisdiction unless it is included in the Schedule of Approved Pipes and Fittings as compiled by the municipality.
- (2) Application for the inclusion of a pipe or water fitting in the Schedule referred to in subsection (1) must be made on the form prescribed by the municipality.
- (3) A pipe or water fitting may be not be included in the Schedule referred to in subsection (1) unless it -

- (a) bears the standardisation mark of the South African Bureau of Standards in respect of the relevant SANS specification issued by the Bureau;
  - (b) bears a certification mark issued by the SANS to certify that the pipe or water fitting complies with an SANS Mark specification or a provisional specification issued by the SANS, provided that no certification marks shall be issued for a period exceeding two years; or
  - (c) is acceptable to the engineer.
- (4) The municipality may, in respect of any pipe or water fitting included in the Schedule, impose such additional conditions, as it may consider necessary in respect of the use or method of installation.
- (5) A pipe or water fitting shall be removed from the Schedule if it -
- (a) no longer complies with the criteria upon which its inclusion was based; or
  - (b) is no longer suitable for the purpose for which its use was accepted.
- (6) The current Schedule shall be available for inspection at the office of the municipality at any time during working hours.
- (7) The municipality may sell copies of the current Schedule at a determined charge.

### **30. Labelling of terminal water fittings and appliances**

All terminal water fittings and appliances using or discharging water shall be marked, or have included within its packaging, the following information:

- (a) the range of pressure in kPa over which the water fitting or appliance is designed to operate.
- (b) The flow rate, in litres per minute, related to the design pressure range, provided that this information shall be given for at least the following pressures: 20 kPa, 100kPa and 400 kPa.

### **31. Water demand management**

- (1) In any water installation where the dynamic water pressure is more than 200 kPa at a shower control valve, and where the plumbing has been



designed to balance the water pressures on the hot and cold water supplies to the shower control valve, a shower head with a maximum flow rate of greater than 10 litres per minute must not be installed.

- (2) The maximum flow rate from any tap installed on a wash hand basin must not exceed 6 litres per minute.

## **Part 6: Communal water supply services**

### **32. Provision of water supply to several consumers**

- (1) The engineer may install a communal standpipe for the provision of water supply services to several consumers at a location it considers appropriate, provided that a majority of consumers, who in the opinion of the engineer, constitute a substantial majority, and to whom Water Services will be provided by the standpipe, has been consulted by him or the municipality. **“Water Services”** means water supply services and Sanitation Services;
- (2) The engineer may provide communal water supply services through a communal installation designed to provide a controlled volume of water to several consumers.

## **Part 7: Temporary water supply services**

### **33. Water supplied from a hydrant**

- (1) The engineer may authorise a temporary supply of water to be taken from one or more fire hydrants specified by it, subject to such conditions and for any period that may be prescribed by him and payment of such applicable charges, including a deposit, as may be determined by the municipality from time to time.
- (2) A person who wishes to obtain a temporary supply of water referred to in subsection (1) must apply for such a water supply service in terms of Section (2) and must pay a deposit determined by the municipality from time to time.
- (3) The engineer shall provide a portable water meter and all other fittings and apparatus necessary for the temporary supply of water from a hydrant.
- (4) The portable meter and all other fittings and apparatus provided for the temporary supply of water from a hydrant remain the property of the municipality and must be returned to the municipality on termination of the temporary supply. Failure to return the portable meter and all other fittings

and apparatus shall result the imposition of penalties determined by the municipality from time to time.

## **Part 8: Boreholes**

### **34. Notification of boreholes**

- (1) No person may sink a borehole on premises situated in a dolomite area, and before sinking a borehole a person must determine if the premises on which the borehole is to be sunk are situated within a dolomite area.
- (2) The municipality requires -
  - (a) the owner of any premises within any area of the municipality upon which a borehole exists or, if the owner is not in occupation of such premises, the occupier to notify it of the existence of a borehole on such premises, and provide it with such information about the borehole that it may require; and
  - (b) the owner or occupier of any premises who intends to sink a borehole on the premises, to notify it on the prescribed form of its intention to do so before any work in connection sinking it is commenced.
- (3) The municipality may require the owner or occupier of any premises who intends to sink a borehole, to undertake a geo-hydrological assessment of the intended borehole, to the satisfaction of the municipality, before sinking it.
- (4) The municipality may require an owner or occupier who has an existing bore-hole that is used for water supply services to -
  - (a) obtain approval for the use of the borehole for potable water supply services in accordance with Sections 6, 7 and 22 of the Act; and
  - (b) impose conditions in respect of the use of a borehole for potable Water Services.

## **Part 9: Fire services connections**

### **35. Connection to be approved by the municipality**

- (1) The engineer shall be entitled in his absolute discretion to grant or refuse an application for the connection of a fire extinguishing installation to the Municipality's main.

- (2) No water shall be supplied to any fire extinguishing installation until a certificate that the municipality's approval in terms of Section 25 has been obtained and that the installation complies with the requirements of these and any other by-laws of the municipality, has been submitted.
- (3) If in the engineer's opinion a fire extinguishing installation, which he has allowed to be connected to the municipality's main, is not being kept in proper working order, or is otherwise not being properly maintained, or is being used for purpose other than fire-fighting, that shall be entitled either to require the installation to be disconnected from the main or itself to carry out the work of disconnecting it at the customer's expense.

### **36. Special provisions**

The provisions of SANS 0252-1 shall apply to the supply of water for fire-fighting purposes.

### **37. Dual and combined installations**

All new buildings erected after the commencement of these by-laws, must comply with the following requirements in relation to the provision of fire extinguishing services:

- (a) If boosting of the system is required, a dual pipe system must be used, one for fire extinguishing purposes and the other for general domestic purposes.
- (b) Combined installations shall only be permitted where no booster pumping connection is provided on the water installation. In such cases a fire hydrant must be provided by the municipality, at the customer's expense, within 90 metres of the property to provide a source of water for the fire tender to use in extinguishing the fire.
- (c) Combined installations where a booster pumping connection is provided, shall only be permitted when designed and certified by a professional engineer.
- (d) All pipes and fittings must be capable of handling pressures in excess of 1 800 kPa, if that pressure could be expected when boosting takes place and must be capable of maintaining their integrity when exposed to fire conditions.

### **38. Connection pipes for fire extinguishing services**

- (1) After the commencement of these by-laws, a single connection pipe for both fire (excluding sprinkler systems) and potable water supply services shall be provided by the engineer.
- (2) The engineer shall provide and install, at the cost of the owner a combination meter on the connection pipe referred to in (1).
- (3) A separate connection pipe shall be laid and used for every fire sprinkler extinguishing system unless the engineer gives his approval to the contrary.
- (4) A connection pipe must be equipped with a measuring device that will not obstruct the flow of water while the device is operating.

### **39. Valves and meters in connection pipes**

Every connection pipe to a fire extinguishing installation must be fitted with valves and a measuring device which shall be:

- (a) supplied by the engineer at the expense of the customer;
- (b) installed between the customer's property and the main; and
- (c) installed in such position as may be determined by the engineer.

### **40. Meters in fire extinguishing connection pipes**

The engineer shall be entitled to install a water meter in any connection pipe used solely for fire extinguishing purposes and the owner of the premises shall be liable for all costs in so doing if it appears to the municipality that water has been drawn from the pipe for purposes other than for the purpose of extinguishing a fire.

### **41. Sprinkler extinguishing installation**

A sprinkler installation may be installed directly to the main, but the municipality may not be deemed to guarantee any specified pressure at any time.

### **42. Header tank or double supply from main**

- (1) The customer must install a header tank at such elevation as will compensate for any failure or reduction of pressure in the municipality's main for its sprinkler installation, unless this installation is provided with a duplicate supply from a separate main.

- (2) The main pipe leading from a header tank to the sprinkler installation may be in direct communication with the main, provided that the main pipe must be equipped with a reflux valve which, if for any reason the pressure in the main fails or is reduced, will shut off the supply from the main.
- (3) Where a sprinkler installation is provided with a duplicate supply from a separate main, each supply pipe must be equipped with a reflux valve situated within the premises.

#### **43. Sealing of private fire hydrants**

- (1) Except where a system is a combined system with a combination meter, all private hydrants and hose-reels must be sealed by the municipality and the seals must not, except for the purposes of opening the hydrant or using the hose when there is a fire, be broken by any person other than by the municipality in the course of servicing and testing.
- (2) The customer must give the municipality at least 48 hours notice prior to a fire extinguishing installation being serviced and tested.
- (3) The cost of resealing hydrants and hose-reels shall be borne by the customer except when the seals are broken by the municipality's officers for testing purposes.
- (4) Any water consumed through a fire installation or sprinkler system shall be paid for by the customer at the charges determined by the municipality.

## **CHAPTER 5: CONDITIONS FOR SANITATION SERVICES**

### **Part 1: Connection to sanitation system**

#### **44. Obligation to connect to sanitation system**

- (1) All premises on which sewage is produced must be connected to the Municipality's sanitation system if a connecting sewer is available or if it is reasonably possible or cost effective for the municipality to install a connecting sewer, unless approval for the use of on-site Sanitation Services was obtained in accordance with Section 32.
- (2) The municipality may, by notice, require the owner of premises not connected to the municipality's sanitation system to connect to the sanitation system.
- (3) An owner of premises, who is required to connect those premises to the municipality's sanitation system in accordance with subsection (1), must inform the municipality in writing of any Sanitation Services, provided by the municipality on the site, which will no longer be required as a result of the connection to the sanitation system.



- (4) The owner will be liable for any charge pay-able in respect of Sanitation Services on the site, until an agreement for rendering those services has been terminated in accordance with the Municipality's By-laws relating to Credit Control and Debt Collection.
- (5) If the owner fails to connect premises to the sanitation system after having had a notice in terms of subsection (2) the municipality, notwithstanding any other action that it may take in terms of these by-laws, may impose a penalty determined by it.

#### **45. Provision of connecting sewer**

- (1) If an agreement for Sanitation Services in respect of premises has been concluded in accordance with the Municipality's By-laws relating to Credit Control and Debt Collection and no connecting sewer exists in respect of the premises, the owner shall make application on the prescribed form, and pay the tariffs and charges determined by the municipality for the installation of a connecting sewer.
- (2) If an application is made for Sanitation Services which are of such an extent or so situated that it will become necessary to extend, modify or upgrade the sanitation system in order to provide Sanitation Services to any premises, the municipality may agree to the extension only if the owner pays or undertakes to pay for the cost, as determined by the engineer, of the extension, modification or upgrading of the services.
- (3) Only the engineer may install or approve an installed connecting sewer; but the owner or customer may connect the sanitation installation to the connection pipe.
- (4) No person may commence any development on any premises unless the engineer has installed a connecting sewer.

#### **46. Location of connecting sewer**

- (1) A connecting sewer that has been provided and installed by the engineer must -
  - (a) be located in a position determined by the engineer and be of a suitable size determined by the engineer; and
  - (b) terminate at -
    - (i) the boundary of the premises; or
    - (ii) at the connecting point if it is situated on the premises.

- (2) The engineer may at the request of the owner of premises, approve, subject to any conditions that he may impose, a connection to a connecting sewer other than one that is most readily available for the provision of Sanitation Services to the premises; in which event the owner shall be responsible for any extension of the drainage installation to the connecting point designated by the municipality and for obtaining, at his own cost, any servitude over other premises that may be necessary.
- (3) Where an owner is required to provide a sewage lift as provided for in terms of the Building Regulations, or the premises are at a level where the drainage installation cannot discharge into the sewer by gravitation, the rate and time of discharge into the sewer has to be subject to the approval of the municipality.
- (4) The owner of premises must pay the connection charges and tariffs determined by the municipality before a connection to the connecting sewer can be effected.

**47. Provision of one connecting sewer for several consumers on same premises**

- (1) Notwithstanding the provisions of Section 46, only one connecting sewer to the sanitation system may be provided for the disposal of sewage from any premises, irrespective of the number of accommodation units of consumers located on such premises.
- (2) Notwithstanding subsection (1), the municipality may authorise that more than one connecting sewer be provided in the sanitation system for the disposal of sewage from any premises comprising sectional title units or if, in the opinion of the municipality, undue hardship or inconvenience would be caused to any consumer on such premises by the provision of only one connecting sewer.
- (3) Where the provision of more than one connecting sewer is authorised by the municipality under subsection (2), the tariffs and charges for the provision of a connecting sewer are payable in respect of each sewage connection so provided.

**48. Interconnection between premises**

An owner of premises must ensure, unless he has obtained the prior approval of the municipality and complies with any conditions that it may have imposed, that no interconnection exists between the drainage installation on his premises and the drainage installation on any other premises.



**49. Disconnection of connecting sewer**

The engineer may disconnect a drainage installation from the connection pipe and remove the connection pipe on the termination of an agreement for the provision of water supply services in accordance with the Municipality's By-laws relating to Credit Control and Debt Collection.

**Part 2: Standards****50. Standards for Sanitation Services**

Sanitation Services provided by the municipality must comply with the minimum standards set for the provision of Sanitation Services in terms of the Section 9 of the Act.

**Part 3: Methods for determining charges****51. Measurement of quantity of domestic effluent discharged**

(1) As from the date of promulgation of this by-law the quantity of domestic effluent discharged shall be determined as a percentage of water supplied, or by way of an area based tariff and shall be determined by the municipality in terms of Sections 74 and 75 of the Municipal Systems Act, Act 32 of 2000, as amended; provided that where the municipality is of the opinion that such a percentage or tariff in respect of specific premises is excessive, having regard to the purposes for which water is consumed on those premises, the municipality may reduce the percentage or tariff applicable to those premises to a figure which, in its opinion and in the light of the available information, reflects the:

- a. proportion between the likely quantity of sewage discharged from the premises and the quantity of water supplied:
- b. or calculated cost impact of such a premises on the purification of sewage.

(2) Where premises are supplied with water from a source other than, or in addition to, the municipality's water supply system, including abstraction from a river or borehole, and a % based tariff is used, the quantity must be a percentage of the total water used on those premises that is reasonably estimated by the municipality."

**52. Measurement of quantity and determination of quality of industrial effluent discharged**

- (1) The quantity of industrial effluent discharged into the sanitation system must be determined -
  - (a) where a measuring device is installed, by the quantity of industrial effluent discharged from the premises as measured by that measuring device; or
  - (b) until the time that a measuring device is installed, by a percentage of the water supplied by the municipality to those premises.
- (2) The municipality may require the owner of any premises to incorporate in any drainage installation conveying industrial effluent to a sewer, any control meter or gauge or other device of an approved type and in the control of the municipality for the purpose of ascertaining to the satisfaction of the municipality, the tempo, volume and composition of the effluent.
- (3) The municipality may install and maintain any meter, gauge or device referred to in subsection (2) at the expense of the owner of the premises on which it is installed.
- (4) Where premises are supplied with water from a source other than or in addition to the municipality's water supply system, including abstraction from a river or borehole, the quantity will be a percentage of the total water used on those premises reasonably estimated by the municipality.
- (5) Where a portion of the water supplied to the premises forms part of the end product of any manufacturing process or is lost by reaction or evaporation during the manufacturing process or for any other reason, the municipality may on application by the owner reduce the assessed quantity of industrial effluent.
- (6) The municipality may at its discretion enter into an agreement with any person discharging industrial effluent into the sanitation system, establishing an alternative method of assessing the quantity and tempo of effluent so discharged.
- (7) Charges relating to the quality of industrial effluent will be based on the formula for industrial effluent discharges as prescribed in Schedule C.
- (8) The following conditions apply in respect of the assessment of the quality of industrial effluent discharged:
  - (a) the average of the values of the different analysis results of 24 hourly composite or snap samples of the effluent, taken during the period of charge, will be used to determine the quality charges payable;
  - (b) in the absence of a complete daily set of 24 hourly composite or snap samples, the average of not less than two values of the

sampled effluent, taken during the period of charge, will be used to determine the charges payable;

- (c) in order to determine the strength (Chemical oxygen demand, suspended solids concentration, Ammonia concentration, and orthophosphate concentration) in the effluent as well as the concentration of Group 1 and 2 metals, pH value and conductivity, the municipality will use the tests normally used by municipalities for these respective purposes. Details of the appropriate test may be ascertained from the municipality or the SANS. Test results from a SANAS accredited laboratory will have precedence over those of the municipality;
- (d) the formula is calculated on the basis of the different analysis results of individual snap or composite samples taking into account the flow pattern;
- (e) the terms of the formula cannot assume a negative value;
- (f) the total system values for quality charges shall remain constant for an initial period of one month, but in any case not longer than twelve months from the date of commencement of these charges, after the expiry of which time they may be amended or revised from time to time depending on such changes in the analysis results or further samples, as may be determined from time to time: provided that the municipality in its discretion in any particular case, may levy the minimum charges prescribed without taking any samples;
- (g) whenever the municipality takes a sample, one half of it will be made available to the customer on request;
- (h) for the purpose of calculating of the quantity of effluent discharged from each point of discharge of effluent, the total quantity of water consumed on the premises shall be allocated to the several points of discharge as accurately as is reasonably practicable;
- (i) the costs of conveying and treating industrial effluent shall be determined by the municipality and shall apply with effect from a date determined by the municipality; and
- (j) at the discretion of the municipality, the charges for industrial effluent may be changed to a fixed monthly charge determined by taking into consideration the effluent strengths, the volume and the economic viability of micro and small industries.

### **53. Reduction in the measured quantity of effluent discharged**

- (1) A person shall be entitled to a reduction in the quantity of effluent discharged, as determined in terms of Sections 117 and 118 where the quantity of water, on which a percentage is calculated, was measured during a period where water was wasted or a leakage went undetected, if the consumer demonstrates to the satisfaction of the municipality that the water was not discharged into the sanitation system.
- (2) The reduction in the quantity shall be based on the quantity of water lost through leakage or wastage during the leak period.
- (3) The leak period shall be either the measuring period immediately prior to the date of repair of the leak, or the measurement period during which the leak is repaired, whichever results in the greater reduction in the quantity.
- (4) The quantity of water lost shall be calculated as the consumption for the leak period less the average consumption, based on the pre-ceding 3 (three) months, for the same length of time. In the event of no previous history of consumption being available, the average water consumption will be determined by the municipality, after taking into account all information that is considered by it to be relevant.
- (5) There shall be no reduction in the quantity if a loss of water, directly or indirectly, resulted from a consumer's failure to comply with these or other by-laws.

#### **54. Charges in respect of "on-site" Sanitation Services**

Charges in respect of the removal or collection of conservancy tank contents, chemical toilets, night soil or the emptying of pits will cover all the operating and maintenance costs arising from the removal of the pit contents, its transportation to a disposal site, the treatment of the contents to achieve a sanitary condition and the final disposal of any solid residues and are payable by the owner. These charges will be reviewed annually.

### **Part 4: Drainage installations**

#### **55. Installation of drainage installations**

An owner must provide and maintain his drainage installation at his own expense, unless the installation constitutes a basic sanitation facility as determined by the municipality, and except where otherwise approved by the municipality, must ensure that the installation is situated within the boundary of his premises.

- (1) The municipality may prescribe the point in the sewer, and the depth below the ground, at which any drainage installation is to be connected and the route to be followed by the drain to the connecting point and may require the owner not to commence the construction or connection of the drainage installation until the municipality's connecting sewer has been laid.
- (2) Any drainage installation that has been constructed or installed must comply with any applicable specifications in terms of the Building Regulations and any standard prescribed in terms of the Act.
- (3) No person shall permit the entry of any liquid or solid substance whatsoever, other than clean water for testing purposes, to enter any drainage installation before the drainage installation has been connected to the sewer.
- (4) Where premises are situated in the 1 in 100 years flood plain, the top level of all service access holes, inspection chambers and gullies must be above the 1 in 100 years flood level.
- (5) After the completion of any drainage installation, or after any alteration to any drainage installation is completed, the plumber responsible for the execution of the work must submit to the building inspection section of the municipality a certificate certifying that the work was completed to the standards set out in the building regulations, these by-laws and any other relevant law or by-laws.
- (6) No rainwater or storm-water, and no effluent other than an effluent that has been approved by the municipality, may be discharged into a drainage installation.

#### **56. Disconnection of drainage installations**

- (1) Except for the purpose of carrying out maintenance or repair work, no drainage installation may be disconnected from the connection point.
- (2) Where any part of a drainage installation is disconnected from the remainder because it will no longer be used, the disconnected part must be destroyed or entirely removed from the premises on which it was used, unless the municipality approves otherwise.
- (3) When a disconnection has been made after all the requirements of the Building Regulations in regard to disconnection have been complied with, the engineer must upon the request of the owner, issue a certificate certifying that the disconnection has been completed in terms of the Building Regulations and that any charges raised in respect of the disconnected portion of the drainage installation shall cease to be levied from the end of the month preceding the first day of the month following the issue of such certificate.



- (4) When a drainage installation is disconnected from a sewer, the engineer must seal the opening caused by the disconnection and may recover the cost of doing so from the owner of the premises on which the installation is disconnected.
- (5) Where a drainage system is connected to or disconnected from the sewer system during a month, charges will be calculated as if the connection or disconnection were made on the first day of the month following the month in which the connection or disconnection took place.

#### **57. Maintenance of drainage installations**

- (1) An owner must provide and maintain his drainage installation at his own cost.
- (2) Where any part of a drainage installation is used by two or more owners or occupiers, they shall be jointly and separately liable for the maintenance of the installation.
- (3) The owner of any premises must ensure that all manholes and cleaning eyes on the premises are permanently visible and accessible.

#### **58. Technical requirements for drainage installations**

All drainage installations shall comply with SANS code 0252 and the Building Regulations.

#### **59. Drains**

- (1) Drains passing through ground which in the opinion of the engineer is liable to movement, shall be laid on a continuous bed of river sand or similar granular material not less than 100 mm thick under the barrel of the pipe and with a surround of similar material and thickness, and the joints of such drains must be flexible joints approved by the engineer.
- (2) A drain or part of it may only be laid within, or either passes under or through a building, with the approval of the engineer.
- (3) A drain or part of it which it is laid in an inaccessible position under a building may not bend or be laid at a gradient.
- (4) If a drain passes through or under a wall, foundation or other structure, adequate precautions shall be taken to prevent the discharge of any substance to the drain.

**60. Sewer blockages**

- (1) No person may cause or permit an accumulation of grease, oil, fat, solid matter, or any other substance in any trap, tank, or fitting that may cause its blockage or ineffective operation.
- (2) When the owner or occupier of premises has reason to believe that a blockage has occurred in any drainage installation in or on it, he shall take immediate steps to have it cleared.
- (3) When the owner or occupier of premises has reason to believe that a blockage has occurred in the sewer system, he shall immediately inform the municipality.
- (4) Where a blockage occurs in a drainage installation, any work necessary for its removal must be done by, or under the supervision of, a plumber.
- (5) Should any drainage installation on any premises overflow as a result of an obstruction in the sewer, and if the municipality is reasonably satisfied that the obstruction was caused by objects emanating from the drainage installation, the owner of the premises served by the drainage installation shall be liable for the cost of clearing the blockage.
- (6) Where a blockage has been removed from a drain or portion of a drain which serves two or more premises, the owners are jointly and severally liable for the cost of clearing the blockage.
- (7) Where a blockage in a sanitation system has been removed by the engineer and the removal necessitated the disturbance of an owners paving, lawn or other artificial surface neither the engineer nor the municipality shall be required to restore them to their previous condition and shall not be responsible for any damage to them unless caused by the wrongful act or negligence of the engineer.
- (8) Notwithstanding the above, the engineer will endeavor to reinstate the disturbance.

**61. Grease traps**

A grease trap of an approved type, size and capacity must be provided in respect of all premises that discharge sewage to on-site sanitation systems or where, in the opinion of the municipality, the discharge of grease, oil and fat is likely to cause an obstruction to the flow in sewers or drains, or to interference with the proper operation of any waste-water treatment plant.

**62. Industrial grease traps**

- (1) The owner or manufacturer must ensure that industrial effluent which contains, or which, in the opinion of the municipality is likely to contain, grease, oil, fat or inorganic solid matter in suspension shall, before it is allowed to enter any sewer, be passed through one or more tanks or chambers, of a type, size and capacity designed to intercept and retain such grease, oil, fat or solid matter, that is approved by the engineer.
- (2) The owner or manufacturer must ensure that oil, grease or any other substance which is contained in any industrial effluent or other liquid and which gives off an inflammable or noxious vapour at a temperature of, or exceeding, 20° C must be intercepted and retained in a tank or chamber so as to prevent its entry of into the sewer.
- (3) A tank or chamber as referred to in subsection (2) must comply with the following requirements:
  - (a) it shall be of adequate capacity, constructed of hard durable materials and water-tight when completed;
  - (b) the water-seal of its discharge pipe shall be not less than 300 mm in depth; and
  - (c) shall be provided with a sufficient number of manhole covers for the adequate and effective removal of grease, oil fat and solid matter.
- (4) Any person discharging effluent to a tank or chamber must remove grease, oil, fat or solid matter regularly from the tank or chamber and must maintain a register recording -
  - (a) the dates on which the tank or chamber was cleaned;
  - (b) the name of any the persons employed by him to clean the tank or chamber or, if he cleaned it himself, that fact that he did so; and
  - (c) a certificate from the person employed to clean it certifying that the tank or chamber has been cleaned and stating the manner in which the contents of the tank or chamber were disposed of, or, if he cleaned it himself, his own certificate to that effect.

### **63. Mechanical appliances for lifting sewage**

- (1) The owner of any premise must obtain the approval of the engineer before installing any mechanical appliance for the raising or transfer of sewage in terms of the Building Regulations.



- (2) Approval must be applied for by a professional engineer and must be accompanied by drawings prepared in accordance with the relevant provisions of the Building Regulations and must show details of the compartment containing the appliance, the sewage storage tank, the stilling chamber and their position, and the position of the drains, ventilation pipes, rising main and the sewer connection.
- (3) Notwithstanding any approval given in terms of subsection (1), the municipality shall not be liable for any injury, loss or damage to life or property caused by the use, malfunctioning or any other condition arising from the installation or operation of a mechanical appliance for the raising or transfer of sewage unless the injury or damage be caused by the wrongful intentional or negligent act or negligence of an employee of the municipality.
- (4) Every mechanical appliance installed for the raising or transfer of sewage shall be specifically designed for the purpose and shall be fitted with a discharge pipe, sluice valves and non-return valves located in approved positions.
- (5) Unless otherwise permitted by the engineer, such mechanical appliances shall be installed in duplicate and each such appliance shall be so controlled that either will immediately begin to function automatically in the event of failure of the other.
- (6) Every mechanical appliance forming part of a drainage installation shall be located and operated so as to not cause any nuisance through noise or smell or otherwise, and every compartment containing any such appliance must be effectively ventilated.
- (7) The maximum discharge rate from any mechanical appliance, and the times between which the discharge may take place, shall be as determined by the engineer who may, at any time, require the owner to install such fittings and regulating devices as may in his opinion, be necessary to ensure that the determined maximum discharge rate shall not be exceeded.
- (8) Except where sewage storage space is incorporated as an integral part of a mechanical appliance, a sewage storage tank must be provided in conjunction with such appliance.
- (9) Every sewage storage tank required in terms of paragraph (a) must -
  - (a) be constructed of hard, durable materials and must be watertight and the internal surfaces of the walls and floor must be smooth and impermeable;

- (b) have a storage capacity below the level of the inlet equal to the quantity of sewage discharged there into it in 24 hours or 900 litres, whichever is the greater quantity; and
  - (c) be so designed that the maximum of its sewage content shall be emptied at each discharge cycle of the mechanical appliance.
- (10) Every storage tank and stilling chamber shall be provided with a ventilation pipe in accordance with the engineer's specifications.

## **Part 5: On-site Sanitation Services and associated services**

### **64. Installation of on-site Sanitation Services**

If it is not reasonably possible or cost effective for the municipality to install a connecting sewer, an agreement for on-site sanitation systems in respect of the premises must be concluded. The owner must install Sanitation Services specified by the municipality, on the site unless the service is a subsidised service that has been determined by the municipality in accordance with Section 10 of the Municipality's Credit Control and Debt Collection Bylaw.

### **65. Ventilated improved pit latrines**

- (1) The municipality may, on such conditions as it may prescribe, having regard to the nature and permeability of the soil, the depth of the water table, the size of, and access to, the site and the availability of a piped water supply, approve the disposal of human excrement by means of a ventilated improved pit (VIP) latrine
- (2) A ventilated improved pit latrine must have -
  - (a) a pit of 2 m<sup>3</sup> capacity;
  - (b) lining as required to protect the groundwater;
  - (c) a slab designed to support the superimposed loading; and
  - (d) protection preventing children from falling into the pit;
- (3) A ventilated improved pit latrine must conform to the following specifications:
  - (a) the pit must be ventilated by means of a pipe, sealed at the upper end with durable insect proof screening fixed firmly in place;

- (b) the ventilation pipe must project not less than 0.5 m above the nearest roof, must be of at least 150 mm in diameter, and must be installed vertically with no bend;
- (c) the interior of the closet must be finished smooth so that it can be kept in a clean and hygienic condition. The superstructure must be well-ventilated in order to allow the free flow of air into the pit to be vented through the pipe;
- (d) the opening through the slab must be of adequate size as to prevent fouling. The rim must be raised so that liquids used for washing the floor do not flow into the pit. It shall be equipped with a lid to prevent the egress of flies and other insects when the toilet is not in use;
- (e) must be sited in a position that is independent of the dwelling unit;
- (f) must be sited in positions that are accessible to road vehicles having a width of 3.0 m in order to facilitate the emptying of the pit;
- (g) in situations where there is the danger of polluting an aquifer due to the permeability of the soil, the pit must be lined with an impermeable material that is durable and will not crack under stress; and
- (h) in situations where the ground in which the pit is to be excavated is unstable, suitable support is to be given to prevent the collapse of the soil.

#### **66. Septic Tanks, Conservancy Tanks and Treatment Plants**

- (1) The municipality may, on such conditions as it may prescribe, approve the disposal of sewage or other effluent by means of septic tanks or other on-site sewage treatment plants.
- (2) A septic tank or other sewage treatment plant on a site must not be situated closer than 3 metres to any dwelling unit or to any boundary of the premises on which it is situated.
- (3) Effluent from a septic tank or other on-site sewage treatment plant must be disposed of to the satisfaction of the municipality.
- (4) A septic tank must be watertight, securely covered and provided with gas-tight means of access to its interior adequate to permit the inspection of the inlet and outlet pipes and adequate for the purpose of removing sludge.

- (5) A septic tank serving a dwelling unit must -
- (a) have a capacity below the level of the invert of the outlet pipe of not less than 500 litres per bedroom, subject to a minimum capacity below such an invert level of 2 500 litres;
  - (b) have an internal width of not less than 1 metre measured at right angles to the direction of the flow;
  - (c) have an internal depth between the cover and the bottom of the tank of not less than 1,7 metre; and
  - (d) retain liquid to a depth of not less than 1,4 metre.
  - (e) include odour control ventilation
- (6) Septic tanks serving premises other than a dwelling unit must be designed and certified by a professional civil engineer registered as a member of the engineering Council of South Africa.
- (7) No rain water, storm-water, or effluent other than that approved by the municipality may be discharged into a septic tank.

#### **67. French drains**

- (1) The municipality may, on such conditions as it may prescribe having regard to the quantity and the nature of the effluent and the nature of the soil as determined by the permeability test prescribed by the South African Bureau of Standards, approve the disposal of waste-water or other effluent by means of french drains, soakage pits or other approved works.
- (2) A french drain, soakage pit or other similar work shall not be situated closer than 5 m to any dwelling unit or to any boundary of any premises on which it is situated, nor in any such position that will, in the opinion of the municipality, cause contamination of any borehole or other source of water which is, or may be, used for drinking purposes, or cause dampness in any building.
- (3) The dimensions of any french drain, soakage pit or other similar work shall be determined in relation to the absorbent qualities of the soil and the nature and quantity of the effluent.
- (4) French drains serving premises other than a dwelling house must be designed and certified by a professional Civil engineer registered as a member of the engineering Council of South Africa.

- (5) Should any groundwater pollution be detected, the municipality may require the removal of the installation and its replacement by a conservancy tank or other suitable means of disposal.
- (6) A french drain may not be constructed within the 1 in 100 flood line.

#### **68. Conservancy tanks**

- (1) The municipality may, on such conditions as it may prescribe; approve the construction of a conservancy tank with a capacity of at least 5000 kℓ and ancillary appliances for retention of sewage or effluent.
- (2) No rain water, storm-water, or effluent other than approved by the municipality may be discharged into a conservancy tank.
- (3) No conservancy tank must be used as such unless -
  - (a) the invert of the tank slopes towards the outlet at a gradient of not less than 1 in 10;
  - (b) the tank is gas and water tight;
  - (c) the tank has an outlet pipe, 100 mm in internal diameter, made of wrought iron, cast iron or other approved material, and except if otherwise approved by the municipality, terminating at an approved valve and fittings for connection to the Municipality's removal vehicles;
  - (d) the valve and fittings referred to in paragraph (c) or the outlet end of the pipe, as the case may be, are located in a chamber that has hinged cover approved by the engineer and which is situated in a position required by the municipality; and
  - (e) access to the conservancy tank must be provided by means of an approved manhole fitted with a removable cast iron cover placed immediately above the visible spigot of the inlet pipe.
- (4) The municipality may, having regard to the position of a conservancy tank or of the point of connection for a removal vehicle, require the owner or customer to indemnify the municipality, in writing, against any liability for any damages that may result from rendering of that service as a condition for emptying the tank.
- (5) Where the municipality's removal vehicle has to traverse private premises for the emptying of a conservancy tank, the owner shall provide a roadway at least 3,5 m wide, so hardened as to be capable of withstanding a wheel load of 4 metric tons in all weather, and shall ensure that no gateway



through which the vehicle is required to pass to reach the tank, shall be less than 3,5 m wide for such purposes.

- (6) The owner or occupier of premises on which a conservancy tank is installed shall at all times maintain the tank in good order and condition to the satisfaction of the municipality.
- (7) The municipality may require an owner to reposition an existing conservancy tank.

#### **69. Operation and maintenance of on-site Sanitation Services**

- (1) The operation and maintenance of on-site Sanitation Services and all costs pertaining to it remains the responsibility of the owner of the premises, unless the on-site Sanitation Services are subsidised services determined in accordance with the Municipality's By-laws relating to Credit Control and Debt Collection.
- (2) Unless a waiver has been granted by the engineer, an owner is required to have an on-going maintenance contract as part of the operation and maintenance of an on-site facility. The facility must be authorised in terms of the regulations promulgated in terms of the National Water Act.

#### **70. Disused conservancy and septic tanks**

If an existing conservancy tank or septic tank is no longer required for the storage or treatment of sewage, or if permission for its use is withdrawn, the owner must either cause it to be completely removed or to be completely filled with earth or other suitable material, provided that the engineer may require a tank to be dealt with in another way, or approve its use for other purposes, subject to any conditions specified by him.

### **Part 6: Industrial effluent**

#### **71. Approval to discharge industrial effluent**

- (1) No person shall discharge or cause or permit industrial effluent to be discharged into the sanitation system except with the approval of the municipality.
- (2) A person must apply for approval to discharge industrial effluent into the sanitation system of the municipality on the prescribed form attached as Schedule B to these by-laws.
- (3) The municipality may, if in its opinion the capacity of the sanitation system is sufficient to permit the conveyance and effective treatment and lawful

disposal of the industrial effluent, for such period and subject to such conditions it may impose, approve the discharge of industrial effluent into the sanitation system.

- (4) Any person who wishes to construct or cause to be constructed, a building which shall be used as a trade premises, must at the time of lodging a building plan in terms of Section 4 of the National Building Regulations and Building Standards No. 103 of 1977, also lodge applications for the provision of Sanitation Services and for approval to discharge industrial effluent.

## **72. Withdrawal of approval to discharge industrial effluent**

- (1) The municipality may withdraw any approval to a commercial customer, who has been authorised to discharge industrial effluent into the sanitation system, upon giving 14 (fourteen) days notice, if the customer -
- (a) fails to ensure that the industrial effluent discharged conforms to the industrial effluent standards prescribed in Schedule A of these by-laws or the written permission referred to in Section 71;
  - (b) fails or refuses to comply with any notice lawfully served on him in terms of these by-laws, or contravenes any provisions of these by-laws or any condition imposed in terms of any permission granted to him; or
  - (c) fails to pay the charges in respect of any industrial effluent discharged.
- (2) The municipality may on withdrawal of any approval -
- (a) in addition to any steps required by in these by-laws, and on 14 (fourteen) days' written notice, authorise the closing or sealing of the connecting sewer of the said premises; and (b) refuse to receive any industrial effluent until it is satisfied that adequate steps to ensure that the industrial effluent that is to be discharged conforms to the standards required by these by-laws.

## **73. Quality standards for disposal of industrial effluent**

- (1) A commercial customer, to whom approval has been granted must ensure that no industrial effluent is discharged into the sanitation system of the municipality unless it complies with the standards and criteria set out in Schedule A.

- (2) The municipality may, in giving its approval, relax or vary the standards in Schedule A, provided that it is satisfied that any relaxation represents the best practicable environmental option.
- (3) In determining whether relaxing or varying the standards in Schedule A represents the best practicable environmental option a municipality must consider -
  - (a) whether the commercial customer's undertaking is operated and maintained at optimal levels;
  - (b) whether technology used by the commercial customer represents the best available to the commercial customer's industry and, if not, whether the installation of the best technology would cause the customer unreasonable expense;
  - (c) whether the commercial customer is implementing a programme of waste minimisation that complies with national waste minimisation standards set in accordance with national legislation;
  - (d) the cost to the municipality of granting the relaxation or variation; and
  - (e) the environmental impact or potential impact of the relaxation or variation.
- (4) Test samples may be taken at any time by a the engineer to ascertain whether the industrial effluent complies with Schedule A or any other standard laid down as a requisition for granting an approval.

#### **74. Conditions for the discharge of industrial effluent**

- (1) The municipality may on granting approval for the discharge of industrial effluent, or at any time that it considers appropriate, by notice, require a commercial customer to -
  - (a) subject the industrial effluent to such preliminary treatment as in the opinion of the municipality will ensure that the industrial effluent conforms to the standards prescribed in Schedule A before being discharged into the sanitation system;
  - (b) install equalising tanks, valves, pumps, appliances, meters and other equipment which, in the opinion of the municipality, will be



necessary to control the rate and time of discharge into the sanitation system in accordance with the conditions imposed by it;

- (c) install for the conveyance of the industrial effluent into the sanitation system at a given point, a drainage installation separate from the drainage installation for other sewage and may prohibit a commercial customer from disposing of his industrial effluent at any other point;
  - (d) construct on any pipe conveying his industrial effluent to any sewer, a service access hole or stop-valve in such position and of such dimensions and materials as the municipality may prescribe;
  - (e) provide all information that may be required by the municipality to enable it to assess the tariffs or charges due to the municipality;
  - (f) provide adequate facilities including, but not limited to, level or overflow detection devices, standby equipment, overflow catch-pits, or other appropriate means of preventing a discharge into the sanitation system in contravention of these by-laws;
  - (g) cause any meter, gauge or other device installed in terms of this Section to be calibrated by an independent authority at the cost of the commercial customer at such intervals as may be required by the municipality and copies of the calibration must to be forwarded to it by the commercial customer; and
  - (h) cause industrial effluent to be analyzed as often, and in whatever manner, may be determined by the municipality and provide it with the results of these tests when they are completed.
- (2) The cost of any treatment, plant, work or analysis, which a person may be required to carry out, construct or install in terms of subsection (1), shall be borne by the commercial customer concerned.
- (3) If industrial effluent that neither complies with the standards in Schedule A nor has received the approval of the municipality, is discharged into the sanitation system, the municipality must be informed and the reasons for it, within twelve hours of the discharge.

## **Part 7: Sewage delivered by road haulage**

### **75. Acceptance of sewage delivered by road haulage**

- (1) The engineer may, in his discretion, and subject to such conditions as he may specify, accept sewage for disposal that is delivered to the municipality's sewage treatment plants by road haulage.
- (2) All contractors transporting wastewater to a wastewater treatment facility within the Stellenbosch municipal area must be
  - a. registered with the municipality and
  - b. vehicles fitted with an approved tracker system

**76. Approval for delivery of sewage by road haulage**

- (1) No person shall deliver sewage by road haulage in order to discharge it into the municipality's sewage treatment plants except with the approval of the engineer and subject to any conditions, and any times, that may on reasonable grounds be imposed by him.
- (2) The charges for any sewage delivered for disposal to the Municipality's sewage treatment plants shall be assessed by the municipality in accordance with the prescribed tariffs or charges.

**77. Withdrawal of permission for delivery of sewage by road haulage**

- (1) The engineer may withdraw any approval, given in terms of Section 9, after giving at least 14 (fourteen) days written notice of his intention to do so, if a person who has been allowed to discharge sewerage by road haulage -
  - (a) fails to ensure that the sewage conforms to the standards prescribed either in Schedule A, or as a condition of approval; or
  - (b) fails or refuses to comply with any notice served on him in terms of these by-laws or contravenes any provision of these by-laws or any condition has been imposed on him as a condition of approval; and
  - (c) fails to pay all the charges applicable to the delivery of sewage.
- (2) Contractors transporting wastewater who dispose of wastewater illegally will be prosecuted in terms of these by-laws as well as in terms of the National Water Act.

**78. Conditions for delivery of sewage by road haulage**

When sewage is to be delivered by road haulage -

- (a) the time and place when delivery is to be made shall be arranged in consultation with the engineer; and
- (b) the engineer must be satisfied before a delivery can take place, that the sewerage is of a nature suitable for road haulage and that the delivery would comply with the provisions, of these by-laws.

## **Part 8: Other Sanitation Services**

### **79. Stables and similar premises**

The municipality may approve the connection of a drainage installation to stables, cowsheds, dairies, kennels, other premises for the accommodation of animals, subject to the payment of all applicable charges and the fulfillment of any condition that the municipality may impose; but approval will be given only if -

- (a) the floor of the premises is paved by impervious materials that are approved by the municipality and graded to a silt trap, grease trap or gully of adequate capacity; and
- (b) every part of the floor of the premises is covered by a roof, or another protective device, in a way that adequately prevents the entry of rain or storm water into the drainage installation.

### **80. Mechanical food-waste or other disposal units**

The municipality may approve the connection or incorporation of a mechanical waste food grinder or disposal unit or garbage grinder that has a capacity in excess of 500W, into a drainage installation, subject to the payment of all applicable charges and to any condition that the municipality may impose, but approval will be given only if -

- (a) a water meter is installed by the municipality;
- (b) the engineer is satisfied that the Municipality's sewerage and sewage treatment system will not be adversely affected; and
- (c) the installation or incorporation is installed in conformity with the municipality's by-laws relating to electricity.

## **Part 9: Installation work**

### **81. Approval of installation work**

- (1) If an owner wishes to have installation work done, he must first obtain the Municipality's written approval.
- (2) Application for the approval referred to in subsection (1) must be made on the prescribed form and shall be accompanied by -
  - (a) a charge determined by the municipality, if a charge is determined, and
  - (b) copies of all drawings that may be required and approved by the municipality;
  - (c) a certificate by a professional engineer certifying that the installation has been designed in accordance with any applicable SANS Codes.
- (3) Approval given in terms of subsection (1) shall lapse after 24 (twenty-four) months.
- (4) When approval has been given in terms of subsection (1), a complete set of the drawings that have been required and approved by the municipality must be available for inspection at the site at all reasonable times until the work has been completed.
- (5) If installation work has been done in contravention of subsections (1) or (2), the municipality may require the owner -
  - (a) to rectify the contravention within a specified time;
  - (b) if work is in progress, to cease the work; and
  - (c) to remove all work that does not comply with these by-laws.

## **82. Persons permitted to do installation and other work**

- (1) No person who is not a plumber, or working under the control of a plumber, shall be permitted to -
  - (a) do installation work other than the replacement or repair of an existing pipe or sanitation fitting;
  - (b) inspect, disinfect and test a drainage installation, fire installation or storage tank;
  - (c) service, repair or replace a back flow preventer; or
  - (d) install, maintain or replace a meter provided by an owner in a drainage installation.

- (2) No person shall require or engage a person who is not a plumber to do the work referred to in subsection (1).
- (3) Notwithstanding the provisions of subsections (1) and (2), the municipality may permit a person, who is not a plumber, to do installation work at his own premises if they are occupied by himself or his own household, but if permission is given, the work must be inspected and approved by a plumber under the direction of or who has been nominated by, the engineer.

### **83. Use of pipes and water fittings to be authorised**

- (1) No person shall, without the prior written authority of the engineer, install or use a pipe or water fitting in a water installation within the municipality's area of jurisdiction unless it is included in the schedule of approved pipes and fittings compiled by the municipality.
- (2) Application for the inclusion of a pipe or water fitting in the schedule referred to in subsection (1) must be made on the form prescribed by the municipality
- (3) A pipe or water fitting may be included in the schedule referred to in subsection (1) if -
  - (a) it bears the standardisation mark of the South African Bureau of Standards in respect of the relevant SANS specification issued by the Bureau; or
  - (b) it bears a certification mark issued by the SANS to certify that the pipe or water fitting -
    - (i) complies with an SANS Mark specification; or
    - (ii) a provisional specification issued by the SANS;
  - (c) it is included in the list of water and sanitation installations accepted by the engineer; and
  - (d) no certification marks shall be for a period exceeding two years.
- (4) The municipality may impose any additional condition that it considers necessary as relating to the use, or method of installation, of any pipe or water fitting included in the schedule.
- (5) A pipe or sanitation fitting must be removed from the schedule if it -
  - (a) no longer complies with the criteria upon which its inclusion was based; or

- (b) is no longer suitable for the purpose for which its use was accepted.
- (6) The current schedule must be available for inspection at the office of the municipality at any time during working hours.
- (7) The municipality may sell copies of the current schedule at a charge determined by it.

#### **84. Testing of drainage installations**

- (1) No drainage installation, or any part of one, shall be connected to on-site Sanitation Services nor shall, the municipality's sanitation system be connected to an existing approved installation, unless any one or more of the following tests have been applied in the presence, and to the satisfaction, of the engineer, before the draining installation has been enclosed:
  - (a) the interior of every pipe or series of pipes between two points of access shall be inspected throughout its length by means of a mirror and a source of light, and during the inspection, a full circle of light must appear to the observer, and the pipe or series of pipes must be seen to be unobstructed;
  - (b) a smooth ball having a diameter 12 mm less than the nominal diameter of the pipe shall, when inserted at the higher end of the pipe, roll down without assistance or interruption to the lower end;
  - (c) after all openings to the pipe or series of pipes to be tested, after having been plugged or sealed and after all traps associated with them have been filled with water, air shall be pumped into the pipe or pipes until a manometric pressure of 38 mm of water is indicated, after which the pressure must remain greater than 25 mm of water for a period of at least 3 (three) minutes without further pumping; and
  - (d) all parts of the installation are subjected to and required to withstand an internally applied hydraulic test pressure of not less than a 3 m head of water for a period of not less than 10 minutes.
- (2) If the municipality has reason to believe that any drainage installation or any part of it has become defective, it may require the owner of any premises to conduct any or all of the tests prescribed in subsection (1) and, if the installation fails to pass any test, or all the tests, to the satisfaction of the municipality, the municipality may by notice require the owner to take all reasonable measures that may be necessary to enable the installation to satisfy any or all of them.



**85. Water demand management**

- (1) Notwithstanding the provisions of Sections 158, no flushing urinal that is not user-activated shall be installed or continue to operate in any water installation. All flushing urinals that are not user-activated installed prior to the commencement of these regulations must be converted to user-activated urinals within six months of the commencement of these by-laws.
- (2) No cistern, and related pan designed to operate with such cistern, shall be installed with a cistern capacity of greater than 9 litres and all cisterns not intended for public use shall be fitted with flushing devices allowing interruptible or multiple flushes, provided that such flushing device shall not be required in cisterns with a capacity of 4,5 litres or less.

**CHAPTER 6: WATER SERVICES INTERMEDIARIES****86. Registration**

The municipality may by public notice require Water Services intermediaries or classes of Water Services intermediaries to register with the municipality in a manner specified in the public notice.

**87. Provision of Water Services**

- (1) Water Services intermediaries must ensure that Water Services, including basic services as determined by the municipality, are provided to such persons it is obliged to provide with Water Services.
- (2) The quality, quantity and sustainability of Water Services provided by a Water Services intermediary must meet any minimum standards prescribed in terms of the Act and must at least be of the same standards as provided by the municipality to customers.

#### **88. Charges for Water Services provided**

- (1) A Water Services intermediary may not charge for Water Services at a price which does not comply with any norms and standards prescribed under the Act and any additional norms and standards as may be set by the municipality.
- (2) A Water Services intermediary must provide subsidised Water Services, as determined by the municipality in terms of the Municipality's By-laws relating to Credit Control and Debt Collection from time to time, and provided by the municipality to customers at a price that is the same or less than the charges at which the municipality provides such services.
- (3) In cases where the municipality is required to intervene and carry out any services, the municipality can recover the costs from the Water Services Intermediary.

## **CHAPTER 7: UNAUTHORISED WATER SERVICES**

#### **89. Unauthorised services**

- (1) No person may gain access to Water Services unless it is in terms of an agreement entered into with the municipality for the rendering of those services.
- (2) The municipality may, irrespective of any other action it may take against such person in terms of these by-laws by written notice order a person who is using unauthorised services to -



- (a) apply for such services in terms of Sections 2 and 3; and
- (b) undertake such work as may be necessary to ensure that the customer installation through which access was gained complies with the provisions of these or any other relevant by-laws.

**90. Interference with infrastructure for the provision of Water Services**

- (1) No person other than the municipality shall manage, operate or maintain infrastructure through which Water Services are provided.
- (2) No person other than the municipality shall effect a connection to infrastructure through which Water Services are provided.
- (3) The municipality may recover any costs associated with repairing damage caused as a result of a contravention of subsections (1) and (2). The costs recoverable by the municipality is the full cost associated with repairing the damage and includes, but is not restricted to, any exploratory investigation, surveys, plans, specifications, schedules of quantities, supervision, administration charge, the use of tools, the expenditure of labour involved in disturbing or rehabilitation of any part of a street or ground affected by the repairs and the environmental cost.

**91. Obstruction of access to infrastructure for the provision of Water Services**

- (1) No person shall prevent or restrict the physical access of the municipality to infrastructure through which Water Services are provided.
- (2) If a person contravenes subsection (1), the municipality may -
  - (a) by written notice require such person to restore access at his own expense within a specified period; or
  - (b) if it is of the opinion that the situation is a matter of urgency, without prior notice restore access and recover the cost from such person.
- (3) The costs recoverable by the municipality is the full cost associated with restoring access and includes, but is not restricted to, any exploratory investigation, surveys, plans, specifications, schedules of quantities, supervision, administration charge, the use of tools, the expenditure of labour involved in disturbing or rehabilitation of any part of a street or ground affected by restoring access and the environmental cost.

**92. Waste of water**

- (1) No customer shall permit -
  - (a) the purposeless or wasteful discharge of water from terminal water fittings;
  - (b) pipes or water fittings to leak;
  - (c) the use of maladjusted or defective water fittings; or
  - (d) an overflow of water to persist.
- (2) An owner shall repair or replace any part of his water and sanitation installation which is in such a state of disrepair that it is either causing or is likely to cause an occurrence listed in subsection (1).
- (3) If an owner fails to take measures as contemplated in subsection (2), the municipality shall, by written notice, require the owner to comply with the provisions of subsection (1).
- (4) The municipality may, by written notice, prohibit the use by a customer of any equipment in a water or sanitation installation if, in its opinion, its use of water is inefficient. Such equipment shall not be returned to use until its efficiency has been restored and a written application to do so has been approved by the municipality.

**93. Unauthorised and illegal discharges**

- (1) No person may discharge or cause or permit any sewage to be discharged directly or indirectly into a storm-water drain, river, stream or other water resource, whether natural or artificial.
- (2) The owner or occupier of any premises on which steam or any liquid other than potable water, is stored, processed or generated shall provide all facilities necessary to prevent any discharge or leakage of such liquid to any street, storm water drain or water resource, whether natural or artificial, except where, in the case of steam, the municipality has approved such discharge.
- (3) Where the hosing down or flushing by rainwater of an open area on any premises is in the opinion of the municipality is likely to cause the discharge of objectionable matter into any street, storm water drain, river, stream or other water resource, whether natural or artificial, or to cause or contribute towards the pollution of any such water resource, the municipality may, by notice, require the owner of the premises to take reasonable measures to prevent or minimize such discharge or pollution.

- (4) No person may discharge or cause or permit the discharge of -
- (a) any substance, including storm water, other than sewage, to be discharged into a drainage installation;
  - (b) of water from any swimming pool directly or indirectly over any road or into a gutter, storm water drain, watercourse, open ground or private premises other than the premises of the owner of such swimming pool;
  - (c) water from artificial fountains, reservoirs or swimming pools situated on premises into a drainage installation, without the approval of the municipality and subject to the payment of relevant charges and such conditions as the municipality may impose;
  - (d) any sewage, industrial effluent or other liquid or substance which -
    - (i) in the opinion of the engineer may be offensive to or may cause a nuisance to the public;
    - (ii) is in the form of steam or vapour or has a temperature exceeding 44° C at the point where it enters the sewer;
    - (iii) has a pH value less than 6.0;
    - (iv) contains any substance of whatsoever nature likely to produce or release explosive, flammable, poisonous or offensive gases or vapors in any sewer;
    - (v) contains any substance having an open flashpoint of less than 93°C or which releases a poisonous vapour at a temperature below 93° C;
    - (vi) contains any material of whatsoever nature, including oil, grease, fat or detergents capable of causing obstruction to the flow in sewers or drains or interference with the proper operation of a sewerage treatment works;
    - (vii) shows any visible signs of tar or associated products or distillates, bitumen's or asphalts;
    - (viii) contains any substance in such concentration to produce an undesirable taste after chlorination or an undesirable odor or colour, or excessive foam;
    - (ix) has either a greater PV or COD (Chemical Oxygen Demand) value, a lower pH value, or a higher caustic alkalinity or electrical conductivity than specified in

Schedule A, without the prior approval and subject to the payment of relevant charges and such conditions as the municipality may impose;

- (x) contains any substance which in the opinion of the engineer -
    - (aa) cannot be treated at the sewage treatment work to which it could be discharged;
    - (bb) will negatively affect the treatment processes at the sewage treatment work to which it could be discharged; or
    - (cc) will negatively impact on the ability of the sewage treatment work to produce discharges that meet the waste water discharge standards set in terms of the National Water Act, 1998 (Act No 36 of 1998), or
  - (xi) either alone or in combination with other substance may -
    - (aa) generate or constitute a toxic substance dangerous to the health of persons employed at the sewage treatment works or entering the Council's sewers or manholes in the course of their duties; or
    - (bb) be harmful to sewers, treatment plant or land used for the disposal of treated waste water; or
    - (cc) adversely affect any of the processes whereby sewage is treated or any re-use of sewage effluent.
- (5) No person shall cause or permit the accumulation of grease, oil, fat or solid matter in any drainage installation that will adversely affect its effective functioning.
- (6) The municipality may, notwithstanding any other actions that may be taken in terms of these by-laws, recover from any person who discharges industrial effluent or any substance which is unauthorised or illegal all costs incurred, by the municipality as a result of such discharges, including costs that result from -
- (a) injury to persons, damage to the sanitation system; or
  - (b) a prosecution in terms of the National Water Act, 1998 (Act No 36 of 1998).

**94. Illegal re-connection**

A customer whose access to water supply services have been restricted or disconnected, who intentionally reconnects to services or who intentionally or negligently interferes with infrastructure through which water supply services are provided, shall on written notice be disconnected.

**95. Interference with infrastructure**

- (1) No person may unlawfully and intentionally or negligently interfere with infrastructure through which the municipality provides municipal services.
- (2) If a person contravenes subsection (1), the municipality may -
  - (a) by written notice require such person to seize or rectify the interference at his own expense within a specified period; or
  - (b) if it is of the opinion that the situation is a matter of urgency, without prior notice prevent or rectify the interference and recover the cost from such person.

**96. Pipes in streets or public places**

No person shall for the purpose of conveying water or sewage derived from whatever source, lay or construct a pipe or associated component on, in or under a street, public place or other land owned by or under the control of any municipality, except with the prior written permission of the municipality and subject to such conditions as it may impose.

**97. Use of water from sources other than the water supply system**

- (1) No person shall use or permit the use of water obtained from a source other than the water supply system, such as grey water, raintank or borehole systems, including any such systems which are not connected to the water installation, except with the prior approval of the engineer, and in accordance with such conditions as it may impose, for domestic, commercial or industrial purposes. The use or reuse of blackwater is strictly not permitted
- (2) Any person desiring the consent referred to in subsection (1) shall provide the engineer with evidence satisfactory to it that the water referred to in



subsection (1) complies, whether as a result of treatment or otherwise, with the requirements of

a. SANS 241: Drinking Water, or that the use of such water does not or will not constitute a danger to health.

b. Grey Water Systems, which application must be accompanied by a designed approved and authorised by an associated Professional Engineer. Such design shall include adequate control of smells and pathogens.

c. Rain water and/or borehole water storage shall be housed in purposely designed tank systems, which shall conform to the requirements of the Building Regulations in terms of foundations, structural support, rainwater ducts/piping from roofing structure.

(3) Any consent given in terms of subsection (1) may be withdrawn if, in the opinion of the engineer -

(a) a condition imposed in terms of subsection (1) is breached; or

(b) the water quality no longer conforms to the requirements referred to in subsection (2).

(4) The engineer may take samples of water obtained from a source, other than the water supply system and cause the samples to be tested for compliance with the requirements referred to in subsection (2).

(5) The determined charge for the taking and testing of the samples referred to in subsection (4) above shall be paid by the person to whom consent was granted in terms of subsection (1).

(6) If water obtained from a borehole or other source of supply on any premises is used for a purpose which gives rise to the discharge of such water or a portion thereof into the municipality's sewerage system, the owner or occupier shall install a meter in the pipe leading from such borehole or other source of supply to the point or points where it is so used.

#### **98. Use of on-site Sanitation Services not connected to the sanitation system**

(1) No person shall use or permit the use of onsite Sanitation Services not connected to the municipality's sanitation system except with the prior approval of the engineer, and in accordance with such conditions as it may impose, for domestic, commercial or industrial purposes.

(2) Any person desiring the consent referred to in subsection (1) shall provide the engineer with evidence satisfactory to it that the sanitation facility is not likely to have a detrimental effect on health or the environment.

- (3) Any consent given in terms of subsection (1) may be withdrawn if, in the opinion of the engineer -
- (a) a condition imposed in terms of subsection (1) is breached; or
  - (b) the sanitation facility has a detrimental impact on health or the environment.
- (4) The engineer may undertake such investigations as he or she may deem necessary to determine if a sanitation facility has a detrimental impact on health or the environment.
- (5) The person to whom consent was granted in terms of subsection (1) shall be liable for the costs associated with an investigation undertaken in terms of subsection (2) if the result of the investigation indicates that the sanitation facility has a detrimental impact on health or the environment.

## CHAPTER 8: PROTECTION OF SERVICES

### 99. Protection of municipality's supply mains

- (1) No person may, except with the consent of the municipality and subject to such conditions as may be imposed –
- (a) construct, erect or lay, or permit the construction, erection or laying of any building, structure or other object, or plant trees or vegetation over or in such a position or in such a manner as to interfere with or endanger the water services networks.

- (b) excavate, open up or remove the ground above, next to, under or near any part of the water services networks.
  - (c) damage, endanger, remove or destroy, or do any act likely to damage, endanger or destroy any part of the water services networks; or
  - (d) makes any unauthorised connection to any part of the water services networks or divert or cause to be diverted there from.
- (2) The owner or occupier must limit the planting of trees or similar plants with penetrating root systems in the proximity of any pipelines or any other submerged water service network equipment and must provide a means of protection which in the opinion of the municipality will adequately prevent trees from interfering with the water services underground network.
- (3) Should the owner fail to observe this provision the municipality may, after prior written notification, or at any time in an emergency, order the owner to remove the trees or other vegetation in such a manner as to comply with this provision.
- (3) The municipality may, subject to obtaining an order of court, demolish, alter or otherwise deal with any building, structure or other object constructed, erected or laid in contravention with this by-law.
- (4) The municipality may in the case of an emergency or disaster remove anything damaging, obstructing or endangering or likely to damage, obstruct, endanger or destroy any part of the water services network system.

#### **100. Prevention of tampering with service connection or supply mains**

If the municipality finds it necessary or desirable to take special precautions in order to prevent tampering with any portion of the water services networks, service connection or service controlling device or meter or metering equipment, the municipality may require the customer to either supply and install the necessary protection or pay the costs involved where such protection is supplied by the municipality.

#### **101. Unauthorised connections**

No unauthorised person shall directly or indirectly connect, attempt to connect or cause or permit to be connected any pipe or network of pipes or part thereof to the supply mains or service connection.



**102. Unauthorised re-connections**

- (1) No unauthorised person shall re-connect, attempt to re-connect or cause or permit to be re-connected to the supply mains or service connection any Water Services Network or installations which has or have been disconnected by the municipality.
- (2) Where the supply of water that has been disconnected is found to have been re-connected, the customer using the supply of water shall be liable for all tariffs for water consumed between the date of disconnection and the date the water supply was found to be re-connected and any other tariff raised in this regard.
- (3) The municipality has the right to remove part of or all of the supply equipment until such time as payment has been received in full in which case the customer will be responsible for all the costs associated with the re-instatement of such supply equipment.

**CHAPTER 9: NOTICES****103. Power to serve and compliance with notices**

- (1) The municipality may, by written notice, order an owner, customer or any other person who fails, by act or omission, to comply with the provisions of these by-laws, or to fulfill any condition imposed in it, to rectify his failure within a period specified in the notice, which period shall not be less than thirty days except where a notice is issued in terms of Section 18, when the period shall not be less than seven days.

- (2) If a person fails to comply with a written notice served on him by the municipality in terms of these by-laws within the specified period, it may take such action that in its opinion is necessary to ensure compliance, including -
- (a) undertaking the work necessary itself and recovering the cost of such action or work from that owner, consumer or other person;
  - (b) restricting or discontinuing the provision of services; and
  - (c) instituting legal proceedings.
- (3) A notice in terms of subsection (1) must -
- (a) give details of any provision of the by-laws that has not been complied with;
  - (b) give the owner, consumer or other person a reasonable opportunity to make representations and state his case, in writing, to the municipality within a specified period, unless the owner, consumer or other person was given such an opportunity before the notice was issued;
  - (c) specify the steps that the owner, consumer or other person must take to rectify the failure to comply;
  - (d) specify the period within which the owner, consumer or other person must take the steps specified to rectify such failure; and
  - (e) indicate that the municipality -
    - (i) may undertake any work that is necessary to rectify a failure to comply with a notice and the cost to the municipality of rectification may be recovered from the owner, consumer or other person who has failed to comply with it; and
    - (ii) may take any other action that it considers necessary for ensuring compliance.
- (4) In the event of an emergency the municipality may, without prior notice to anyone, undertake the work required by subsection (3)(e)(i) and recover the costs from a person who, but for the emergency, would have to be notified in terms of subsection (1).
- (5) The costs recoverable by the municipality in terms of subsections (3) and (4) are the full costs associated with that work and includes, but are not restricted to, any exploratory investigation, surveys, plans, specifications, schedules of quantities, supervision, administration charge, the use of tools, the expenditure of labour involved in disturbing or rehabilitation of

any part of a street or ground affected by the work and the environmental cost.

## CHAPTER 10: APPEALS

### 104. Appeals against decisions of the municipality

- (1) A customer may appeal in writing to the engineer against a decision of, or a notice issued by, the municipality in terms of these by-laws.
- (2) An appeal in terms of subsection (1) must be made in writing and lodged with the municipality within 14 (fourteen) days after a customer became aware of the decision or notice and must -
  - (a) set out the reasons for the appeal; and

- (b) be accompanied by any security determined by the municipality for the testing of a measuring device, if it has been tested.
- (3) An appeal must be decided by the municipality within 14 (fourteen) days after an appeal was lodged and the customer must be informed of the outcome in writing, as soon as possible thereafter.
- (4) The decision of the municipality is final.
- (5) The municipality may condone the late lodging of appeals or other procedural irregularities.

## CHAPTER 11: DOCUMENTATION

### 105. Signing of notices and documents

A notice or document issued by the municipality in terms of these by-laws and signed by the engineer shall be deemed to have been duly issued and must on its mere production be accepted by a court as prima facie evidence of that fact.

### 106. Service of notices

- (1) Any notice, order or other document that is served on any person in terms of these by-laws must, subject to the provisions of the Criminal Procedure Act 1977 (Act 51 of 1977), be served personally, falling which it may regarded as having duly been served -
  - (a) when it has been left at a person's village, place of residence, or business or employment in the Republic, with a person apparently over the age of sixteen years;
  - (b) when it has been posted by registered or certified mail to a person's last known residential address or business address in the Republic and an acknowledgement of posting thereof from the postal service is obtained;
  - (c) if a person's address in the Republic is unknown, when it has been served on that person's agent or representative in the Republic in a manner provided for in sub-Sections (a), (b) or (d); or
  - (d) if that person's address and agent or representative in the Republic is unknown, when it has been placed in a conspicuous place on the property or premises, if any, to which it relates.

- (2) Any legal process is effectively and sufficiently served on the municipality when it is delivered to the Municipal Manager or a person in attendance at the Municipal Manager's office.
- (3) When any notice or other document must be authorised or served on the owner, occupier of any property, or of any person who holds a right over, or in respect of it, it is sufficient if that person is described in the notice or other document as the owner, occupier or holder of the right over or in respect of, the property, and shall not be necessary to name him.
- (4) Where compliance with a notice is required within a specified number of working days, the period that is required shall commence on the date when the notice is served or when it has first been given in any other way contemplated in these by-laws.

**107. Authentication of documents**

- (1) Every order, notice or other document requiring authentication by the municipality shall be sufficiently authenticated, if it is signed by the Municipal Manager, by a duly authorised officer of the municipality or by the Manager of the Municipality's authorised agent.
- (2) Authority to authorise, as envisaged in subsection (1) must be conferred by a resolution of the municipality, by a written agreement or by a by-law.

**108. Prima facie evidence**

In legal proceedings by or on behalf of the municipality, a certificate reflecting an amount of money as being due and payable to the municipality, shall, if it is made under the hand of the Municipal Manager, or of a suitably qualified employee of the municipality who is authorised by the Municipal Manager or the Manager of the municipality's authorised agent, shall upon its mere production constitute prima facie evidence of the indebtedness.

## CHAPTER 12: GENERAL PROVISIONS

### 109. Responsibility for compliance with these by-laws

- (1) The owner of premises is responsible for ensuring compliance with these by-laws in respect of all or any matters relating to water and the installation and maintenance of sanitation.
- (2) The customer is responsible for compliance with these by-laws in respect of matters relating to the use of any water and the installation and maintenance of sanitation.

### 110. Provision of information

An owner, occupier, customer or person within the area of supply of the municipality must provide the municipality with accurate information requested by the municipality that is reasonably required by the municipality for the implementation or enforcement of these by-laws.

### 111. Power of entry and inspection

- (1) The municipality may enter and inspect any premises for any purpose connected with the implementation or enforcement of these by-laws, at all reasonable times, after having given reasonable written notice to the occupier of the premises of the intention to do so.
- (2) Any entry and inspection must be conducted in conformity with the requirements of the Constitution of South Africa, 1996, and any other law and, in particular, with strict regard to decency and order, respect for a person's dignity, freedom and security, and personal privacy.
- (3) The municipality may be accompanied by an interpreter and any other person reasonably required to assist the authorised official in conducting the inspection.
- (4) A person representing the municipality must, on request, provide his identification.

### 112. Indemnification from liability

Neither employees of the municipality nor any person, body, organisation or corporation acting on behalf of the municipality is liable for any damage arising from any omission or act done in good faith in the course of his duties unless the damage is caused by a wrongful and intentional act or negligence.



**113. Exemption**

- (1) The engineer may, in writing exempt an owner, customer, any other person or category of owners, customers, ratepayers, users of services from complying with a provision of these by-laws, subject to any conditions it may impose, if he or she is of the opinion that the application or operation of that provision would be unreasonable, or had been unreasonable, provided that the engineer shall not grant exemption from any Section of these by-laws that may result in -
  - (a) the wastage or excessive consumption of water supply services;
  - (b) significant adverse effects on public health, safety or the environment;
  - (c) the non-payment for services; and
  - (d) the Act, or any regulations made in terms of it, not being complied with.
- (2) The Engineer may not deviate from any published tariff in terms of the MFMA.
- (3) The municipality may, at any time after giving written notice of at least thirty days, withdraw any exemption given in terms of subsection (1).
- (4) The Municipal Manager may consider any exemption under the control of the Municipality as provided for by the Municipal Systems Act and the Municipal Finance Management Act

**114. Conflict of law**

In the event of any inconsistency between a provision of this By Law and any other By Law in force within the Municipality, when this By Law takes effect, and which regulates any engineering aspect of the Water Services affairs within the Municipality, the provision of this By Law prevails.

**115. Transitional arrangements**

- (1) Installation work authorised by the municipality prior to the commencement date of these by-laws or authorised installation work in progress on that date shall be deemed to have been authorised in terms of these by-laws; and the municipality may, for a period of 90 (ninety) days after the commencement of these by-laws, authorise installation work in accordance with the by-laws that regulated that work immediately prior to the promulgation of these by-laws.

- (2) Any reference in these by-laws to a charge determined by the municipality shall be deemed to be a reference to a charge determined by the municipality under the laws repealed by Section 48, until the effective date of any applicable charges that may be determined by the municipality in terms of these by-laws, or by-laws relating to Credit Control and Debt Collection, and any reference to a provision in the laws repealed by Section 48 shall be deemed to be a reference to a corresponding provision in these by-laws.
- (3) Any approval, consent or exemption granted under the laws repealed by Section 48 shall, save for the provisions of subsection (3), remain valid.
- (4) No customer shall be required to comply with these by-laws by altering a water installation or part of it which was installed in conformity with any laws applicable immediately prior to the commencement of these by-laws; provided that if, in the opinion of the engineer, the installation, or part, is so defective or in a condition or position that could cause waste or undue consumption of water, pollution of the water supply or a health hazard, the engineer may by notice require the customer to comply with the provisions of these by-laws.

#### **116. Storage tanks**

- (1) Any person who installs a storage tank must install it in such a position that its exterior and interior can readily be inspected, cleaned, and maintained, unless it is a concrete reservoir that is buried or partly sunk into the ground and has been designed, constructed and tested in accordance with SANS 10100-1 and SANS 1200-G where only the interior is accessible for inspection and cleaning.
- (2) No persons may without the written consent of the engineer cause or allow a tank, buried or placed in the ground, to be used for reception or storage of water supplied by the municipality.
- (3) Any person who uses a storage tank to store water of potable quality must ensure that-
  - (a) it is of contamination proof design and in accordance with the requirements of the engineer;
  - (b) the overflow and vent of a contamination proof tank is screened to prevent the ingress of insects, animals, and other sources of pollution, and
  - (c) a contamination proof tank is totally enclosed with no other access to its interior, other than an access panel in its side to facilitate inspection and cleaning, which must be at a level where



the tank cannot be used unless the access panel cover is in place.

- (4) Unless authorised in writing by the engineer, every boiler, steam kettle, or other apparatus for generating steam, gas producer, gas engine, or oil engine or any other apparatus in, or by which water supplied by the municipality is used must be supplied only through a cold water feed tank which utilizes an air gap to separate the incoming mains water from the contents of the tank.

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## CHAPTER 13: OFFENCES

### 112. Offences

- (1) Subject to subsection (2), any person who -
- (a) obstructs or hinders the municipality in the exercising of the powers or performance of functions or duties under these by-laws;
  - (b) uses, tampers or interferes with municipal equipment, the water supply system, sanitation system and reticulation network or consumption of services rendered;
  - (c) contravenes or fails to comply with a provision of these by-laws other than a provision relating to payment for municipal services; and
  - (d) fails to comply with the terms of a notice served upon him in terms of these by-laws; is guilty of an offence and liable on conviction to a fine or in default of payment to imprisonment for a period not exceeding 6 months and in the case of any continued offence, to a further fine, or in default of payment, to imprisonment for every day during the continuance of such offence, after a written notice has been issued by the municipality and served on the person concerned requiring the discontinuance of such an offence.
- (2) No person shall be liable to imprisonment if he is unable to afford to pay a fine, and shall instead be liable to a period of community service.
- (3) Any person committing a breach of the provisions of these by-laws shall be liable to recompense the municipality for any loss or damage suffered or sustained by it in consequence of the breach.

### 117. Repeal of existing municipal Water Services by-laws

The provisions of any by-laws relating to water supply and Sanitation Services by the municipality are hereby repealed insofar as they relate to matters provided for in these by-laws.

### 118. Short title and commencement

- (1) These by-laws are called the Water Services By-laws of the Municipal Council.

- (2) This By Law will become applicable upon the date of publishing this By Law in the Provincial Gazette.
- (3) The municipality may, by notice in the Provincial Gazette, determine that provisions of these by-laws, listed in the notice, do not apply in certain areas within its area of jurisdiction listed in the notice from a date specified in the notice.
- (4) Until any notice contemplated in subsection (3) is issued, these by-laws are binding on all areas within the jurisdictional area of the Municipality of Stellenbosch

**SCHEDULE A**

**LIMITS OF CONCENTRATION OF SUBSTANCES THAT MAY BE DISCHARGED TO THE MUNICIPALITY'S SANITATION SYSTEM**

<b>Parameter</b>	<b>Allowed Specification</b>
pH within range	6,0 – 10,0
Electrical conductivity— not greater than	500 mS / m at 20 °C
Caustic alkalinity (expressed as CaCO <sub>3</sub> )	2 000 mg / l
Substance not in solution (including fat, oil, grease waxes and like substances )	2 000 mg / l
Substances soluble in petroleum ether	500 mg / l
Sulphides, hydro-sulphides and polysulphides (expressed as S)	50 mg / l
Substances from which hydrogen cyanide can be liberated in the drainage installation, sewer or sewage treatment works (expressed as HCN)	20 mg / l
Formaldehyde (expressed as HCHO)	50 mg / l
Non— organic solids in suspension	100 mg / l
Chemical oxygen demand (COD)	5 000 mg / l
All sugars and / or starch (expressed as glucose)	1 500 mg / l
Available chlorine (expressed as Cl)	100 mg / l
Sulphates (expressed as SO <sub>4</sub> )	1 800 mg / l
Fluorine— containing compounds (expressed as F)	5 mg / l
Anionic surface active agents	500 mg / l

**METALS:****Group 1:**

<b>Metal</b>	<b>Expressed as</b>
Manganese	Mn
Chromium	Cr
Copper	Cu
Nickel	Ni
Zinc	Zn
Iron	Fe
Silver	Ag
Cobalt	Co
Tungsten	W
Titanium	Ti
Cadmium	Cd

The total collective concentration of all metals in Group 1 (expressed as indicated above) in any sample of the effluent, shall not exceed 50 mg / l, nor shall the concentration of any individual metal in a sample exceed 20 mg / l.

**Group 2:**

<b>Metal</b>	<b>Expressed as</b>
Lead	Pb
Selenium	Se
Mercury	Hg

The total collective concentration of all metals in Group 2 (expressed as indicated above) in any sample of the effluent shall not exceed 10 mg / l, nor shall the concentration of any individual metal in any sample exceed 5 mg / l.

#### **OTHER ELEMENTS**

<b>Element</b>	<b>Expressed as</b>
Arsenic	As
Boron	B

The total collective concentration of all elements (expressed as indicated above) in any sample of the effluent shall not exceed 20 mg / l.

#### **RADIO-ACTIVE WASTES**

Radio-active wastes or isotopes: Such concentration as may be laid down by the Atomic Energy Board or any National Department:

Provided that, notwithstanding the requirements set out in this Part, the municipality reserves the right to limit the total mass of any substance or impurity discharged per 24 hours into the sanitation system from any premises.

#### **METHOD OF TESTING**

The method of testing in order to ascertain the concentration of any substance in this schedule shall be the test normally used by the municipality for these purposes. Any person discharging any substance referred to in this Schedule shall ascertain the details of the appropriate test from the municipality.

## SCHEDULE B

### APPLICATION FORM FOR THE DISCHARGE OF INDUSTRIAL EFFLUENT TO THE MUNICIPALITY'S SANITATION SYSTEM

I (name):

\_\_\_\_\_

the undersigned, duly authorised to set on behalf of

Name of Company \_\_\_\_\_

Address:

\_\_\_\_\_

\_\_\_\_\_

Contact Details:

Telephone No.

Email

Cell No.

and hereinafter referred to as the applicant, hereby apply in terms of the Water Services By-laws of the Stellenbosch Municipality for approval to discharge industrial effluent into the municipality's sanitation system in accordance with the information provided herein.

The applicant hereby declares and warrants that the information given by him/her in this form, or otherwise, in connection with this application is, to the best of his/her knowledge and belief, in all respects correct.

The applicant agrees that the said information as set out below, shall form the basis on which this application is granted by the municipality.

Thus done at \_\_\_\_\_ by the applicant this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_

Signature : \_\_\_\_\_

Capacity of the  
applicant: \_\_\_\_\_

#### ADMINISTRATIVE INFORMATION:

*Nature of the business or  
industry concerned:*

*Name or style under which the business or industry is conducted:*

*Postal address of the business or industry:*

*Physical street address:*

*Telephone, Fax and Cell Numbers of the Applicant*

*Email Address of the Applicant*

*Property Description*

*Erf No. or Farm Description*

*Township or Farm*

*Is this a new or established business?*

*Short description of industrial or trade process by which the effluent will be produced:*

**Information relating to employees:**

*Total number of daily employees*

*Number of shifts worked per day*

*Number days worked per week*

*Number of persons resident on the premises*

*Is a canteen provided (Indicate with a X)*

**YES**

**NO**



**INFORMATION RELATING TO WATER USE AND WATER CONSUMPTION.**

Provide a flow diagram and water balance showing the position of all water intakes, municipal water meters, internal water meters and sections of the plant served by a water meter.

**Water Use - Anticipated water use if new application**

*Volume of Water purchased from the municipality* Average

*(monthly over the last six month period)*

*Volume of Water from borehole, river or other sources of water used in six months (kl)* Average

**Total Water Use per Month** Average

**Total number of water meters**

**Are other tenants supplied from the same water meter**

**Domestic Effluent Volume Discharged To Sewer.**

*Total number of employees (Allow 1 kilolitre/person/month)*

*Total number of people permanently resident on the premises Allow 1 kilolitre/person/month*

**Total Domestic use kl/Month discharged to sewer**

**Water Consumption**

*Quantity of water in product*

*Quantity of water lost by evaporation*

*Quantity of water used as boiler make-up*

Quantity of water for other uses (e.g. cooling, gardens, etc)

**Total Water Consumed per Month (not going to sewer)**

**Industrial Effluent Volume Discharged to Sewer**

Metered volume (if known) in kl/ Month (six month period) Average

Estimated rate of discharge Maximum - l/hr Mean - l/hr Minimum - l/hr  
litres/hour maximum, minimum, mean

Period of maximum discharge eg. 07:00 to 08:00

Maximum discharge per day kl/day

**If not metered, estimate the volumes.**

Estimated un-metered volume .....kl/ Month

Estimated rate of discharge Maximum - l/hr Mean - l/hr Minimum - l/hr  
litres/hour maximum, minimum, mean

Period of maximum discharge eg. 07:00 to 08:00

Maximum discharge per day kl/day

**Based on the above information please confirm the following:**

Average Total Water Usage in kl/month

Average Domestic effluent discharge to sewer in kl/month

Average Industrial effluent discharge to sewer in kl/month

Industrial effluent discharge as a percentage of the Total Water Usage

**INFORMATION RELATING TO QUALITY OF EFFLUENT DISPOSED OF TO SEWER.**

Identify if any of the following substances or their salts, specified in the table below, are used or formed on the premises, and give the average concentration of this substance likely to be present in the effluent discharged to sewer.

**Information Regarding The Composition Of Industrial Effluent**

*Maximum temperature of effluent °C*

*pH value*

*Nature and amount of Settleable Solids*

*Organic Content (Expressed as Chemical Oxygen Demand)*

<b>Substances or their salts</b>	<b>Usage: yes/no</b>	<b>Average concentration of this substance likely to be present in any effluent discharged to sewer in mg/l</b>
<i>Arsenic mg/l</i>		
<i>Ammonium mg/l</i>		
<i>Boron mg/l</i>		
<i>Cadmium mg/l</i>		
<i>Chromium mg/l</i>		
<i>Cobalt mg/l</i>		
<i>Copper mg/l</i>		
<i>Cyanide mg/l</i>		
<i>Grease and / or oil mg/l</i>		
<i>Iron mg/l</i>		
<i>Lead mg/l</i>		
<i>Manganese mg/l</i>		
<i>Mercury mg/l</i>		
<i>Nickel mg/l</i>		
<i>Nitrate mg/l</i>		
<i>Other (Specify) mg/l</i>		
<i>Selenium mg/l</i>		
<i>Starch and / sugars mg/l</i>		
<i>Sulphate mg/l</i>		

*Sulphide mg/l*

*Synthetic detergents mg/l*

*Tar and / or tar oils mg/l*

*Titanium mg/l*

*Tungsten mg/l*

*Volatile Solvents mg/l*

*Zinc mg/l*

*Others (Specify) mg/l*

### **Off-site Disposal of Industrial Wastes and Sludges**

<b>Description</b>	<b>Volume kg/month</b>	<b>Disposal Site</b>
<i>Volume of Organic Sludge disposed of monthly</i>		
<i>Volume of Chemical Sludge disposed of monthly</i>		
<i>Volume of Metal sludge disposed of monthly</i>		

### **Describe the nature of business and the various processes used on the premises**

**Description:** Add as an Annexure if necessary.

### **Describe any pre-treatment processes.**

This includes Solids Separation (screens), pH control, Settling /Clarification, Sludge Management, and any other pre - treatment processes -

### **Plans of Water and Effluent Reticulation Systems**

Please attach plans to the application

**CONDITIONS RELATING TO THE ACCEPTANCE OF INDUSTRIAL EFFLUENT in terms of Schedule B of the By-laws**

1. The applicant shall attach descriptions and a statement of the dimensions of grease and oil traps, screens, dilution and neutralizing tanks and any other provision made for the treatment of the effluent prior to discharge to the sanitation system.
2. The applicant shall submit to the municipality, if requested, plans showing the reticulation systems on his premises for water and industrial effluent.
3. The applicant shall, in addition to complying with the provisions of the Municipality's Water Services By-laws aimed at the protection of its employees, sewers and treatment plant from damage, comply with any direction concerned with such protection given by the engineer verbally or in writing for the purpose of ensuring the applicant's compliance with the said by-laws.
4. The applicant shall notify the municipality, as soon as possible after he becomes aware thereof, or at least 14 days before anything is done to cause material alteration in the nature or quantity of the industrial effluent specified in this application or in any of the facts stated by him therein.
5. The applicant shall, within 30 days from the date of signature of this application, procure an accurately representative sample of not less than 5 litres of the industrial effluent to be discharged into the sewer, which sample shall be free of domestic sewage, and shall submit one half thereof to the municipality for analysis and also submit to the engineer a report on the sample made by an analyst appointed by him: Provided that in the case of a newly established industry the period specified may be extended by the municipality for a period not exceeding six months or such further extended periods as the municipality in its discretion may approve.
6. The applicant hereby declares and warrants that the information given by him in this form, or otherwise, in connection with this application is, to the best of his knowledge and belief, in all respects correct.
7. The applicant agrees that the said information, being in all respects correct, shall form the basis on which this application is granted by the municipality.

## SCHEDULE C

### FORMULA FOR THE CALCULATION OF EFFLUENT DISCHARGE CHARGES

**Discharge Cost = Basic Tariff + COD Surcharge + Substance Limit  
Tariff Surcharge**

#### DISCHARGE FORMULA:

**Discharge Cost = (Vw) (SVC) + (Vie) (T)  $\frac{(COD - 1000)}{1000}$  + (Vie) (T) (SF)**

Where:-

- Vw** – The total volume in kl of wastewater discharged from the premises during the relevant period.
- SVC** – Sewerage volumetric charge in terms of the Sanitation Tariff (**conveyance and treatment**)
- Vie** – Total volume in kl of Industrial Effluent discharged from the premises during the relevant period
- T** – cost as determined yearly by Council of treatment 1 kl of wastewater
- COD** – Chemical Oxygen Demand
- 1000** – is the accepted average COD as determined by Council entering all the wastewater treatment works under its jurisdiction.

#### Surcharge Factor (SF)

There is a surcharge factor which is a charge in addition to the above formula where an effluent does not comply with one or more of the limits given for the constituents.

**SF** = (X-L)/L where

**X** - concentration of one or more of the parameters listed in Schedule A

**L** - is the limit applicable to the parameter

# **ANNEXURE B**

**WATER SERVICES BY-LAW (2019)**

**PROPOSED OFFENCES AND FINES**

<b>Section Contravened</b>	<b>Description of Offence</b>	<b>Proposed Fine (1)</b>	<b>Fines approved by Magistrate (2)</b>
68(1)	Gaining access to water supply system without permission	R2 500	
83 (a)(b)	Failing to take prescribed measures to protect water supply system and installation against backflow of water	R1 500	
83(a)(b)	Failing to prevent pollution of water	R2 500	
83(a)(b)	Unlawful connection of borehole water supply to a water installation connected to the supply system of the municipality	R1 500	
83(a)(b)	Unlawful connection of non- potable water supply to a potable supply system of the municipality	R2500	
84(1)(2)(3)	Ignore any temporary or permanent water restrictions without written exemption or relaxation of such restrictions by the Municipality	R2 500	
84(1)(a)(i)-(iii)	Unlawful watering of sports field, park or other grassed area as prescribed in the restriction notice	R5 000	
84(1)(a)(ii)	Not adhering to water restrictions by using water during specified hours of the day or on specified days as prescribed in the restriction notice	R5 000	
84(1)(a)(iii)	Not adhering to water restrictions by using water in a specified manner against restrictions as prescribed in the restriction notice	R5 000	
84(1)(b)	Determine and Impose- (i) a restriction on the quantity of water that may be consumed over a specified period;	R5 000	
84(1)(c)	Impose restrictions or prohibitions on the use or manner of use or disposition of an appliance by means of which water is used or consumed, or on the connection of such appliances to the water installation.	R5 000	
84(1) (c)	Failing to ensure that any equipment or plant connected to a water installation uses water in an efficient manner.	R2 500	



## WATER SERVICES BY-LAW (2019)

## PROPOSED OFFENCES AND FINES

85(8)	Allowing interconnections between premises without permission	R2 000	
86(6)(a)-(f)	Owner failing to comply with requirements where measuring device installed by municipality	R1 500	
86(7)(a)	Unlawful disconnection of measuring device	R2 500	
86(7)(b)	Unlawful breaking of a seal on a measuring device	R2 500	
86(7)(c)	Unlawful interference with measuring device	R2 500	
109(2)	Failing to give notice of intention to cause a fire fighting installation to be tested or serviced	R500	
91(1)	Installation of works without Permission	R2 500	
91 (2) (c)	Owner failing to submit certificate of compliance after completion of alteration or installation of water supply and drainage	R1 000	
93(3)	Failing to obtain permission to undertake maintenance on installation outside boundary of premises	R1 000	
92(1) 148(1)(a)-(d)	Permitting a person other than qualified plumber to undertake installation and other work	R1 000	
94	Installation of water for fire fighting purposes not compliant with SANS 0252-1 or SANS 0254	R1 500	
95(1)	Using unauthorised pipes and fittings in installation	R1 500	
97(2)	Installing taps on hand wash basins with maximum flow rate exceeding 6 litres per minute	R1 000	
97(1)	Shower head exceeding the maximum flow rate of 10 litres per minute	R1 000	
99 (1) – (4)	Failing to apply for approval to obtain water from a hydrant	R1 500	
111(4)	Commencing development on premises before installation of connection pipe	R2 000	
111 (1) – (4)	Owner of single connecting sewer failing to comply with requirements of the Engineer	R1 500	
111(3)- (4) 148(1)(a)-(d) (2)(3)	Private persons laying sewers and connecting sewers not compliant with municipality's specifications	R1 500	
111(1) – (4)	Unlawful connection of temporary toilet device to sewer system	R1 000	

114	Installation of interconnection without approval	R1 500	
114	Failing to ensure that no interconnection between premises exist	R1 500	
115	Unlawful opening of sewer connection after being sealed by the Engineer	R2 500	
121 (2) 155(1)	Installation of connecting sewer without approved building plans	R2 500	
122	Failing to notify the municipality prior to disconnection of installation from a sewer	R1 000	
123	Failing to maintain drainage installations	R1 500	
128(1)-(4)	Industrial grease traps must be installed to ensure that industrial effluent which contains, or which, in the opinion of the municipality is likely to contain, grease, oil, fat or in organic solid matter in suspension	R2 500	
132(3)	Failing to ensure visibility and accessibility to septic tanks, conservancy tanks and treatment plants	R1 000	
137(1)	Unlawful discharge of industrial effluent into sanitation system	R2 500	
140(1)(b) 167 (b)	Unlawful interference with or damaging of industrial effluent measurement device	R2 500	
150(1)(a)	Permitting entry of liquid or solid substance into drainage installation before testing	R1 000	
155(1)(2)	Unauthorised interference, obstruction or use of any part of the water services system	R2 500	
151 (2)	Installing a cistern exceeding capacity of 9 litres	R1 000	
151(1)	Installing automatic flushing urinals that are not user activated and exceeding a capacity of 4.5 litres	R1 000	
152	Intermediary failing to register with municipality on request to do so	R3 000	
155(1)	Erecting a toilet directly on top of a municipal or private manhole	R1 500	

**PROPOSED OFFENCES AND FINES  
WATER SERVICES BY-LAW (2019)**

## WATER SERVICES BY-LAW (2019)

## PROPOSED OFFENCES AND FINES

156	Manage, operate or maintain the water services system through which municipal services are provided without being authorised thereto by the Municipality	R2 500	
156(2), 147(1) 155(1), 156(2)	Installation of installations drainage systems without approval	R2 500	
157(1)	Unlawful obstruction of access to supply system of sanitation service	R2 500	
158(1)(a)	Permitting purposeless or wasteful discharge of water	R2 500	
158(1)(b)	Permitting pipes or water fittings to leak	R2 500	
158(1)(c)	Permitting the use of maladjusted or defective water fittings;	R2 500	
158(1)(d)	Permitting an overflow of water to persist	R2 500	
158(4)	Permitting an inefficient use of water to persist	R2 500	
158(2)	Failing to repair or replace any part of a water installation which is in such a state of disrepair that it is either causing or is likely to cause an occurrence listed in section 47(1)	R2 500	
159 (1) - (6)	Unlawful discharge of sewage	R2 500	
159	Permitting or causing polluted water to enter a stream river or other water course	R5 000	
159(4)	Discharging sewage or solid substances into sewage disposal system which do not comply with standards and criteria for discharge	R2 500	
159 (4) (a)	Causing or permitting objectionable discharge into the drainage system	R2 500	
159	Unlawful damage to or endangering the sewage disposal system	R2 500	
159(4)(b)	Unlawful deposit of swimming pool backwash into stormwater system	R1 500	
159 (4)(d)(xi) (cc)	Unlawful use of treated effluent	R1 500	
162	Installation of pipes and or drains in streets or public places without permission	R2 500	

## WATER SERVICES BY-LAW (2019)

## PROPOSED OFFENCES AND FINES

162	Unlawful erection of trees or structures next to or on top of any part of water services system	R1 000	
163(1)	Unlawful access to and use of water services from source other than the Municipal supply system	R2 500	
163 (2)	Failing to provide satisfactory evidence of compliance to requirements of SANS 241 : Drinking Water or that the use of alternative water sources do not or will not constitute a danger to health	R1 500	
164(1)	Unlawful operation of on site sanitation services not connected to the municipal sanitation/sewer system	R2 500	
165 (1) (2)	Fail to comply with any lawful notice / instruction given in terms of this by-law	R2 500	
167(1)(a) 174	Refuse to grant an authorised official access to premises to which that authorised official is duly authorised to have access	R2 500	
167(1)(a) 174	Obstruct, interfere or hinder an authorised official who is exercising a power or carrying out a duty under this by-law	R2 500	
167(1)(a)	Give false or misleading information to an authorised official	R2 500	
173	Fail or refuse to provide an authorised official with a document or information that the person is required to provide under this by-law	R1 500	

Fines applicable to 1<sup>st</sup> Offence only  
 2<sup>nd</sup> offence – no admission of guilt – to appear in Court

WATER SERVICES BY-LAW (NOTICE 3/2019)

LIBRARY	RECEIVED BY	DATE	SIGNATURE
STELLENBOSCH	Thobeka	14/02/19	[Signature]
KAYAMANDI	BABAIWA	14/02/19	[Signature]
JAMESTOWN	B. King	14/2/19	[Signature]
KLAPMUTS	Chevonne	15.02.19	[Signature]
FRANSCHHOEK	Z. Saneva	15/2/19	[Signature]
GROENDAL	S.K.	15:02:19	[Signature]
IDASVALLEY	M.C. Jeffers	14.02.2019	[Signature]
CLOETESVILLE	[Signature]	14.02.19	[Signature]
PNIEL	Bronwyn	14.2.19	[Signature]



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

## MUNISIPALE KENNISGEWING : 3/2019 PUBLIEKE DEELNAME PROSES VIR WATERDIENSTE VERORDENINGE

Kennis geskied hiermee dat Stellenbosch Munisipaliteit in die proses is om die 2017 Waterdienste Verordeninge te hersien en nooi die publiek uit om insette te lewer. Die konsep weergawe sal vanaf **24 Januarie 2019 tot 25 Februarie 2019** vir openbare inspeksie en kommentaar by die al die munisipale bibiloteke in die WC024 area asook op [www.stellenbosch.gov.za](http://www.stellenbosch.gov.za) beskikbaar wees.

Alle kommentaar moet verwys word na die Direkteur: Infrastruktuurdienste

Kontak persoon: Deon Louw  
Tel: 021 808 8213  
E-Pos: [engineering.services@stellenbosch.gov.za](mailto:engineering.services@stellenbosch.gov.za)  
Verwys asseblief in die onderwerpslyn van u epos na 'WATER SERVICES BY-LAW'

**Geraldine Mettler**  
**MUNISIPALE BESTUURDER**

Posbus 17  
STELLENBOSCH  
7599

## PUBLIC NOTICE: 3/2019 CALL FOR COMMENTS ON WATER SERVICES BY-LAW

Notice is hereby given that Stellenbosch Municipality is in the process to review the 2017 Water Services By-Law and invites the public to provide input/comment. The draft by-law will be available for public comment at [www.stellenbosch.gov.za](http://www.stellenbosch.gov.za) and at all the municipal libraries in the WC024 area and on **24 January 2019 to 25 February 2019**.

All comments must be submitted to the Director: Infrastructure Services

Contact person: Deon Louw  
Tel: 021 808 8213  
Email: [engineering.services@stellenbosch.gov.za](mailto:engineering.services@stellenbosch.gov.za)  
Please make mention in the subject line of the email to 'WATER SERVICES BY-LAW'

**Geraldine Mettler**  
**MUNICIPAL MANAGER**

PO BOX 17  
STELLENBOSCH  
7599









11.6	<b>PARKS, OPEN SPACES AND ENVIRONMENT: (PC: XL MDEMKA (MS))</b>
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NONE

11.7	<b>PLANNING AND ECONOMIC DEVELOPMENT: (PC:CLLR E GROENEWALD (MS))</b>
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11.7.1	<b>FEEDBACK ON THE PUBLIC PARTICPATION PROCESS ON THE FUTURE / USE UPGRADE OF THE BRAAK</b>
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Collaborator No: 675450  
IDP KPA Ref No:  
Meeting Date: 22 January 2020

**1. SUBJECT: FEEDBACK ON THE PUBLIC PARTICPATION PROCESS ON THE FUTURE / USE UPGRADE OF THE BRAAK.**

**2. PURPOSE**

To provide feedback on the notice for a public participation process relating to the proposed future use / upgrade of the Braak, which was published in the Eikestad Nuus on 02/05/2019.

**3. DELEGATED AUTHORITY**

Council

**4. EXECUTIVE SUMMARY**

The 25<sup>th</sup> meeting of the Council of the Stellenbosch Municipality authorised the Municipal Manager to follow a public participation process on the proposed future use/upgrade of the Braak, and that following the public participation process Council considers the inputs received before embarking on a Call for Design Proposals.

**5. RECOMMENDATIONS**

- (a) that Council notes the submissions received in response to the notice published to call for public input into the proposed future use / upgrade of the Braak as discussed in 6.1 below and attached as (**APPENDIX A**); and
- (b) that the submitted proposals be advertised for a period of 60 days after which it be resubmitted to Council for final consideration.

**6. DISCUSSION / CONTENTS**

**6.1. Financial Implications**

The cost, after a Call for Proposals, for consultants develop a future use and upgrade plan.

**6.2. Legal Implications**

None at this stage, but early consideration should be given to an appropriate structure to finance and manage the implementation of any future development plans, as well as operational management thereafter.

**6.3. Staff Implications**

This report at this stage has no staff implications to the Municipality.

**6.4. Previous / Relevant Council Resolutions**

25<sup>th</sup> meeting of the Council of the Stellenbosch Municipality, held on 13-03-2019,

7.7.3. Public Participation Process: Future Use / Upgrade of the Braak.

**6.5. Risk Implications**

None at this stage

**6.6. Comments from Senior Management****6.6.1 Director: Planning & Economic Development**

Supported

**6.6.2 Municipal Manager**

Supported

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2020-01-22: ITEM 7.7.1**

- (a) that Council notes the submissions received in response to the notice published to call for public input into the proposed future use / upgrade of the Braak as discussed in 6.1 below and attached as (**APPENDIX A**); and
- (b) that the submitted proposals be advertised for a period of 60 days after which it be resubmitted to Council for final consideration.

**FOR FURTHER DETAILS CONTACT:**

<b>Name</b>	Widmark Moses
<b>Position</b>	<b>Manager: Local Economic Development</b>
<b>Directorate</b>	<b>Planning &amp; Economic Development</b>
<b>Contact Numbers</b>	<b>021 808 8179</b>
<b>E-mail Address</b>	<b>widmark.moses@Stellenbosch.gov.za</b>
<b>Report Date</b>	<b>17-01-2020</b>

# **ANNEXURE A**

**APPENDIX A: SUBMISSIONS RECEIVED**

1. Gaye Barbour
2. Belangegroep Stellenbosch Interest Group
3. Strijdom van der Merwe
4. A combined proposal by the Stellenbosch Heritage Foundation and Visit Stellenbosch
5. Stellinvest (Pty) Ltd

To: [widmark.moses@ Stellenbosch.gov.za](mailto:widmark.moses@ Stellenbosch.gov.za)

Manager: Local Economic Development

From: Gaye Barbour cell. 076 436 4194 dieblomstalletjie29@gmail.com

Input for future use; upgrading of Die Braak

**RECOMMENDATIONS:**

1. Improve night lighting.
2. Speed bumps in Market Street.
3. Amphitheatre.
4. Toilets.
5. Trading stalls and/r shed on eastern side of the Braak, to integrate with town side and create a view point of the Braak and historic buildings.
6. Skate board track on periphery.
7. A fountain feature, incorporating the open water ducts(leivore).
8. Tables on the Bird Street traffic island.
9. Jungle gyms, possibly in the form of sculpture.

**INFORMAL TRADING:**

- A. Examples: Hermanus. The Red Shed, V&A Waterfront. All under one roof. A multi-functional space which could incorporate events and creativity.
- B. Stalls around the periphery.

**HEART OF STELLENBOSCH HUB: ONE-STOP:**

Bike hire, collection point for wine tours, tour guide base.

**STELLENBOSCH INNOVATION CAPITAL:**

The design could incorporate the heritage of the town, embrace present issues and create the future. Innovative recycled material buildings, solar energy, rain water collection, roof gardens.

The BRAAK upgrade could become a world class inspirational model.

Thank you for this opportunity. I have many cultural, design and event ideas, but I trust that the initial input should be brief. I would like to be included in this process.

Kind regards

Gaye Barbour



## Belangegroep Stellenbosch Interest Group

2019-07-30

Manager: Local Economic Development  
Stellenbosch  
[Widmark.moses@stellenbosch.gov.za](mailto:Widmark.moses@stellenbosch.gov.za)

Dear Mr. Moses

### **Future Use / Upgrade of the Braak**

The Stellenbosch Interest Group appreciates the call for proposals to upgrade the Braak.

We are, however, concerned that such an upgrade will simply be another example of piecemeal planning with a focus on a single spatial entity without taking into consideration the broader context (examples of where this was not done are for e.g. Kayamandi Corridor, the recent Idasvalley Market).

Upgrading or beautifying (as quick fix projects) the Braak is thus not supported unless the scope extends beyond the Braak, as grade I heritage resource should not be seen as an isolated spatial entity within the historic core.

For example, should the Braak be transformed into something else (e.g. an integrated public space with multiple uses) then it is best to first draw up a plan (or revise existing plans) for how the Braak should be connected to its immediate surroundings, how street closures in the urban core can be introduced, and how a pedestrianised historic core can be developed (for e.g. to utilise the Braak, VOC Kruithuis, the to be closed down tourism office, toy museum and the open space on cnr of Herte and Market streets, the Voorgelegen complex and gardens behind Checkers parking area and the mill stream area.

We propose that the Kruger Roos report as well as recent other reports such as the Belgium students' report drafted for Stellenbosch Heritage be considered as a starting point to discuss an integrated historic core development strategy and that no funding should be 'wasted' on short-term and piecemeal planning beautification projects of the Braak.

Kind regards

A handwritten signature in dark ink, appearing to read 'PE Botha', written in a cursive style.

Patricia Botha (Chairperson)

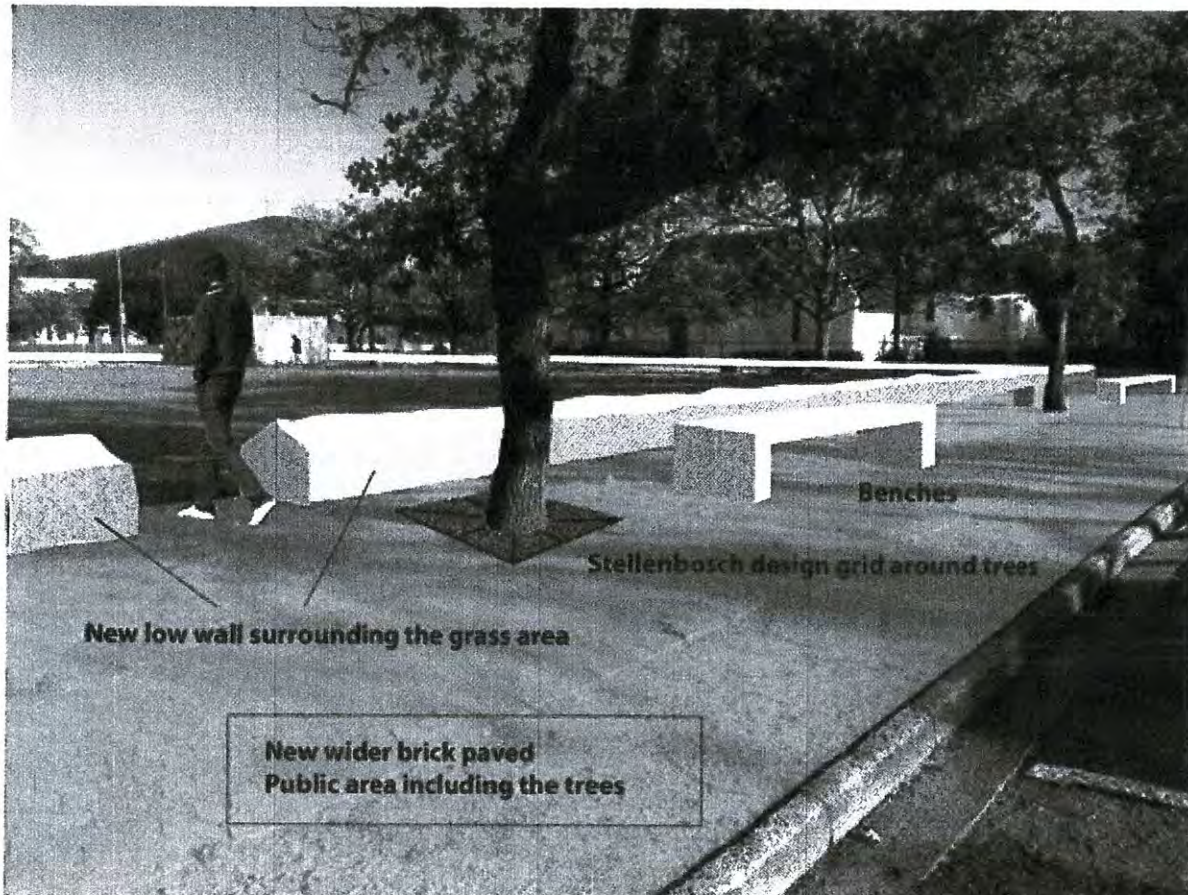


## Proposal for the upgrade of the Braak.

Artist: Strijdom van der Merwe.  
[info@strijdom.com](mailto:info@strijdom.com) / cell: 083 666 3135

### 1. Upgrade of Braak

- . Build a low white wall surrounding the grass area of the Braak excluding trees.
- . Enough openings for pedestrians and 2 or 3 openings for service vehicles.
- . The wider brick paved area including trees and new introduced benches.
- . more of a wider public area around the Braak under trees.
- . Surrounding trees are Stellenbosch design tree grids with logo.





Braak / green grass



Low small white wall

Paved area outside wall including Walk ways and trees, little stalls

Pedestrian entrances And Vichle entrances



2. Upgrade of Braak and parking area underneath.

Braak / green grass

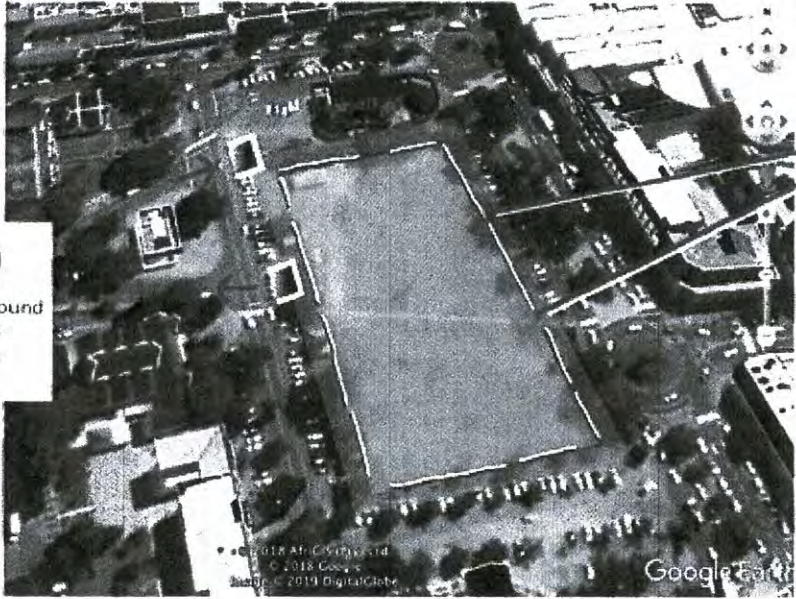


Low small white wall

Paved area outside wall including Walk ways and trees, little stalls

Pedestrian entrances And Vichle entrances

**P**  
Underground  
PARKING  
Entrance  
Exist



## **Proposed process and envisaged proposal call aimed at upgrading Die Braak:**

### **Submission to Stellenbosch Municipality by the Stellenbosch Heritage Foundation, Visit Stellenbosch and Partners**

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#### **Introduction**

At the Stellenbosch Municipality Council meeting of 27 March 2019, the Council considered a process plan for a Proposal Call aimed at the upgrading of Die Braak. Council authorised the Municipal Manager to initiate a 90-day public participation process prior to embarking on a Proposal Call. Municipal Official Notice 31/2019 called for those interested or affected to provide written inputs to the Manager: Local Economic Development by 30 July 2019.

This submission is led by the Stellenbosch Heritage Foundation and Visit Stellenbosch, together with a long list of partners that support the core approach and principles of the submission. (We intend to enter into formal agreements and to establish a special purpose vehicle if the public participation process leads to a Proposal Call. More than fifty individuals in organisations have expressed tentative interest and support to establish a special purpose vehicle for Die Braak and its surroundings, amongst them Historical Homes of South Africa; Het Jan Marais Nationale Fonds; Oude Dorp Inc; and the artist Strijdom van der Merwe.)

In essence, our submission argues for a dedicated agency of interested and affected parties – in partnership with the Municipality – to lead the re-imagining, re-making, and management of Die Braak and surrounds with a view to the precinct contributing meaningfully to the current-day needs of Stellenbosch.

In response to the emphasis of the Council notice – a process for guiding the redevelopment of Die Braak – we focus on process issues for upgrading Die Braak. We also raise aspects of design that should be integrally part of the process.

As indicated in the municipality's 2014 Local Economic Development Strategy and 2016/ 17 IDP, the productive use of Die Braak Area can meet a number of strategic objectives, including strengthening the municipal and regional competitive advantage for sustained growth and broadening citizen participation in the economy.

#### **Die Braak: past and present**

Over centuries, Die Braak functioned as a central village space in Stellenbosch, the focus of communal events, both intermittent and those earmarking special cultural events, celebrations, and remembrance. Historic documents ranging over three centuries depict this accepted use and status of the space. No suggestions were made to use the Braak differently or to develop it during all those years. No document pleading for the preservation of the Braak has been recorded either, which indicates that the townspeople had taken its use and value as granted. Long before the institution of heritage laws, the Braak therefore was protected by villagers' daily use of the space.

Today, the status of Die Braak is less obvious. For some, it is a place best to be avoided, albeit historically meaningful. For others, it is a place to trade, to take shelter at night, or even to engage in what is generally regarded as socially unacceptable.

Die Braak could be described as a “lost” or “loose” space; politically contested and lacking a clear use, meaning, and a commonly agreed understanding of behaviour expected in its use.

The problem of lost or loose public space is a general urban challenge today. In a process of interdependent events and actions, the private vehicle; zoning policy; a shift in the balance between private and public interests; as well as changes in land use in the inner cities; have resulted in the loss of meaning that were traditionally associated with urban open space. Loss of meaning leads to loss of behaviours, norms and rules traditionally attached to human space, in turn to “looseness” or opportunity for other behaviours too manifest.



## What should the area be used for?

A ground rule for urban space is that it should be used; if not used, it deteriorates, and its value is lost. It is a matter of use it or lose the use of it. If an area is not in general use, if there are not enough eyes and ears to ensure that it is safe for the elderly and for children, it will attract people who challenge social norms.

Critical also is that Die Braak should enable different uses, both permanent and intermittent. This recognises our open society, an inclusive concept of citizenship, and, in turn, collective meaning for the space, shared respect, and continuous activity (throughout the year and the day) ensuring safety and suitable behaviour.

As arguably the most important "shared" space in Stellenbosch, Die Braak and surrounds appears appropriate to be the place where government meets the people; where information is provided and shared, a future focus for information related to community programmes aimed at enabling opportunity for citizens.

Given the large number of local and foreign visitors to Stellenbosch – and the growing significance of tourism to many aspects of the local economy and in citizens' livelihood strategies – it would be appropriate for Die Braak to house the local tourism office. Similarly, information offices of other institutions and organisations representing the essence of Stellenbosch (e.g. educational institutions) could be accommodated here.

Die Braak should provide for large gatherings, occasions when many people can come together to attend an event. A large part of it should therefore be retained as an open and unobstructed space, enabling unimpeded pedestrian gathering and movement.

The space should strengthen an environment attractive for business, both formal and informal. In this regard, it could also provide parking – a critical need in the town centre for business success – but accommodated underground, not competing with the core characteristic of urban public space at ground level favouring primarily pedestrian movement and use.

Formal businesses should remain to be accommodated along the edges of Die Braak but encouraged to accommodate people-centred uses along edges of the space. A good example is Checkers, where the owners should be encouraged to reconfigure the building accommodation to contain people-focused restaurant/ café type space along the southern edge of Die Braak, adjoining the Rhenish church and Meulsloot.

Informal business opportunity – in high pedestrian traffic areas – is critical, including the provision of service infrastructure for traders (cover, electricity, water, storage, and so on). The accommodation of underground parking provides an excellent opportunity for also providing storage and servicing space required by informal traders, event managers, and so on in an unobtrusive manner.

Future use of the Rhenish Complex is critical to the role and sustainability of Die Braak as a valued communal space in Stellenbosch. The land comprising the complex was acquired by the Rhenish Mission Society in the first half of the 19th century. Most of the buildings are indicated on the 1817 town plan. The Rhenish Parsonage is used as a toy museum and the Rhenish Institute accommodates the P.J. Olivier Art Museum. The Stellenbosch Tourist Information Centre is located Market Street. The Old Mill garden area is used as a carpark for Checkers. The complex is owned by the Municipality of Stellenbosch and the Western Cape Government.

A number of municipally initiated and supported studies and development frameworks have focused on the complex and its surrounds, including the "Stellenbosch Conservation Strategy and Development Guidelines" (1997), "The Mill Square and Surroundings Proposed Public Structure and Development Framework" (1998), "Die Meulsloot upgrading proposals" (1999), and the "Binnetuin Park Heritage Study" (2005). In December 2014, Heritage Western Cape approved the heritage survey for central Stellenbosch. The Rhenish complex (together with Die Braak and other adjacent buildings) were graded as a "Grade 1 National Heritage Landscape", the only of its kind in the Stellenbosch region.<sup>2</sup>

The Rhenish complex already contains the pre-conditions for a significant cultural precinct and associated regeneration. These include highly valued historic buildings and spaces in an accessible location to all citizens and visitors, and a range of space options, open and enclosed, large and small, and varying in its degree of public exposure or privacy.

All three of the approaches could accommodate underground parking under Die Braak, if or when it is necessary, within the context of a coordinated plan for the Middedorp.

An inclusive and cohesive vision and plan for the upgrading of Die Braak will involve many elements and varied building work. We do not believe it necessary for the whole of such a proposal to be implemented at the same time. It could be phased, as long as a larger plan integrating different elements is adhered to.

Within the focus of inclusion, it is critical that the upgrading of Die Braak is designed for diversity. This would include – over and above both formal and informal opportunity to strengthen business – providing in the needs of:

- Children.
- Group events.
- The disabled and physically challenged (emphasising overcoming the physical barriers that impede or limit access to the area to this group).

As a multifunctional space – and one which should accommodate change over time – it is important that Die Braak is not over-designed, limiting creative use or new uses in future which cannot necessarily be foreseen today.

Critically, the space should be planned and designed for maintenance. Simple solutions should be emphasised, materials which are durable, easy to replace if needed, and climatologically adequate and appropriate. Lighting of the space will be critical to ensure safe use at all hours.

## **Section 2: How should the space be managed?**

Successful urban public space must be used and managed. The process must give appropriate consideration to how the space is to be made safe, activities regulated, and the space maintained and safeguarded from misuse.<sup>6</sup> Rethinking the management and use of Die Braak Area presents a unique opportunity for Stellenbosch to merge older and new development agendas and to bring available competency and energy to bear on remaining historic assets to create a new tourism node or "hotspot" for the town.

Reinstating Die Braak and surrounds as a valued, inclusive, and cohesive space in Stellenbosch town will require dedicated human and financial resources. Given resource constraints within the Municipality, it is unlikely that the Municipality can dedicate full time professionals (with different expertise) and the financial resources to undertake the project. Morally, it would be difficult to justify that the Municipality – with its varied and deep citizen needs spread over a large area – should be primarily responsible for addressing the needs of one area in the Stellenbosch CBD. This is especially so given that private business is set to benefit considerably from the scheme.

Globally, the value of core public spaces and landscapes in historic towns and cities are most effectively unlocked in public-private partnerships or through independent agencies which manage it on behalf of and in close cooperation with the local authorities. The evidence for such alliances is ample across thriving, liveable towns and cities everywhere. These partnerships are typically organised so that each of the participants – public and private – take responsibility for what they do best, which produces an efficient management structure and ideally the one with the most value.

Should it be agreed that it is best to undertake upgrading of Die Braak in an inclusive and cohesive manner, involving surrounding areas, the case for a public-private partnership is stronger. Such an initiative will require considerable integration and coordination of work affecting a range of interests and landowners at all stages of the project; a full-time endeavour requiring dedicated resources.<sup>7</sup>

Well known for the success of its public-private partnership is Central Park in New York. In the sixties and through to the seventies, Central Park decayed. Neglected surfaces, crumbling statues, graffiti and gates locked at sunset were amongst the visible symptoms of underlying class, racial and ethnic tensions. In 1980, the Central Park Conservancy took over management of the park and over the following thirty years raised more than \$500 million and activated hundreds of volunteers and organisations to restore the park.

Middelorp. The Braak and the Rhenish complex should be linked to the end of Church Street and the historic streets and gardens on the west, and also to the schools and Dorp Street at the southern end and Alexander Street at the Northern end.

We also argue that the value of core public spaces and landscapes in historic towns and cities are most effectively unlocked in public-private partnerships or through independent agencies which manage it on behalf of and in close cooperation with the local authorities. The proposed dedicated development and urban management agency for the Stellenbosch Central Business District will be ideally placed to manage, execute, and maintain an upgraded Braak.

**Imagine Die Braak ten years from now ...**

*“What once appeared to be a, ‘lost’ space in the heart of Stellenbosch town is now a choice destination; a vibrant expression of the best of the town’s history, its people and aspirations ...*

*The space and surrounding historic buildings are actively used for corporate offices, public exhibition places, facilities for artisan and crafts-people, learning and trading places. Many forms of cultural expression are noticeable, with a focus on the local and regional. It is the central place of Stellenbosch town, used for a multitude of public gatherings and festivals; it provides livelihood opportunities and is a platform to build community public places in other communities.*

*The municipality’s leadership established a stage where commitment to creative expression, cultural development and an open town is expressed on a daily basis. As a result new signature buildings, sensitive to the surrounding, has been developed, denser tourism and residential housing and more places of entertainment. Die Braak is at the core of a dynamic Middelorp.”*

**Hannes van Zyl**, on behalf of **Stellenbosch Heritage Foundation** ([hannesvzee@gmail.com](mailto:hannesvzee@gmail.com), 083 303 8544)  
**Ben-Carl Havemann**, on behalf of **Visit Stellenbosch** ([bc@rivermanor.co.za](mailto:bc@rivermanor.co.za), 082 872 4208)



4. Images

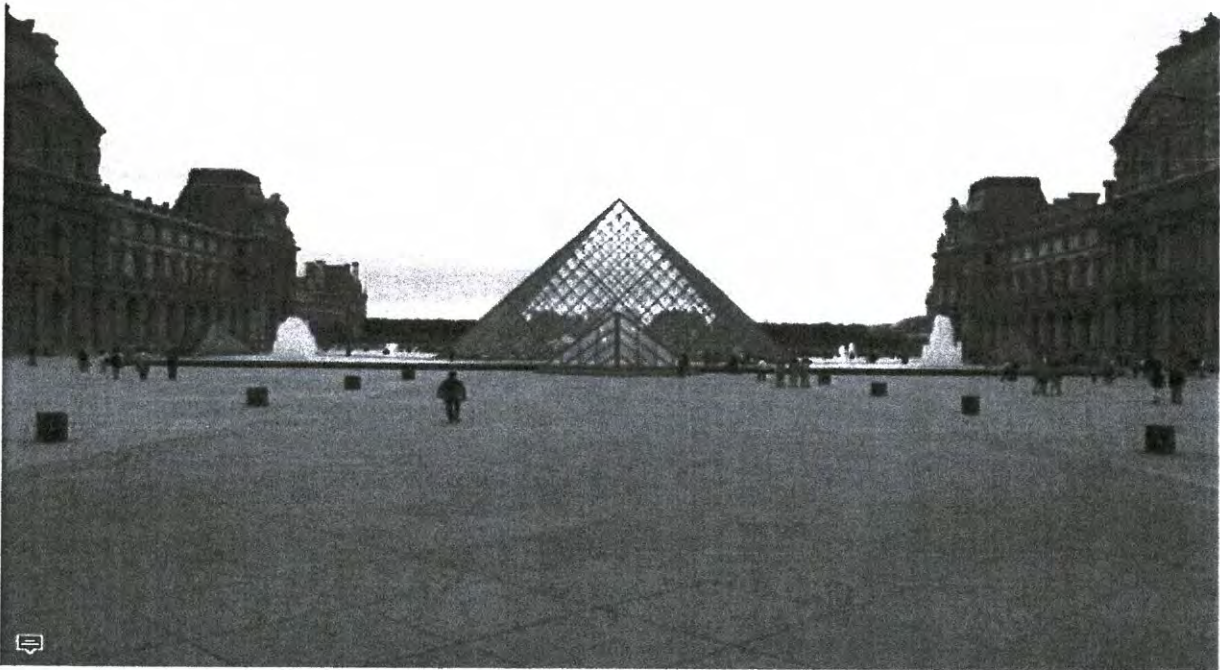


Image: Entrance to Louvre IM Pei, Paris

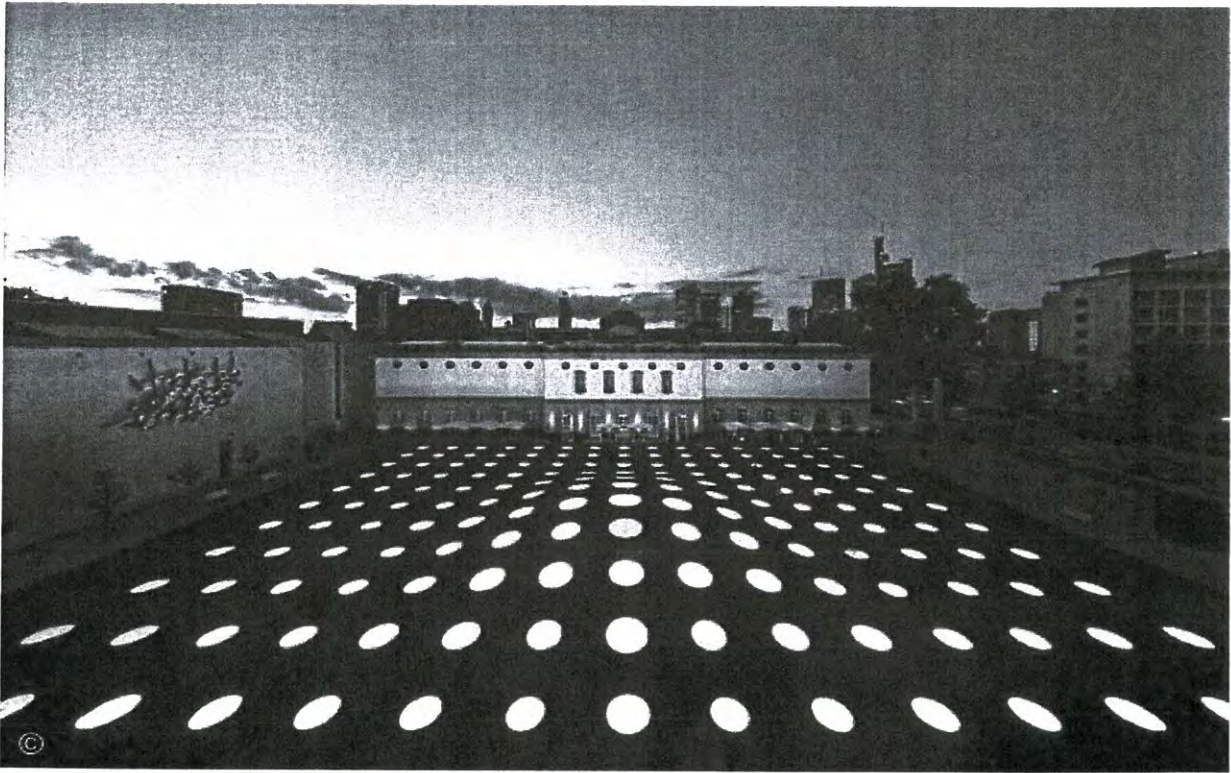


Image: Historic Städel Museum, Frankfurt

#### **8. A Catalyst for job creation and economic development:**

In Stellenbosch, the tourism industry has many opportunities to grow. The benefits that could be derived in terms of employment, investment, and social and economic benefits to our community is significant.

The recent establishment of a new integrated Destination Marketing Organisation (DMO) – called Visit Stellenbosch – unites all stakeholders under a joint destination banner to grow the tourism economy in Stellenbosch for all. It is a much-needed undertaking to realise the significant potential of tourism for Stellenbosch.

In the Western Cape the total direct spend by international visitors (excluding capital spend) exceed R25 billion per year and foreign visitor arrivals at Cape Town International have reached more than 2 million. The industry is a major source of jobs and employs more than 225 000 people in the province - an increase of almost 30% over the past 5 years.

It therefore comes as no surprise that tourism-led growth forms a key pillar of the national government's economic development plan for job creation. In his SONA address in February 2019, President Cyril Ramaphosa announced an ambitious plan to dramatically expand this industry; "The Goal is to reach 21 million by 2030, up from 10 million in 2018".

At the very heart of the long-term plan of Visit Stellenbosch is a determined social development drive that is focussed on job creation and skills development. A very impressive target has been set by the board to create 5000 new tourism-led jobs in Stellenbosch in the next five years. The revival of the Braak Area can play an important role to achieve this.



**OFFICIAL NOTICE: 31/2019  
 IN RESPONSE TO:  
 COUNCIL'S CALL FOR DESIGN PROPOSALS FOR THE POSSIBLE UPGRADE OF  
 THE BRAAK AREA**

**1. The proposal:**

Taking into consideration the great historic importance and notoriety of the Braak, we propose the following plan for utilizing the space of the Braak in helping generating funds and resources for the Stellenbosch Municipality to better serve the needs of the community.

The plan is plain and simple and suggests that a 5 storey below ground parking be constructed below the Braak. The proposed underground parking development strives to provide an additional 2000 to 2500 parkings. This means the parking in town will increase between 62 and 78 percent.

**2. Rational behind the idea:**

As we all know, Stellenbosch town has an unbelievable problem when it comes to the amount of parkings (about 3200 parking spaces in the centre of town), in relation to the amount of people and cars that resides and visits the town daily for business or leisure purposes.

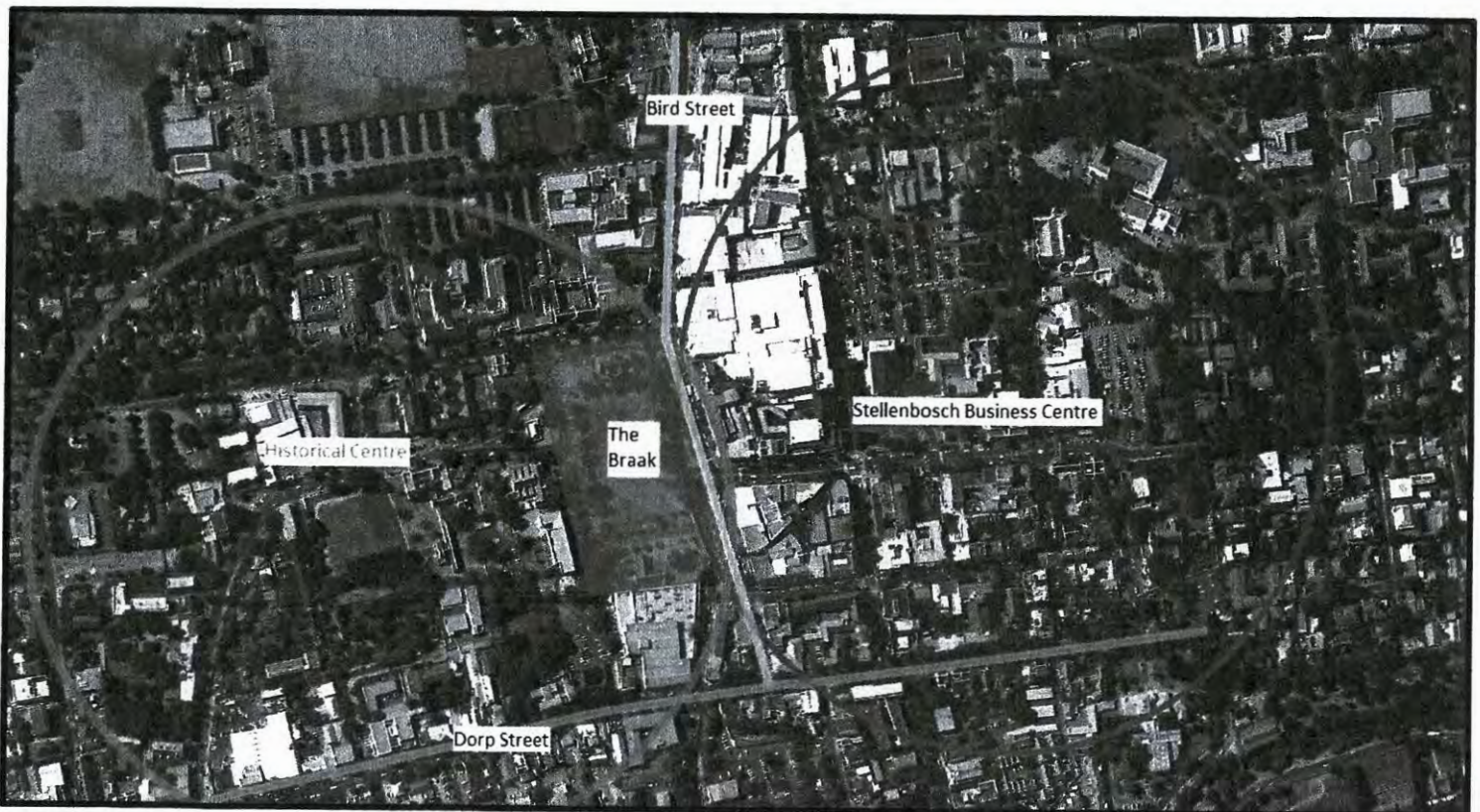


Figure 1: Position of The Braak

Figure 1 depicts the location of the proposed underground parking development in relation to the major business, shopping and historical centres of Stellenbosch. As one can see the location is centrally located and is walking distance from the Eikestad Mall, Municipal administration buildings, University of Stellenbosch, Magistrates Courts, Tourism information centre as well as Dorp Street with all its restaurants and offices.



**3. Possible risks and mitigation there of:**

As stated in the brief of the Municipality the following risks must be mitigated:

1. **Exclusion of the informal traders** – The proposed development will be all underground, the Braak's grass will be rehabilitated as to it was previously if not better. Thus, no interference to the informal traders as they are operating at the moment. The proposed number of parkings of 2000 – 2500 will be of great benefit to these traders because of the increase of feet in the area due to people who parking their cars having to walk past the traders which increases their visual representation of their products to possible customers.
2. **The Braak being declared as a Grade 1 National Heritage site** – Greatest care will be taken when excavations are being done that no Oak trees are damaged in the process. There will be insurance taken out on all the Oak trees on the site. No further disruption of the built up landscape will be done. After the basement parking is done, the grass on The Braak will be put back as to restore it as it is in the state it is now.
3. **High level of ground water** – It is anticipated that the high level of the ground water in Stellenbosch may pose a possible risk. Mitigation of this comprises of pumping this water into the existing borehole in the North Western corner of the site. This water will go straight into the municipal system and will have a positive impact on the Municipality's water scheme.
4. **Traffic** - a Full Traffic Impact Analysis will be done. Provisionally it looks like entrance and exits will be situated in Blom street, which is out of the way of the heavier main thorough through of Mill and Bird Street. See Figure 2 below for tentative proposed flow of traffic.



Figure 2: Tentative traffic Flow Diagram

Figure 2 above shows the proposed flow of traffic. Entrance to the underground parking will be accessible through Blom street. Blom street is accessible through coming up the one way of Mill Street. The exit ramp will flow out to the north of the Braak neat Alexander street. The current little slip way (Parking), will change to an one way towards the big circle in Bird street. This will ensure the effective flow of traffic in and out of the facility, without causing obstruction of the current flow of traffic.

#### **4. Additional factors:**

1. **BEE Level 1** - Nehawu Investment Holdings (NIH) has 51% shareholding in Stellenvest (Pty) Ltd. This makes Stellenvest a Level 1 BEE compliant company.
2. **Job Creation** - The development and management of this underground parking will have a knock on effect for job creation:
  - a. Parking attendants
  - b. Cleaners
  - c. Possible opportunity for a Tuk-Tuk business that can pick people up from the parking area and transport them down to Dorp Street etc.
  - d. Car wash
  - e. Local companies to be used in the maintenance of the facility
3. **Parking alleviation** – This parking development will decrease the parking requirement of the redevelopment of the Old Post Office as well as the proposed Hotel and redevelopment at the Drostyd Square Centre. Also, by the parking development decreasing the parking requirements on the various developments of the surrounding area at the Braak, this will mean that these developments can then densify, because the need for big parking bays at the development will be nullified, and this means more taxable developments that will bolster the Municipality's coffers to serve the community.

#### **5. Financial**

1. It goes without saying that the actual property and the development itself will be and stay the property of the Council. With the development of the underground parking at The Braak, it will mean that this dormant piece of land in the centre of the town will grow massively in its worth, and can be seen as a major monetary physical asset belonging to the Council.
2. The proposed structure would be a profit share between Stellenvest and the Council and would be negotiated with Council. The timeframe would also be negotiated, proposed timeframe is a 20 years agreement with the option to extend it with another 20 years

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<b>11.8</b>	<b>RURAL MANAGEMENT AND TOURISM: (PC: CLLR S PETERS)</b>
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NONE

<b>11.9</b>	<b>YOUTH, SPORT AND CULTURE: (PC: CLLR M PIETERSEN)</b>
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NONE

<b>11.10</b>	<b>MUNICIPAL MANAGER</b>
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NONE

<b>12.</b>	<b>CONSIDERATION OF ITEMS, REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS SUBMITTED VIA THE OFFICE OF THE MUNICIPAL MANAGER</b>
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<b>12.1</b>	<b>MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC): [CLLR WF PIETERSEN]</b>
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NONE



<b>13.</b>	<b>REPORTS BY THE MUNICIPAL MANAGER</b>
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<b>13.1</b>	<b>PERMISSION TO ATTEND A STUDY TOUR TO THE UNITED KINGDOM (UK) AND EUROPE OVER THE PERIOD OF 15 FEBRUARY 2020 UNTIL 29 FEBRUARY 2020</b>
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good governance and compliance

29 January 2020

**1. PERMISSION TO ATTEND A STUDY TOUR TO THE UNITED KINGDOM (UK) AND EUROPE OVER THE PERIOD OF 15 FEBRUARY 2020 UNTIL 29 FEBRUARY 2020**

**2. PURPOSE OF REPORT**

To obtain Council approval to attend a study tour on behalf of the municipality, visiting smart cities in the United Kingdom (UK) and Europe over the period of 15 February 2020 until 29 February 2020.

**3. DELEGATED AUTHORITY**

In terms of 9.2 of the Cost Containment Policy 2019, only the municipal council in a council meeting can approve the international travel for any official or political bearer.

**4. EXECUTIVE SUMMARY**

The Municipal Manager, Ms GL Mettler was invited by a joint Stellenbosch Bridge/University of Stellenbosch group to visit smart cities in Europe. Ms Mettler will represent the Stellenbosch Municipality and the study tour will take place over the period of 15 February 2020 to 29 February 2020. See attached as **APPENDICES 1 AND 2**.

**5. RECOMMENDATIONS**

- a) that Council approves the request for attendance of the study tour;
- b) that Council approves the full travel cost; and
- c) that Council approves the daily allowance for the duration of the tour as well as the cost of the Visa applications.

**6 DISCUSSION / CONTENTS**

**6.1 Background**

The Municipal Manager, Ms Mettler has been invited to attend a tour study on behalf of the municipality where she will be visiting smart cities in the United Kingdom (UK) and Europe over the period of 15 to 29 February 2020.

**Motivation for international travel as per Clause 9 of the Cost Containment Policy**

In terms of Clause 9 of the Cost Containment Policy 2019, the report to council for approval of international travel must include:

- A motivation why the international is seen as critical and fully setting out the anticipated benefit that the municipality will drive from attending the event, meeting or function;

- If international travel to the destination or event was previously undertaken, state what benefits if any derived from the previous attendance;
- The full cost of the international travel including travel allowances to be paid; and
- The proposed officials and political office bearers, not exceeding three, to travel and why they have been identified.

The objective of the tour is to establish what lessons could be learnt and insights gathered to inform the planning and execution of the smart city project. Stellenbosch is in the process of planning for the first smart city in the Western Cape and the purpose is to see how other smart cities operate and to learn from their experience.

Smart Cities attract knowledge, creativity and investment helping to grow the economy.

In an increasingly digital and technology driven age, cities need to look towards new approaches, innovative technologies and smart infrastructure to create an environment that supports both community and economic growth. It combines the physical and digital worlds to deliver a sustainable, prosperous and inclusive future for its citizens.

Stellenbosch aims to be the first smart city in the Western Cape. The objective is to provide peace of mind, allowing people to be inspired, develop and grow. Smart cities promote social and technological innovation, entrepreneurship and optimisation of existing infrastructure. It is about people and should be more resilient and better able to respond to environmental challenges and needs of society. It is efficient, interactive, engaging, adaptive and flexible.

## 6.2 Discussion

The Municipal Manager, Ms Mettler has been invited to attend a tour study on behalf of the municipality where she will be visiting smart cities in the United Kingdom (UK) and Europe over the period of 15 February 2020 to 29 February 2020, for work purposes.

The objective of the tour is to establish what lessons could be learnt and insights gathered to inform the planning and execution of the smart city project. The group will engage in learning, discussions and visual observations on the enterprise and facilities of Kennispark Twente and Novel-T from 19 - 22 February 2020 inclusive.

This will be a highly informative tour and advantageous for all participants. Further to this, the presence of a representative from the municipality will assist in developing the partnership with the University of Stellenbosch and Stellenbosch Bridge for the successful implementation of the project.

## 6.3 Financial Implications

- Final cost estimate was not yet provided by the time the item was submitted.
- All transport cost, including accommodation is in line with the Cost Containment Policy
- Daily allowance as per Cost Containment Policy

## 6.4 Legal Implications

In line with the Cost Containment Policy.

## 6.5 Staff Implications

None

**6.6 Previous / Relevant Council Resolutions**

None

**6.7 Risk Implications**

None

**6.8 Comments from Senior Management**

No comments are required from Senior Management.

**ANNEXURES**

Appendix 1: Invitations

Appendix 2: Study Tour Itinerary

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler
<b>POSITION</b>	Municipal Manager
<b>DIRECTORATE</b>	Municipal Manager
<b>CONTACT NUMBERS</b>	021 808 8025
<b>E-MAIL ADDRESS</b>	<a href="mailto:municipal.manager@ Stellenbosch.gov.za">municipal.manager@ Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	16 January 2020

# **APPENDIX 1**

## **INVITATIONS**





STELLENBOSCH

BRIDGE  
BHULORHO  
BRUG

20 January 2020

Ms Geraldine Mettler

Municipal Manager

Dear Madam

**INVITATION**

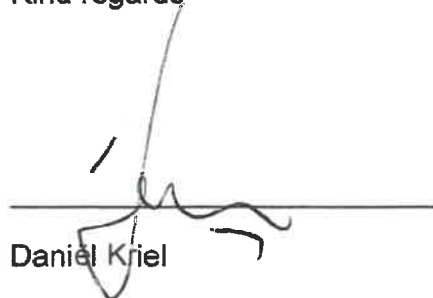
Dear Ms Mettler

I have pleasure in inviting you to join the upcoming study tour by a joint Stb-Bridge/University of Stellenbosch group tour to smart cities in Europe.

~~The trip will take place from 16 to 29 February and I attach the provisional itinerary.~~ The objective of the trip is to establish what lessons we as a group could learn and insights gathered to inform our planning and execution of the smart city project at Stellenbosch Bridge.

We believe it will be highly informative and very advantages for all participants. In addition, the presence of a representative from the municipality will assist in developing the partnership between the US, Stellenbosch Municipality and ourselves which is required for the successful implementation of this ambitious project.

Kind regards



Daniël Kriel

STELLENBOSCH BRIDGE

*connected living*

Stellenbosch Bridge Properties (Pty) Ltd, Cuthberts Building, 33 Plein Street, Stellenbosch, 7600  
VAT No: 4170211983, Reg No: 2003/024513/07

Directors: Daniël Kriel, Klaus-Gustav Göbel, Jaap Du Toit, Rurik Göbel, André Roux

[www.stellenboschbridge.co.za](http://www.stellenboschbridge.co.za)



East Netherlands Development  
Agency  
Laan van Malkenschoten 40  
P.O.Box 1026  
7301 BG Apeldoorn  
+31 88 667 01 00

Info@oostnl.nl  
www.oostnl.com

Visa Section  
Netherlands Consulate  
South Africa

ABN AMRO 45.92.02.340  
KvK Enschede 06060570  
BTW NL 8138.00.973.B01  
IBAN NL 81 ABNA 0459 2023 40  
Statutory: Apeldoorn

To whom it may concern

Date 21 January 2020  
Subject Invitation to visit

Our reference AH/jb/210120

We herewith confirm that OostNL has extended an invitation to the incumbents listed in Addendum A, to visit the institutions of Kennispark Twente & Novel-T in Enschede from 19 to 22 February 2020 inclusive.

The invitation will be for all of them to engage in learnings, discussions and visual observations on the enterprise and facilities of Kennispark Twente / Novel-T.

If you require any further information regarding their visit, please contact us and we will gladly provide you with any further information required.

Agency / Institution: East Netherlands Development Agency / Kennispark Twente / Novel-T  
Address of institutions: Kennispark Twente / Novel-T  
The Gallery, Hengelosestraat 500, 7521 AN Enschede, +31 (0)53 483 6800,  
Contact: Mr Wilbert Pontenagel – Senior Project Leader ; [w.pontenagel@novelt.com](mailto:w.pontenagel@novelt.com) ;  
Ms Anne-Wil Lucas – Area Director Kennispark ; [anne-wil@kennispark.nl](mailto:anne-wil@kennispark.nl)

Yours faithfully

East Netherlands Development Agency (Oost NL)



Bernold Kemperink  
VP Tech, Energy & Mobility  
Mobile phone: +31 6 28 87 60 89

**ADDENDUM A**

Persons invited by Oost Netherlands (Kennis Twente / Novel-T)

Name: Stanislaus Alexander du Plessis

Name: Johannes Lodewikus van Niekerk

Name: Daniel Brink

Name: Aletta Johanna Nel

Name: Daniël Kriel

Name: Klaus-Gustav Göbel

Name: Francois Gerhard Nortje

Name: Garaldine Lezette Mettler



The Bradfield Centre  
Cambridge Science Park  
Milton Road  
Cambridge CB4 0GQ

Visa Section  
United Kingdom Consulate  
South Africa

To whom it may concern

Invitation to visit

We herewith confirm that Cambridge Science Park/Trinity College (CSP Limited) has extended an invitation to the incumbents listed in Addendum A, to visit Cambridge Science Park in Cambridge from 17 to 21 February 2020 inclusive.

The invitation will be for all of them to engage in learnings, discussions and visual observations on the enterprise and facilities of the Cambridge Science Park.

If you require any further information regarding their visit, please contact us and we will gladly provide you with any further information required.

Institution: Cambridge Science Park  
Address: Cambridge Science Park  
The Bradfield Centre  
Science Park, Milton Rd, Cambridge CB4 0GA

Telephone Number: 07540 100512  
Email Address: [jeanette.walker@cambridgesciencepark.co.uk](mailto:jeanette.walker@cambridgesciencepark.co.uk)

Yours faithfully

A handwritten signature in blue ink that reads "J Walker".

Jeanette Walker  
Director, Cambridge Science Park

**ADDENDUM A**

Persons invited by Smart Cambridge

Name: Stanislaus Alexander du Plessis

Name: Johannes Lodewikus van Niekerk

Name: Daniël Brink

Name: Aletta Johanna Nel

Name: Daniël Kriel

Name: Klaus-Gustav Göbel

Name: Francois Gerhard Nortje

Name: Garaldine Lezette Mettler

# **APPENDIX 2**

## **TRAVEL ITINERARY**

## STELLENBOSCH UNIVERSITY / STELLENBOSCH BRIDGE

## INTERNATIONAL TOUR ITINERARY

Date	Intention	Travel mode	Time	From	Arrive	Overnight	Visit
Saturday, 15 February 2020	London	Air		SA	London	London	
Monday, 17 February 2020	Visit	Train / Bus	AM				Here East
Monday, 17 February 2020	Cambridge	Train	PM	London	Cambridge	Cambridge	
Tuesday, 18 February 2020	Visit	Bus/Walk	Day			Cambridge	Enterprise
Wednesday, 19 February 2020	Travel to Netherlands	Trains	AM / PM	Cambridge	Netherlands - Enschede	Kennispark Campus	
Thursday, 20 February 2020	Visit	Bus/Bikes/Walk	Day				Enschede - Kennispark / Novel-T
Thursday, 20 February 2020	Travel to Wageningen	Train	Evening	Enschede	Delft / Wageningen	Delft / Wageningen	
Friday, 21 February 2020	Visit	Bus/Bikes/Walk	Day				Wageningen
Friday, 21 February 2020	Visit	Bus/Bikes/Walk	Day				Delft
Friday, 21 February 2020	Travel to Delft		PM				
Saturday, 22 February 2020	Visit	Bus/Bikes/Walk	Day				
Sunday, 23 February 2020	Visit	Bus/Bikes/Walk	Day				
Sunday, 23 February 2020	Leuven	Trains	AM/PM	Netherland	Leuven	Leuven	
Monday, 24 February 2020	Visit	Trains	Day				Leuven
Tuesday, 25 February 2020	Nuremberg	Flight	AM/PM	Brussels	Nuremberg		
Tuesday, 25 February 2020	Wunsiedel	Bus / Train	PM	Nuremberg	Wunsiedel	Wunsiedel	
Wednesday, 26 February 2020	Visit	Bus / walk	AM				Siemens
Wednesday, 26 February 2020	Munich / Nuremberg	Bus / Train	PM	Wunsiedel			
Thursday, 27 February 2020	/ Sohia Antipolis	Flight	PM		Nice	Sophia-Antipolis	
Thursday, 27 February 2020	Visit		Day				SKEMA + Science Park
Friday, 28 February 2020	Possible visit						SKEMA + Science Park
Friday, 28 February 2020	Travel to SA	Flight	AM / PM	Nice			
Saturday, 29 February 2020	Arrive SA				Cape Town		

13.2	<b>PERMISSION TO ATTEND THE WORLD URBAN FORUM IN ABU DHABI, UNITED ARAB EMIRATES FROM 8 TO 13 FEBRUARY 2020</b>
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Collaborator No:

IDP KPA Ref No:

Good governance and Compliance

Meeting Date:

29 January 2020

**1. PERMISSION TO ATTEND THE WORLD URBAN FORUM IN ABU DHABI, UNITED ARAB EMIRATES FROM 8 TO 13 FEBRUARY 2020**

**2. PURPOSE OF REPORT**

To obtain Council approval to attend the 10<sup>th</sup> Session of the World Urban Forum (WUF) that will be hosted by the government of the United Arab Emirates from 8 to 13 February 2020 in Abu Dhabi under the theme: *“Cities of Opportunities: Connecting Culture and Innovation”*.

**3. DELEGATED AUTHORITY**

In terms of 9.2 of the Cost Containment Policy 2019, only the municipal council in a council meeting can approve the international travel for any official or political bearer.

**4. EXECUTIVE SUMMARY**

The Manager of the Project Management Unit, Ms M Francis, was nominated to participate as one of the members of the learning network group that will represent Stellenbosch Municipality. The invitation for the Integrated Urban Development Framework (IUDF) will take place from 8 to 13 February 2020 in Abu Dhabi, United Arab Emirates.

The invitation by the Learning Network, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), sponsor’s one person from a municipality to attend the WUF. Sponsorship also includes return economy class tickets from Johannesburg to Abu Dhabi as well as accommodation in Abu Dhabi. See attached as **APPENDIX 1**. The municipality will only be responsible for the provision of cost of domestic return flights from Cape Town to Johannesburg as well as the daily allowance.

**5. RECOMMENDATIONS**

- (a) that Council approves the request for attendance of the World Urban Forum;
- (b) that Council approves the cost of the domestic travel allowances to be paid; and
- (c) that Council approves the daily allowance for the duration of the forum as well as the cost of the Visa application.

**6. DISCUSSION / CONTENTS**

**6.1 Background**

Ms Francis has been nominated to attend the forum on behalf of the municipality where she will be visiting Abu Dhabi in the United Arab Emirates from 8 to 13 February 2020.



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**Motivation for international travel as per Clause 9 of the Cost Containment Policy**

In terms of Clause 9 of the Cost Containment Policy 2019, the report to council for approval of international travel must include:

- A motivation why the international is seen as critical and fully setting out the anticipated benefit that the municipality will drive from attending the event, meeting or function;
- If international travel to the destination or event was previously undertaken, state what benefits if any derived from the previous attendance;
- The full cost of the international travel including travel allowances to be paid; and
- The proposed officials and political office bearers, not exceeding three, to travel and why they have been identified.

The objective of the trip is to participate as one of the municipalities in terms of the experience in the implementing of urbanization. The WUF is a platform where advice between all stakeholders are shared in order to enhance the development of human settlements.

The WUF was established by the United Nations to examine one of the most pressing problems facing the world today – rapid urbanization and its impact on communities, climate change and policies. During 2002 the first meeting was held in Nairobi and since then the Forum has grown tremendously. The purpose of the WUF is to advise the Executive Director of the UN-Habitat and President of the Habitat Assembly on key issues that should inform the work of the UN Habitat and all key stakeholders in the field of human settlements and urban development. The WUF is one of the most open, transparent, and inclusive gatherings of its kind on the international stage.

The platform will be a great opportunity to showcase the proposed development of the Northern Extension as well as the challenges the municipality experience to provide basic services in the informal settlements. During the session of 11 February 2020 under the theme 'Voices from the Cities' municipalities will have an opportunity to present their experiences to the rest of the world. It will also be a privilege to obtain advice from experienced stakeholders present at the forum.

**6.2 Discussion**

The Manager of the Project Management Unit, Ms M Francis, was nominated to participate as one of the members of the learning network group that will represent Stellenbosch Municipality. The invitation for the Integrated Urban Development Framework (IUDF) will take place from 8 to 13 February 2020 in Abu Dhabi, United Arab Emirates., for work purposes.

The objective of the trip is to establish what lessons could be learnt and insights gathered to inform the planning and execution urbanization. The forum will engage in learning, discussions from 8-13 February 2020 inclusive.

**6.3 Financial Implications**

Cost of domestic return flights and daily allowance.

**6.4 Legal Implications**

In line with the Cost Containment Policy.

**6.5 Staff Implications**

None

**6.6 Previous / Relevant Council Resolutions**

None

**6.7 Risk Implications**

None

**6.8 Comments from Senior Management**

Comments are required from Senior Management.

**ANNEXURES**

Appendix 1: Invitation

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler
<b>POSITION</b>	Municipal Manager
<b>DIRECTORATE</b>	Municipal Manager
<b>CONTACT NUMBERS</b>	021 808 8025
<b>E-MAIL ADDRESS</b>	<a href="mailto:municipal.manager@stellenbosch.gov.za">municipal.manager@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	23 January 2020

# **APPENDIX 1**

## **INVITATION**



## cooperative governance

Department:  
Cooperative Governance  
REPUBLIC OF SOUTH AFRICA

Private Bag X804, Pretoria, 0001 Tel: (012) 334 0600, Fax: (012) 334 0603  
Cnr 87 Hamilton and Johannes Ramokhoase Street, Arcadia, Pretoria

Enq: Nomkita Fani  
Tel no 012 334 0726

City of Mbombela – Mr W Khumalo  
City of uMhlathuze – Dr N Sibeko  
KwaDukuza LM – Mr N Mdakane  
Polokwane LM – Mr D Makobe  
Stellenbosch Municipality – Ms G Mettler  
Steve Tshwete LM – Mr B Khenisa

Dear Municipal Managers

### **INVITATION FOR IUDF - ICM LEARNING NETWORK MEMBERS TO PARTICIPATE AT THE WORLD URBAN FORUM IN ABU DHABI, UNITED ARAB EMIRATES**

The 10<sup>th</sup> Session of the World Urban Forum will be hosted by the government of the United Arab Emirates from 8 to 13 February 2020 in Abu Dhabi under the theme: *“Cities of Opportunities: Connecting Culture and Innovation”*

The World Urban Forum (WUF) was established by the United Nations to examine inter alia one of the most pressing problems facing the world today - rapid urbanization and its impact on communities, cities, economies, climate change and policies. Since the first meeting in Nairobi, Kenya in 2002, the Forum has grown in size and stature as it travelled to Barcelona (Spain) in 2004, Vancouver (Canada) in 2006, Nanjing (China) in 2008, Rio de Janeiro (Brazil) in 2010, Naples (Italy) in 2012, and Medellin (Colombia) in 2014, and Kuala Lumpur (Malaysia) in 2018. WUF 8 was replaced by the Third United Nations Conference on Housing and Sustainable Urbanisation (Habitat III) in Quito, Ecuador in 2016.

The purpose of the WUF is to advise the Executive Director of UN-Habitat and President of the Habitat Assembly on key issues that should inform the work of UN Habitat and all key stakeholders in the field of human settlements and urban development. The WUF is one of the most open, transparent and inclusive gatherings of its kind on the international stage. It brings together government leaders, ministers, mayors, diplomats, members of national, regional and international associations of local governments, non-governmental and community organizations, professionals, academics, grassroots women's organizations, youth and slum dweller groups as partners working for better cities and human settlements.

South Africa has played a significant role in the establishment of WUF. The former Minister of Housing, Ms Sankie Mahanyele, was the first chairperson of WUF from 2002 to 2004. Since then, South Africa has actively participated in every session of WUF.

The development of the IUDF as South Africa's urban policy was influenced by the recommendations of WUF 6 in 2012. The IUDF became very instrumental in the development of New Urban Agenda which was adopted in Ecuador, in 2016.

For WUF 10, as the Department of Cooperative Governance we have been afforded an opportunity to showcase our ICM Peer Learning Network as a mechanism to implement our national urban policy. It is on this basis that we would like to invite you to join the Department to attend the 10<sup>th</sup> Session of the World Urban Forum and share your experiences as a municipality in implementing the national urban policy.

The said session is scheduled to take place on **11 February 2020**, under the theme: "Voices from the Cities." This will allow municipalities to share with their counterparts their experiences in implementing the national urban policy.

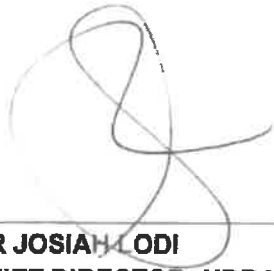
Acknowledging the late notification, we have requested our partner in the Learning Network, GIZ, to sponsor at least one person from the municipalities to attend the WUF. This sponsorship includes return economy class tickets from Johannesburg to Abu Dhabi as well as accommodation in Abu Dhabi. Should the municipality wish to send more than one representative, that will be to the cost of the municipality itself.

Please note that those who will be attending WUF 10 need to register online on the WUF10 website (registration is free) before 31 January 2020. Please also note that there visa requirements – visa application form is attached and you will need at least 7 days before departure date.

Those who are taking up the GIZ sponsorship offer must send their names to our Ms Nomkita Fani who will link them up with the GIZ official responsible for the logistical arrangements.

For any clarity or additional information, kindly feel free to contact Ms Nomkita Fani at 072 335 2518 email: [nomkitaf@coqta.gov.za](mailto:nomkitaf@coqta.gov.za)

Kind Regards



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**MR JOSIAH LODI**  
**CHIEF DIRECTOR: URBAN DEVELOPMENT PLANNING**

Date: 26/01/20

<b>13.3</b>	<b>MUNICIPAL DEMARCATION BOARD: DELIMITATION OF WARDS 2019/20 PROCESS</b>
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**Collaborator No:**

**IDP KPA Ref No:**

**Good governance and compliance**

**Meeting Date:**

**29 January 2020**

**1. SUBJECT: STATUS REPORT - MUNICIPAL DEMARCATION BOARD: DELIMITATION OF WARDS 2019/20 PROCESS**

**2. PURPOSE**

To report on the status of the above process undertaken by the Municipal Demarcation Board in preparation for the 2021 elections.

**3. DELEGATED AUTHORITY**

Council for noting

**4. EXECUTIVE SUMMARY**

The MDB is in the process of delimiting wards for all metropolitan and local municipalities in preparation for the 2021 elections. Following the publication of the number of councillors by the MEC (Annexure 1) responsible for local government the MDB calculated the number of wards, norms and variances for each municipality. Thereafter the MDB conducted technical consultation sessions with GIS and Planning officials in local and metropolitan municipalities during September 2019. These sessions sought to attain optimal configuration of the draft wards and to address any geographic challenges experienced by municipalities since the finalisation of wards in the previous round of ward delimitations in 2016. Draft wards for all metropolitan and local municipalities have been finalised (Annexure 2 – Draft Set 1 – Stellenbosch Municipality) for public consultation on 14 February 2020. Draft wards are meant to facilitate and guide inputs during the forth-coming public consultation session(s). Draft wards have no legal status, therefore members of the public and stakeholders are encouraged to engage with them and, if necessary, provide inputs on how the final wards should be configured.

It is important to note that the above process does not include demarcation or re-determination of municipal boundaries but only delimitation of wards.

**5. RECOMMENDATIONS**

- (a) that Council take note of the status of the Municipal Demarcation Board: Delimitation of Wards in preparation for the 2021 elections, as well as the associated timeframes for the conclusion of the process;
- (b) that Council take note of the Draft Set 1 Ward Boundaries for Stellenbosch Municipality; and
- (c) that Council take note of the upcoming Municipal Demarcation Board public consultation session scheduled for 14 February 2020.

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

The MDB has commenced with the ward delimitation process for the 2021 elections. After the MDB calculated the number of wards, norms and variances for each municipality, draft ward boundaries were drawn during a work session held by the MDB and officials from Stellenbosch Municipality on 20 September 2019 at the Cape Winelands District Municipality offices in Worcester. The above work session was purely a technical exercise in preparing a draft set of ward boundaries that conform to the set provisions. These maps have no legal status and merely serve as a starting point in the upcoming consultation process. The following information, as prescribed, was taken into account in the drawing of the draft ward boundaries:

a) Number of wards

The number of wards in a municipality is determined by dividing the number of councillors by two. If the number of councillors determined is uneven number, as in Stellenbosch Municipality's case (45), the fraction is rounded off upwards (23). This means that Stellenbosch Municipality has 23 wards as apposed to 22 in 2016.

b) Number of registered voters in each voting district

The number of registered voters in each voting district comes from the national common voters roll that was certified and divided into municipal segments by the Independent Electoral Commission (IEC) during 2016.

c) Number of registered voters allowed per ward (the norm)

The number of registered voters allowed per ward is determined by dividing the total number of registered voters in a municipality (2016) by the number of wards. The result of this calculation is referred to as the norm. The MDB is allowed to deviate 15% from this norm. The idea is that all the wards within a municipality should have approximately the same number of voters.

During the above work session adjacent voting districts were clustered together to form a ward in an attempt to ensure that the number of registered voters in a ward are within the calculated norm for the municipality. This process was repeated for all the wards within Stellenbosch Municipality to ensure compliance.

In terms of the information provided by the MDB, based on the total registered voters in Stellenbosch Municipality (WC024) of 95 454 the NORM (also see Table 1 below) per ward is calculated at 4150.

Table 1: MDB Formula

WC024	Norm (Reg. Voters)	Norm - Min	Norm - Max	15% Variance
	4 150	3 528	4 772	622

**6.2 Discussion**

Given the above information only eleven (11) of the 2016 Stellenbosch Municipality wards complied with the latest MDB formula. Various amendments were proposed (Annexure 2 – Draft Set 1 – Stellenbosch Municipality) to bring Stellenbosch Municipality into full compliance.

The MDB program in the finalization of new ward boundaries is as follows:

Table 2: MDB Program

Activity	Dates	Responsibility	Status
Ward awareness campaigns	November 2018	MDB	Completed
Receive certified voter's role from the IEC	April 2019	IEC	Completed
Publication of formulae to calculate number of councillors	July 2019	Minister of COGTA	Completed
Publication of number of councillors by Provincial MEC responsible for Local Government	July – September 2019	provincial MEC responsible for local government	Completed
Configuration of draft set of wards	September – October 2019	MDB	Completed
Media broadcast of consultation on Draft Set 1 Wards	January – April 2020	MDB	
Public consultation on Draft Set 1 Wards	January – April 2020	MDB	
Publication of Draft Set 2 Wards	May 2020	MDB	
Media broadcast of consultation on Draft Set 2 Wards	May 2020	MDB	
Consideration of objections	June 2020	MDB	
Publication of final wards	July 2020	MDB	
Media broadcast of publication of final wards	July 2020	MDB	
Ward handover to the IEC – Press Release	August 2020	MDB	

Stellenbosch Municipality's public consultation on the Draft Set 1 Wards is scheduled to take place on 14 February 2020 in the Stellenbosch Town Hall.

### 6.3. Financial Implications

This report has no financial implications for the Municipality.

### 6.4. Legal Implications

This report has no legal implications for the Municipality. It is prepared in the interest of transparency and good governance.

### 6.5 Staff Implications

This report has no staff implications to the Municipality.

### 6.6 Previous / Relevant Council Resolutions

There are no previous Council Resolutions relevant to this round of ward delimitations.



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**6.7 Risk Implications**

As stated above this report is prepared in the interest of transparency and good governance. The risk is that Council is not informed of the current ward delimitation process undertaken by the MDB and miss out on an opportunity to participate.

**ANNEXURES:**

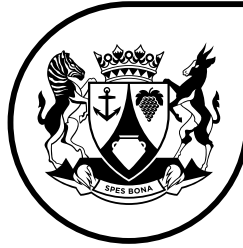
Annexure 1: Minister Publication (7 August 2019)

Annexure 2: Draft Set 1 Wards: Stellenbosch Municipality

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Schalk van der Merwe
<b>POSITION</b>	Environmental Planner
<b>DIRECTORATE</b>	Community and Protection Services
<b>CONTACT NUMBERS</b>	021 808 8679
<b>E-MAIL ADDRESS</b>	schalk.vandermerwe@stellenbosch.gov.za
<b>REPORT DATE</b>	23 January 2020

# **ANNEXURE A**



Western Cape Government • Wes-Kaapse Regering • URhulumente weNtshona Koloni

PROVINCE OF THE WESTERN CAPE

PROVINSIE WES-KAAP

IPHONDO LENTSHONA KOLONI

## Provincial Gazette Extraordinary

## Buitengewone Provinsiale Koerant

## Isongezelelo kwiGazethi yePhondo

8137

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8137

Wednesday, 7 August 2019

Woensdag, 7 Augustus 2019

uLwesithathu, 7 kweyoThupha 2019

Registered at the Post Office as a Newspaper

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Ibhaliswe ePosini njengePhephandaba

### CONTENTS

### INHOUD

### IZIQULATHO

(\*Reprints are obtainable at Room M21, Provincial Legislature Building, 7 Wale Street, Cape Town 8001.)

(\*Afskrifte is verkrygbaar by Kamer M21, Provinsiale Wetgewer-gebou, Waalstraat 7, Kaapstad 8001.)

(\*Ushicilelo oLutsha lufumaneka kwigumbi M21, kwiSakhiwo sePhondo seNdlu yoWisomthetho, 7 Wale Street, eKapa 8001.)

#### Provincial Notice

#### Provinsiale Kennisgewing

#### ISaziso sePhondo

The following Provincial Notice is published for general information:

Die volgende Provinsiale Kennisgewing word vir algemene inligting gepubliseer:

Esi saziso silandelayo sipapashelwe ukunika ulwazi ngokubanzi:

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**PROVINCIAL NOTICE**

The following Provincial Notice is published for general information.

MR H.C. MALILA,  
ACTING DIRECTOR-GENERAL

Provincial Legislature Building,  
Wale Street,  
Cape Town.

**PROVINSIALE KENNISGEWING**

Die volgende Provinsiale Kennisgewing word vir algemene inligting gepubliseer.

MNR H.C. MALILA,  
WAARNEMENDE DIREKTEUR-GENERAAL

Provinsiale Wetgewer-gebou,  
Waalstraat,  
Kaaipstad.

**ISAZISO SEPHONDO**

Esi saziso silandelayo sipapashelwe ukunika ulwazi ngokubanzi.

MNU H.C. MALILA,  
IBAMBELA MLAWULI-JIKELELE

ISakhiwo sePhondo,  
Wale Street,  
eKapa.

**PROVINCIAL NOTICE**

P.N. 85/2019

7 August 2019

**LOCAL GOVERNMENT: MUNICIPAL STRUCTURES ACT, 1998 (ACT 117 OF 1998)****DETERMINATION OF THE NUMBER OF COUNCILLORS FOR CATEGORY A, B AND C MUNICIPALITIES**

By virtue of the powers vested in me by section 18(3) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), I hereby give notice of the number of councillors determined for the Category A, and each of the Category B and Category C municipalities in the Province of Western Cape, as contained in the Schedule hereto.

This notice repeals Provincial Notice 264/2014 of 6 October 2014 and comes into effect from the date of the next general municipal election.

Dated this 5th day of August 2019.

**AW BREDELL, PROVINCIAL MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING.**

**SCHEDULE****Number of Councillors determined for Municipalities in the Province of Western Cape**

<b>Category A Municipality</b>		
<i>Municipality</i>	<i>Registered Voters (March 2019)</i>	<i>Number of Councillors determined by the Provincial Minister of Local Government</i>
City of Cape Town (CPT)	2 008 243	231
<b>Category B Municipalities</b>		
Matzikama Municipality (WCO11)	30 741	15
Cederberg Municipality (WCO12)	25 805	11
Bergrivier Municipality (WCO13)	26 926	13
Saldanha Bay Municipality (WCO14)	59 593	27
Swartland Municipality (WCO15)	50 015	23
Witzenberg Municipality (WCO22)	47 522	23
Drakenstein Municipality (WCO23)	132 012	65
Stellenbosch Municipality (WCO24)	95 454	45
Breede Valley Municipality (WCO25)	77 996	41
Langeberg Municipality (WCO26)	43 508	23
Theewaterskloof Municipality (WCO31)	58 654	27
Overstrand Municipality (WCO32)	57 821	27
Cape Agulhas Municipality (WCO33)	20 435	11
Swellendam Municipality (WCO34)	19 722	11
Kannaland Municipality (WCO41)	14 735	7
Hessequa Municipality (WCO42)	32 320	17
Mossel Bay Municipality (WCO43)	62 750	29
George Municipality (WCO44)	103 451	55
Oudtshoorn Municipality (WCO45)	52 693	25
Bitou Municipality (WCO47)	28 880	13
Knysna Municipality (WCO48)	40 842	21
Laingsburg Municipality (WCO51)	4 588	7
Prince Albert Municipality (WCO52)	7 626	7
Beaufort West Municipality (WCO53)	26 317	13

<i>Municipality</i>	<i>Registered Voters (March 2019)</i>	<i>Number of Councillors determined by the Provincial Minister of Local Government</i>
<b>Category C Municipalities</b>		
West Coast District Municipality (DC1)	193 080	25
WCO11	30 741	
WCO12	25 805	
WCO13	26 926	
WCO14	59 593	
WCO15	50 015	
Cape Winelands District Municipality (DC2)	396 492	41
WCO22	47 522	
WCO23	132 012	
WCO24	95 454	
WCO25	77 996	
WCO26	43 508	
Overberg District Municipality (DC3)	156 632	23
WCO31	58 654	
WCO32	57 821	
WCO33	20 435	
WCO34	19 722	
Garden Route District Municipality (DC4)	335 671	35
WCO41	14 735	
WCO42	32 320	
WCO43	62 750	
WCO44	103 451	
WCO45	52 693	
WCO47	28 880	
WCO48	40 842	
Central Karoo District Municipality (DC5)	38 531	15
WCO51	4 588	
WCO52	7 626	
WCO53	26 317	

### PROVINSIALE KENNISGEWING

P.K. 85/2019

7 Augustus 2019

#### WET OP PLAASLIKE REGERING: MUNISIPALE STRUKTURE, 1998

#### BEPALING VAN DIE GETAL RAADSLEDE VAN KATEGORIE A, B EN C MUNISIPALITEITE

Uit hoofde van die gesag aan my verleen deur artikel 18(3) van die Wet op Plaaslike Regering: Munisipale Strukture, 1998 (Wet 117 van 1998), gee ek hierby kennis van die getal raadslede wat bepaal is vir elkeen van die Kategorie A en elk van die Kategorie B en Kategorie C munisipaliteite in die Provinsie Wes-Kaap, wat in die Bylae hierby vervat is.

Hierdie kennisgewing herroep Provinsiale Kennisgewing 264/2014 van 6 Oktober 2014 en tree in werking vanaf die datum van die volgende algemene munisipale verkiesing.

Gedateer op hierdie 5de dag van Augustus 2019.

**AW BREDELL, PROVINSIALE MINISTER VAN PLAASLIKE REGERING, OMGEWINGSAKE EN ONTWIKKELINGS-BEPLANNING.**

#### BYLAE

#### Getal Raadslede bepaal vir Munisipaliteite in die Provinsie Wes-Kaap

<b>Kategorie A Munisipaliteit</b>		
<i>Munisipaliteit</i>	<i>Geregistreeerde Kiesers (Maart 2019)</i>	<i>Getal Raadslede soos bepaal deur die Provinsiale Minister van Plaaslike Regering</i>
Stad Kaapstad	2 008 243	231
<b>Kategorie B Munisipaliteite</b>		
Munisipaliteit Matzikama (WCO11)	30 741	15
Munisipaliteit Cederberg (WCO12)	25 805	11
Munisipaliteit Bergrivier (WCO13)	26 926	13
Munisipaliteit Saldanhabaai (WCO14)	59 593	27
Munisipaliteit Swartland (WCO15)	50 015	23
Munisipaliteit Witzenberg (WCO22)	47 522	23
Munisipaliteit Drakenstein (WCO23)	132 012	65
Munisipaliteit Stellenbosch (WCO24)	95 454	45

<i>Munisipaliteit</i>	<i>Geregistreerde Kiesers (Maart 2019)</i>	<i>Getal Raadslede soos bepaal deur die Provinsiale Minister van Plaaslike Regering</i>
Munisipaliteit Breede Vallei (WCO25)	77 996	41
Munisipaliteit Langeberg (WCO26)	43 508	23
Munisipaliteit Theewaterskloof (WCO31)	58 654	27
Munisipaliteit Overstrand (WCO32)	57 821	27
Munisipaliteit Kaap Agulhas (WCO33)	20 435	11
Munisipaliteit Swellendam (WCO34)	19 722	11
Munisipaliteit Kannaland (WCO41)	14 735	7
Munisipaliteit Hessequa (WCO42)	32 320	17
Munisipaliteit Mosselbaai (WCO43)	62 750	29
Munisipaliteit George (WCO44)	103 451	55
Munisipaliteit Oudtshoorn (WCO45)	52 693	25
Munisipaliteit Bitou (WCO47)	28 880	13
Munisipaliteit Knysna (WCO48)	40 842	21
Munisipaliteit Laingsburg (WCO51)	4 588	7
Munisipaliteit Prins Albert (WCO52)	7 626	7
Munisipaliteit Beaufort-Wes (WCO53)	26 317	13
<b>Kategorie C Munisipaliteite</b>		
Weskus Distriksmunisipaliteit (DC1)	193 080	25
WCO11	30 741	
WCO12	25 805	
WCO13	26 926	
WCO14	59 593	
WCO15	50 015	
Kaapsewvynland Distriksmunisipaliteit (DC2)	396 492	41
WCO22	47 522	
WCO23	132 012	
WCO24	95 454	
WCO25	77 996	
WCO26	43 508	
Overberg Distriksmunisipaliteit (DC3)	156 632	23
WCO31	58 654	
WCO32	57 821	
WCO33	20 435	
WCO34	19 722	
Tuinroete Distriksmunisipaliteit (DC4)	335 671	35
WCO41	14 735	
WCO42	32 320	
WCO43	62 750	
WCO44	103 451	
WCO45	52 693	
WCO47	28 880	
WCO48	40 842	
Sentraal Karoo Distriksmunisipaliteit (DC5)	38 531	15
WCO51	4 588	
WCO52	7 626	
WCO53	26 317	

## ISAZISO SEPHONDO

I.S. 85/2019

7 uAgasti 2019

## URHULUMENTE WENQILA: UMTHETHO, IMUNICIPAL STRUCTURES ACT, 1998 (ACT 117 OF 1998)

## UKUMISELWA KWENANI LOOCEBA BOOMASIPALA KWISIGABA A, B NO-C

Ngokwegunya endilinkweyo ngokwecandelo 18(3) lomthetho, worhulumente benqila government: Municipal Structures, Act, 1998 (Act 117 of 1998), njengoko ulungisiwe, ndikhupha isaziso esimalunga neenani looceba abamiselweyo koomasipala kwiSigaba A, iSigaba B neSigaba C.

Esi saziso sirhoxisa isaziso sePhondo 264/2014 Oktobha 2014 siza kuqala ukusebenza ngomhla wonyulo ngokubanzi oluzayo loomasipala.

Umhla esikhutshwe ngawo-5 uAgasti ka-2019

## AW BREDELL, UMPHATHISWA WEPHONDO LOORHULUMENTE BOMMANDLA, IMICIMBI YENDALO NOCWANGCISO LOPHUHLISO.

## ISHEDYULI

## Inani looCebaanbamiselwe ukujongana nooMasipala kwiPhondo leNtshona Koloni

<b>OoMasipala kwiSigaba A</b>		
<i>uMasipala</i>	<i>Aba Voti abaBhalisiweyo (kuMatshi 2019)</i>	<i>Inami looCeba omiselwe nguMphathiswa wePhondo wooMasipala</i>
Isixeko sasekapa (iMetro)	2 008 243	231
<b>OoMasipala kwiSigaba B</b>		
UMasipala waseMatzikama (WCO11)	30 741	15
UMasipala waseCederberg (WCO12)	25 805	11
UMasipala waseBergrivier (WCO13)	26 926	13
UMasipala waseSaldanha Bay (WCO14)	59 593	27
UMasipala waseSwartland (WCO15)	50 015	23
UMasipala waseWitzenberg (WCO22)	47 522	23
UMasipala waseDrakenstein (WCO23)	132 012	65
UMasipala waseStellenbosch (WCO24)	95 454	45
UMasipala waseBreede Valley (WCO25)	77 996	41
UMasipala waseLangeberg (WCO26)	43 508	23
UMasipala waseTheewaterskloof (WCO31)	58 654	27
UMasipala waseOverstrand (WCO32)	57 821	27
UMasipala waseCape Agulhas (WCO33)	20 435	11
UMasipala waseSwellendam (WCO34)	19 722	11
UMasipala waseKannaland (WCO41)	14 735	7
UMasipala waseHessequa (WCO42)	32 320	17
UMasipala waseMossel Bay (WCO43)	62 750	29
UMasipala waseGeorge (WCO44)	103 451	55
UMasipala waseOudtshoorn (WCO45)	52 693	25
UMasipala waseBitou (WCO47)	28 880	13
UMasipala waseKnysna (WCO48)	40 842	21
UMasipala waseLaingsburg (WCO51)	4 588	7
UMasipala wasePrince Albert (WCO52)	7 626	7
UMasipala waseBeaufort West (WCO53)	26 317	13
<b>OoMasipala kwiSigaba C</b>		
UMasipala weSithili SaseWest Coast (DC1)	193 080	25
WCO11	30 741	
WCO12	25 805	
WCO13	26 926	
WCO14	59 593	
WCO15	50 015	
UMasipala weSithili SaseCape Winelands (DC2)	396 492	41
WCO22	47 522	
WCO23	132 012	
WCO24	95 454	
WCO25	77 996	
WCO26	43 508	

<i>uMasipala</i>	<i>Aba Voti abaBhalisiweyo (kuMatshi 2019)</i>	<i>Inami looCeba omiselwe nguMphathiswa wePhondo wooMasipala</i>
UMasipala weSithili SaseOverberg (DC3)	156 632	23
WCO31	58 654	
WCO32	57 821	
WCO33	20 435	
WCO34	19 722	
UMasipala weSithili SaseGarden Route (DC4)	335 671	35
WCO41	14 735	
WCO42	32 320	
WCO43	62 750	
WCO44	103 451	
WCO45	52 693	
WCO47	28 880	
WCO48	40 842	
UMasipala weSithili SaseCentral Karoo (DC5)	38 531	15
WCO51	4 588	
WCO52	7 626	
WCO53	26 317	



# **ANNEXURE B**

MUNICIPAL DEMARCATION BOARD : DELIMITATION OF MUNICIPAL WARDS IN TERMS OF THE LOCAL GOVERNMENT : MUNICIPAL STRUCTURES ACT, 1998.

**MUNICIPALITY NAME**

**Stellenbosch Local Municipality**

**MUNICIPALITY CODE**

**WC024**

**NUMBER OF REGISTERED VOTERS 95454**

**NUMBER OF COUNCILLORS 45**

**NUMBER OF WARDS 23**

**Min Norm 3528**

**Norm 4150**

**Max Norm 4772**

Ward 1 comprises of a total of 4345 registered voters.  
 Wyk 1 bestaan uit 'n totaal van 4345 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98370018	DALUBUHLE PRIMARY SCHOOL	2613	
98370029	FRANSCHHOEK TOWN HALL	1732	

Ward 2 comprises of a total of 4719 registered voters.  
 Wyk 2 bestaan uit 'n totaal van 4719 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98370030	GROENDAL SECONDARY SCHOOL	2799	
98370041	WHITEHEAD HALL-GROENDAL SPORT GROUND	918	
98430251	FRANSCHHOEK ESTATE SECURITY & TRAINING CENT	1002	Yes

Ward 3 comprises of a total of 3534 registered voters.  
 Wyk 3 bestaan uit 'n totaal van 3534 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98430172	ST GEORGES CHURCH PNIEL	1927	
98430183	GROOT DRAKENSTEIN GAMES CLUB	522	
98430251	FRANSCHHOEK ESTATE SECURITY & TRAINING CENT	30	Yes
98430093	WEMMERSHOEK PRIMARY SCHOOL	1055	

Ward 4 comprises of a total of 4527 registered voters.  
 Wyk 4 bestaan uit 'n totaal van 4527 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400157	VGK HALL KYLEMORE	1011	
98400236	KYLEMORE COMMUNITY HALL	1860	
98390010	PNIEL TLC HALL	1656	

Ward 5 comprises of a total of 3532 registered voters.  
 Wyk 5 bestaan uit 'n totaal van 3532 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400191	EIKESTAD PRIMARY SCHOOL	90	Yes
98400146	KREEFGAT PARK (TENT - C/O HECTOR & DAVY STR)	2498	
98420081	AKKERLAND CRECHE	521	
98420115	RUSTENBERG COMMUNITY HALL	423	
<b>Ward 6 comprises of a total of 4071 registered voters.</b>			
<b>Wyk 6 bestaan uit 'n totaal van 4071 geregistreeerde kiesers.</b>			
MIN VOTERS/KIESER 3528	NORM 4150	MAX VOTERS/KIESER 4772	

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400203	KLAPMUTS PRIMARY SCHOOL	500	
98400078	AF LOUW PRIMARY SCHOOL	400	Yes
98420069	VGK KOELENHOF	697	
98400124	IDAS VALLEY PRIMARY SCHOOL	2474	

<b>Ward 7 comprises of a total of 4301 registered voters.</b>			
<b>Wyk 7 bestaan uit 'n totaal van 4301 geregistreeerde kiesers.</b>			
MIN VOTERS/KIESER 3528	NORM 4150	MAX VOTERS/KIESER 4772	

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400135	HOERSKOOL STELLENBOSCH	4301	

<b>Ward 8 comprises of a total of 3837 registered voters.</b>			
<b>Wyk 8 bestaan uit 'n totaal van 3837 geregistreeerde kiesers.</b>			
MIN VOTERS/KIESER 3528	NORM 4150	MAX VOTERS/KIESER 4772	

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400113	DIE STAL	3837	Yes

<b>Ward 9 comprises of a total of 3570 registered voters.</b>			
<b>Wyk 9 bestaan uit 'n totaal van 3570 geregistreeerde kiesers.</b>			
MIN VOTERS/KIESER 3528	NORM 4150	MAX VOTERS/KIESER 4772	

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400113	DIE STAL	2300	Yes
98400089	STELLENBOSCH TOWN HALL	1270	Yes

Ward 10 comprises of a total of 3807 registered voters.  
 Wyk 10 bestaan uit 'n totaal van 3807 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400078	AF LOUW PRIMARY SCHOOL	1863	Yes
98400102	CHRIST CHURCH HALL	1944	Yes

Ward 11 comprises of a total of 3532 registered voters.  
 Wyk 11 bestaan uit 'n totaal van 3532 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400090	VAN DER STEL SPORTS CLUB	1449	Yes
98400292	STELLENBOSCH SCOUT'S HALL	1261	
98420070	OLD APOSTOLIC CHURCH OF SA (HIGHMEAD FARM)	822	

Ward 12 comprises of a total of 3552 registered voters.  
 Wyk 12 bestaan uit 'n totaal van 3552 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400258	KAYA MANDI HIGH SCHOOL	2183	Yes
98400315	KAYAMANDI PRIMARY SCHOOL	1369	Yes

Ward 13 comprises of a total of 3675 registered voters.  
 Wyk 13 bestaan uit 'n totaal van 3675 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400247	PRESBYTERIAN CHURCH OF AFRICA	600	Yes
98400067	ST JOHNS ANGLICAN CHURCH	3075	

Ward 14 comprises of a total of 4690 registered voters.  
 Wyk 14 bestaan uit 'n totaal van 4690 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400315	KAYAMANDI PRIMARY SCHOOL	600	Yes
98400214	MAKUPULA SECONDARY SCHOOL	4090	

Ward 15 comprises of a total of 4738 registered voters.  
 Wyk 15 bestaan uit 'n totaal van 4738 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400045	LEGACY HALL	2439	
98400247	PRESBYTERIAN CHURCH OF AFRICA	1849	Yes
98400315	KAYAMANDI PRIMARY SCHOOL	450	Yes

Ward 16 comprises of a total of 4761 registered voters.  
 Wyk 16 bestaan uit 'n totaal van 4761 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400023	EIKESTADSAAL	3346	
98400034	CLOETESVILLE PRIMARY SCHOOL	1415	

Ward 17 comprises of a total of 4700 registered voters.  
 Wyk 17 bestaan uit 'n totaal van 4700 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400012	RIETENBOSCH PRIMARY SCHOOL	2081	Yes
98400304	WELGEVONDEN ESTATE MAIN ENTRANCE (TENT)	2619	

Ward 18 comprises of a total of 4627 registered voters.  
 Wyk 18 bestaan uit 'n totaal van 4627 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400203	KLAPMUTS PRIMARY SCHOOL	4627	

Ward 19 comprises of a total of 4184 registered voters.  
 Wyk 19 bestaan uit 'n totaal van 4184 geregistreerde kiesers.

MIN VOTERS/KIESER 3528

NORM 4150

MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98420137	KOELLENHOF CATHOLIC PRIMARY SCHOOL	836	
98420104	DE NOVO COMMUNITY HALL	552	
98420058	BOTTELARY SPORTS CLUB	940	

98400326 TENT (NEXT CLOETESVILLE SPORTSGROUND) 467

98400012 RIETENBOSCH PRIMARY SCHOOL 400 Yes

Ward 20 comprises of a total of 4136 registered voters.  
 Wyk 20 bestaan uit 'n totaal van 4136 geregistreeerde kiesers.  
 MIN VOTERS/KIESER 3528 NORM 4150 MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98420025	MOOIBERGE CHURCH HALL	896	
98420036	RAITHBY METHODIST CHURCH	1221	
98420047	VLOTTENBURG VGK CHURCH HALL	1959	
98400180	STELLENZICHT SEKONDERE SKOOL	60	Yes

Ward 21 comprises of a total of 4766 registered voters.  
 Wyk 21 bestaan uit 'n totaal van 4766 geregistreeerde kiesers.  
 MIN VOTERS/KIESER 3528 NORM 4150 MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400168	CHRISTIAN BROTHERS CENTRE	2843	
98400180	STELLENZICHT SEKONDERE SKOOL	1923	Yes

Ward 22 comprises of a total of 4320 registered voters.  
 Wyk 22 bestaan uit 'n totaal van 4320 geregistreeerde kiesers.  
 MIN VOTERS/KIESER 3528 NORM 4150 MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400179	RHENISH GIRLS HIGH SCHOOL	2490	
98400191	EIKESTAD PRIMARY SCHOOL	1830	Yes

Ward 23 comprises of a total of 3530 registered voters.  
 Wyk 23 bestaan uit 'n totaal van 3530 geregistreeerde kiesers.  
 MIN VOTERS/KIESER 3528 NORM 4150 MAX VOTERS/KIESER 4772

VOTING DISTRICT No. STEMDISTRIK No.	VOTING STATION NAME STEMLOKAAL NAAM	NUMBER OF VOTERS GETAL KIESERS	SPLIT VD VERDEELDE SD
98400089	STELLENBOSCH TOWN HALL	1200	Yes
98400102	CHRIST CHURCH HALL	550	Yes
98400090	VAN DER STEL SPORTS CLUB	580	Yes
98400258	KAYA MANDI HIGH SCHOOL	1200	Yes

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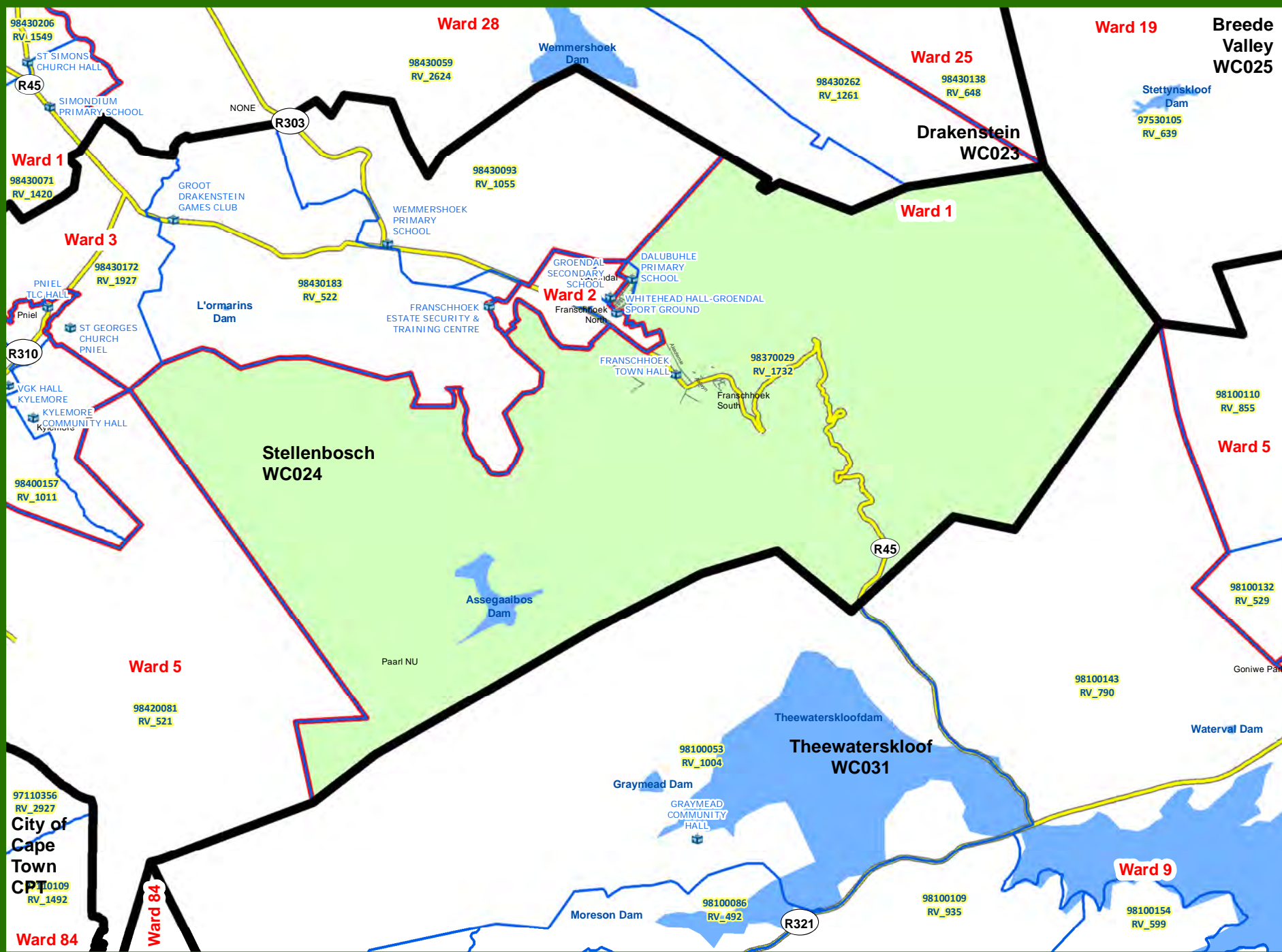
Legend

- Local Municipalities
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- Voting Districts
- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>4345</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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FOR CONSULTATION

DECEMBER 2019



City of  
Cape  
Town  
CPT  
98100109  
RV\_1492

Breede  
Valley  
WC025

Theewaterskloof  
WC031

Ward 84

Ward 84

Ward 9



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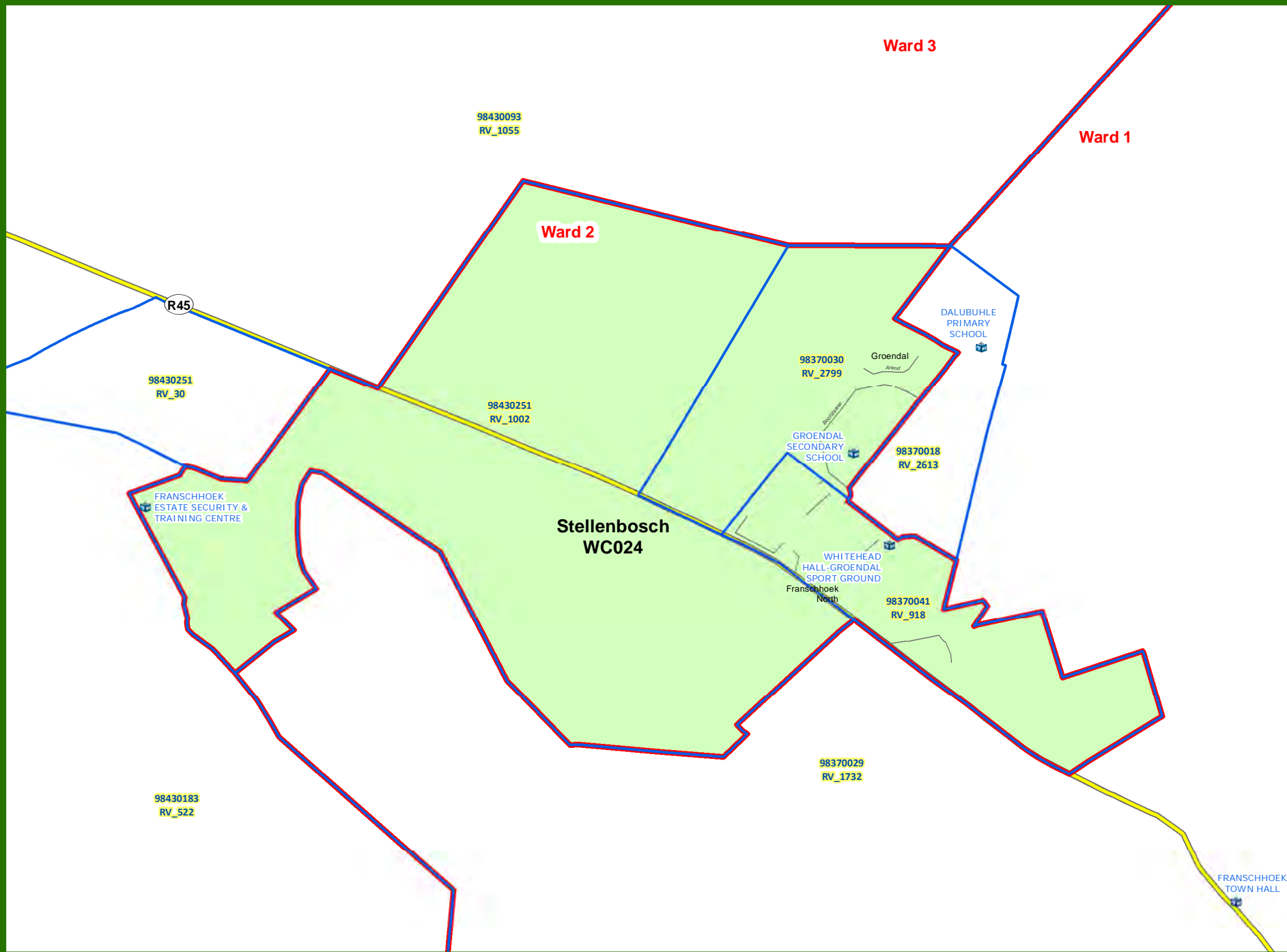
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-  Main Roads
-  Streets
-  Secondary Roads
-  Voting Stations
-  "RV\_00" Registered Voters

<b>Total Voters</b>	<b>4719</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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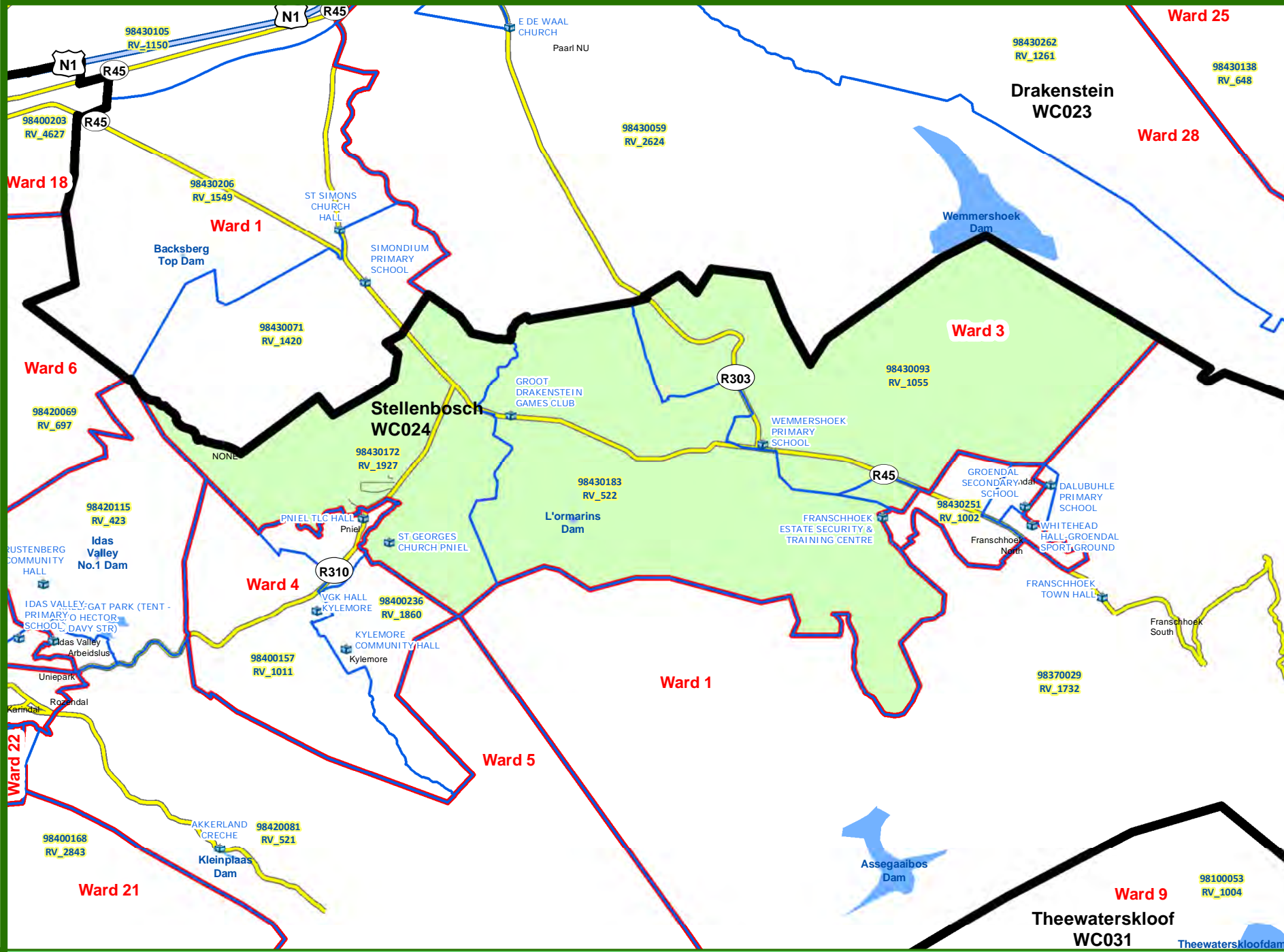
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- Local Municipalities
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- Voting Districts
- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- Registered Voters

<b>Total Voters</b>	<b>3534</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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Ward 25

Drakenstein  
WC023

Ward 28

Ward 3

Stellenbosch  
WC024

Ward 6

Ward 1

Ward 18

Ward 4

Ward 1

Ward 5

Ward 22

Ward 21

Ward 9

Theewaterskloof  
WC031

98100053  
RV\_1004

98430138  
RV\_648

98430262  
RV\_1261

98430059  
RV\_2624

98400203  
RV\_4627

98430206  
RV\_1549

98430071  
RV\_1420

98420069  
RV\_697

98430093  
RV\_1055

98420115  
RV\_423

98430172  
RV\_1927

98430183  
RV\_522

98430251  
RV\_1002

98400157  
RV\_1011

98400236  
RV\_1860

98370029  
RV\_1732

98400168  
RV\_2843

98420081  
RV\_521


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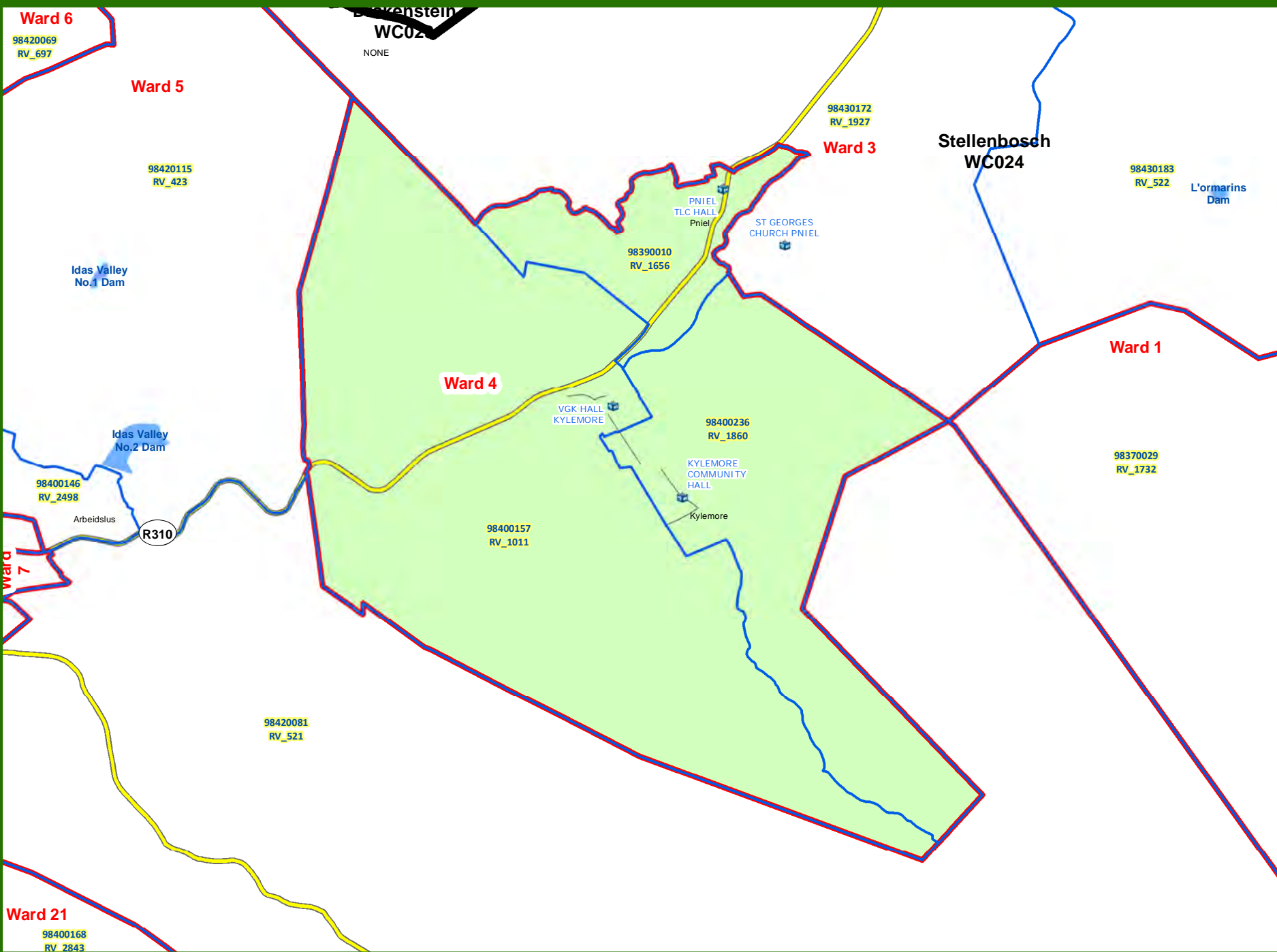
Legend

-  Local Municipalities
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-  "RV\_00" Registered Voters

<b>Total Voters</b>	<b>4527</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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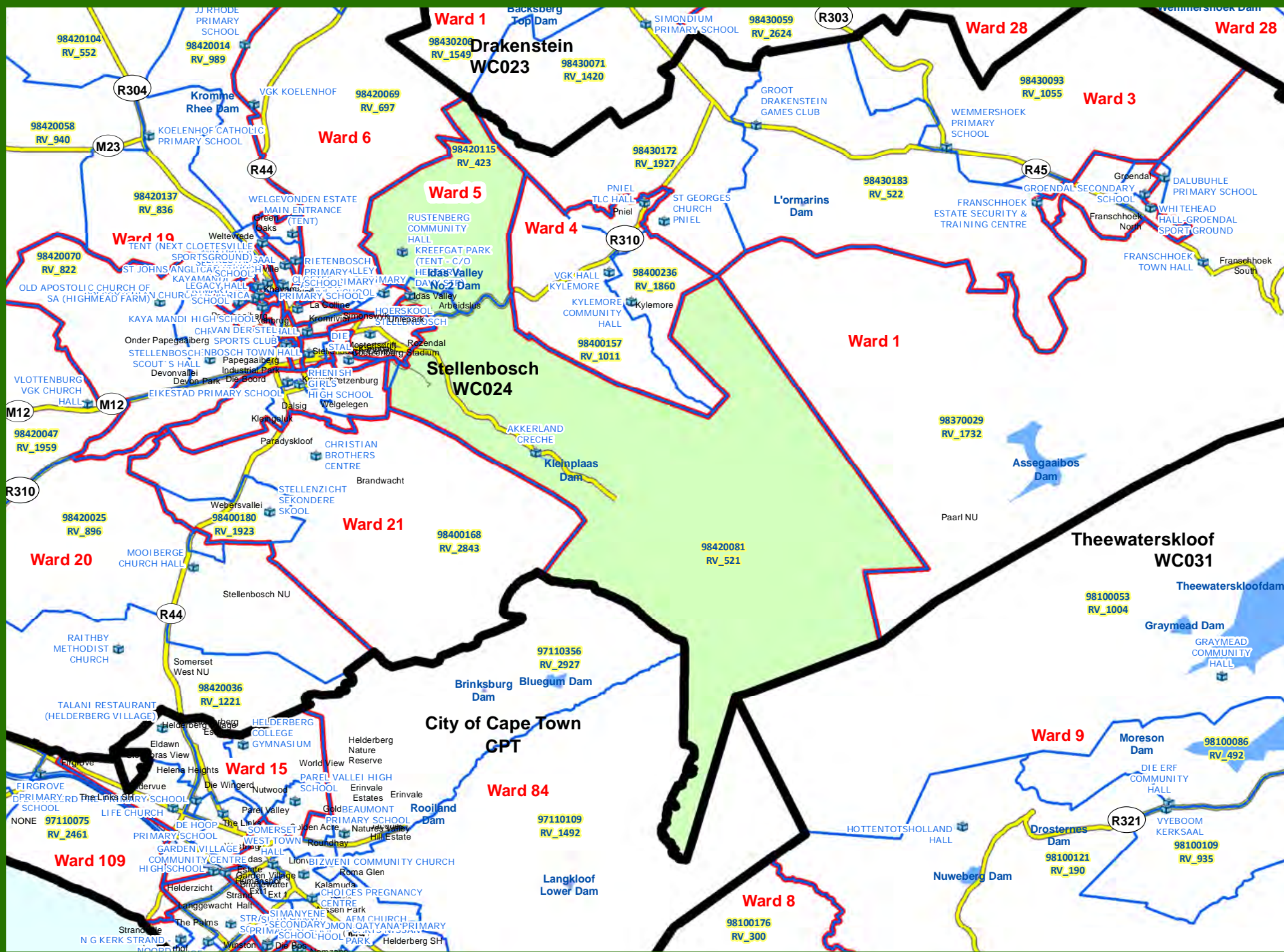
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- Local Municipalities
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- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>3532</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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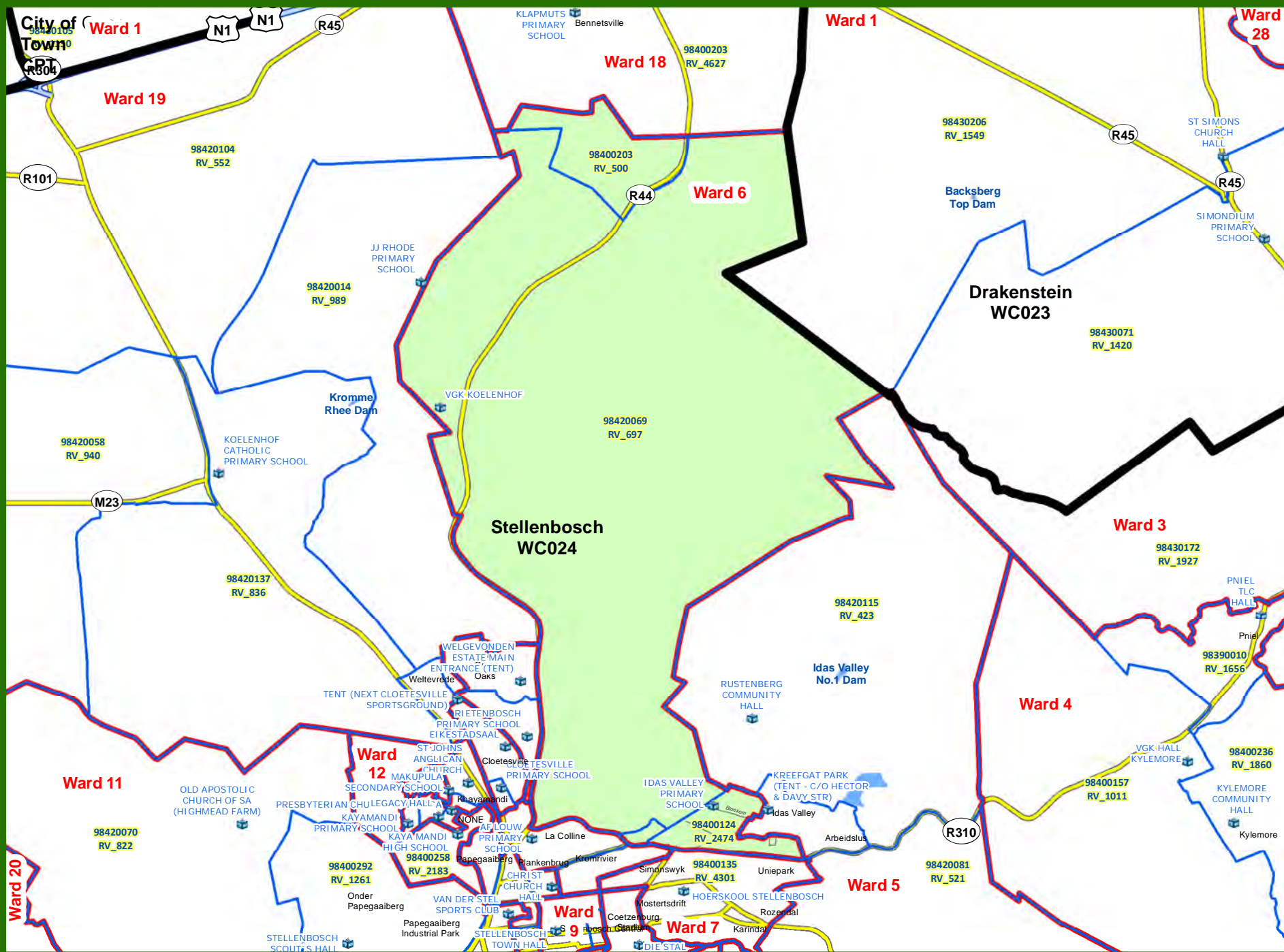
Legend

- Local Municipalities
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- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>4071</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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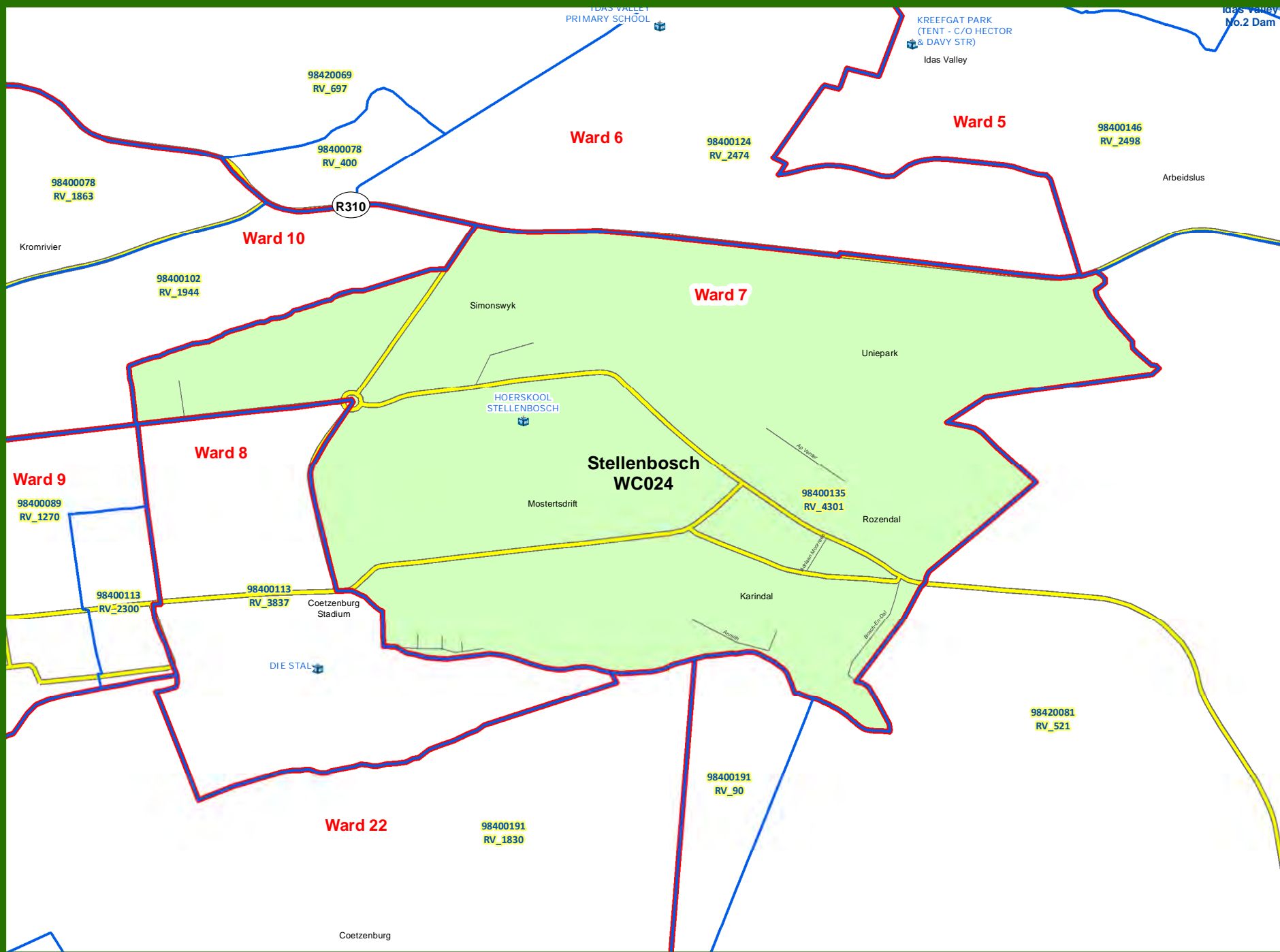
Legend

- Local Municipalities
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- Secondary Roads
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<b>Total Voters</b>	<b>4301</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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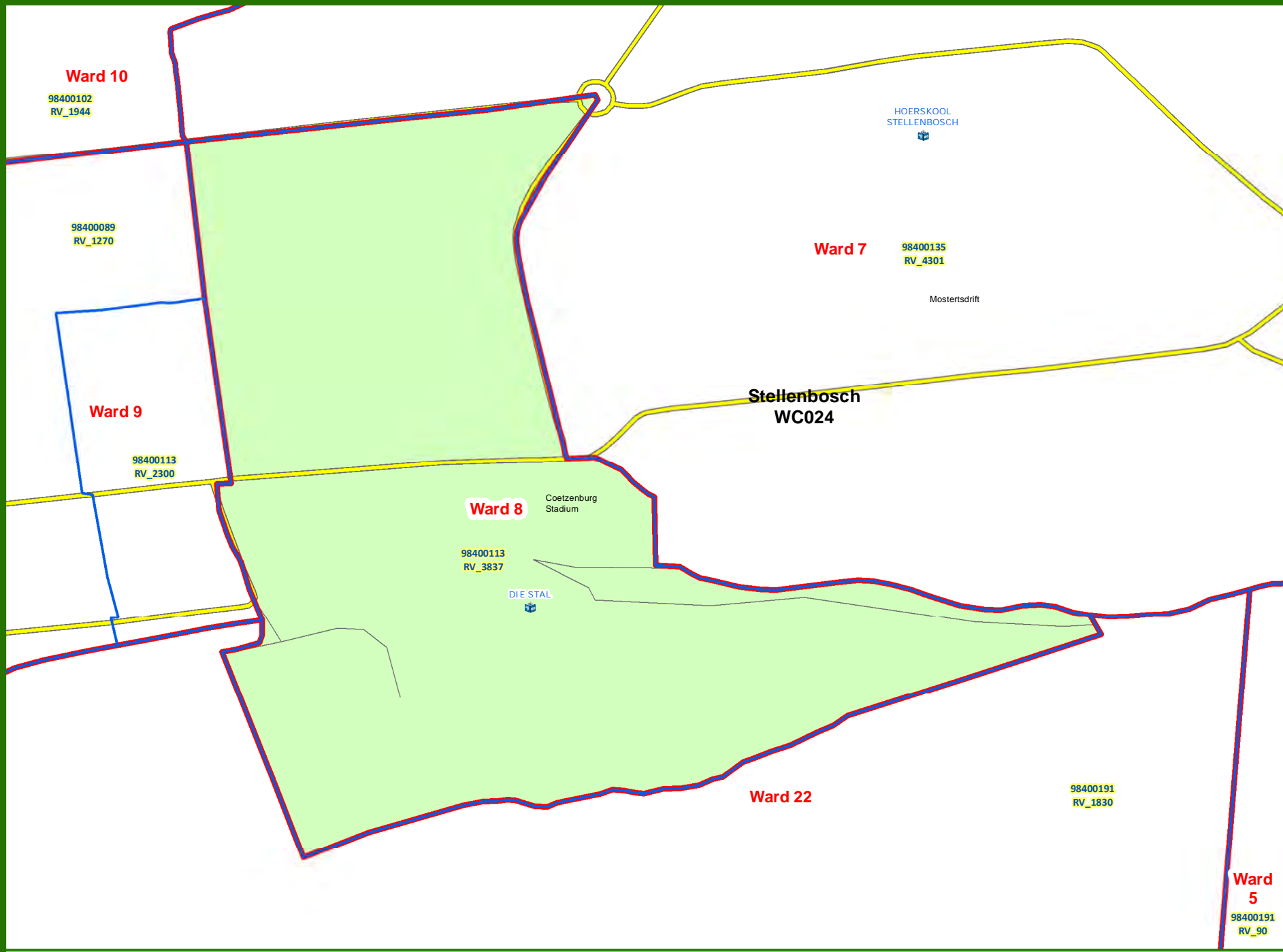
Legend

-  Local Municipalities
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-  Voting Stations
-  "RV\_00" Registered Voters

<b>Total Voters</b>	<b>3837</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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DECEMBER 2019









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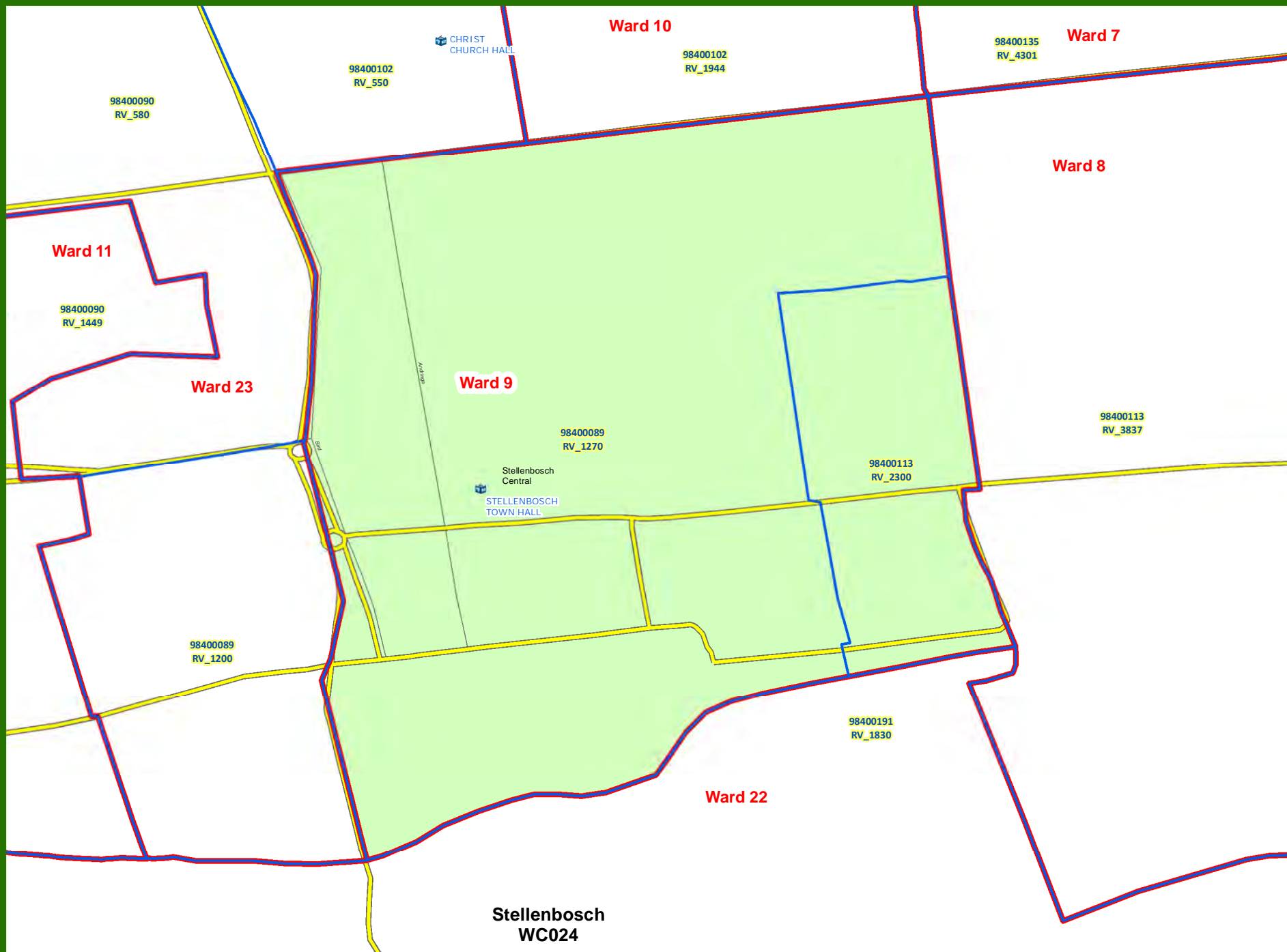
Legend

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-  National Roads
-  Main Roads
-  Streets
-  Secondary Roads
-  Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>3570</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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DECEMBER 2019



Stellenbosch  
WC024



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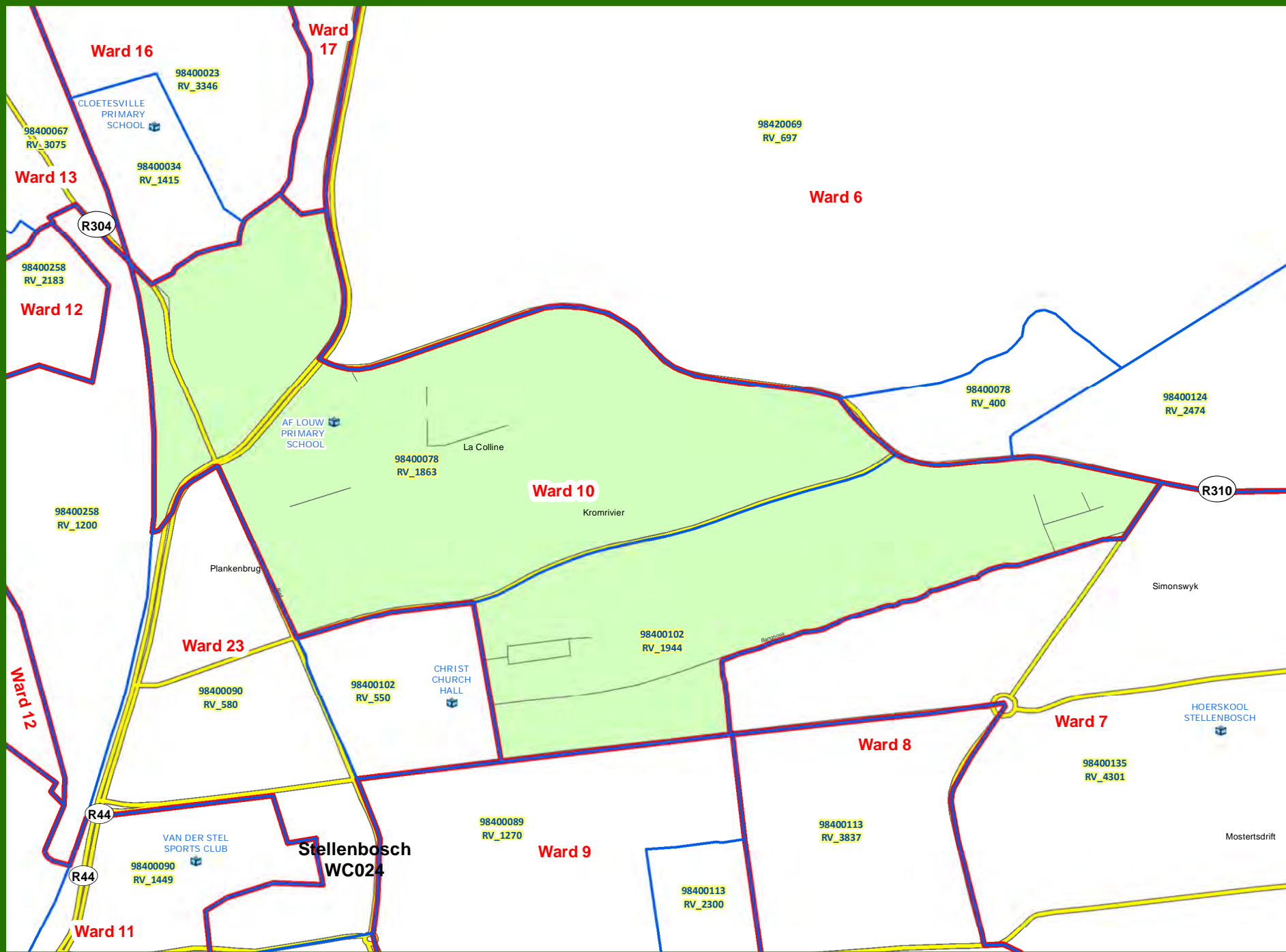
Legend

- Local Municipalities
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- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>3807</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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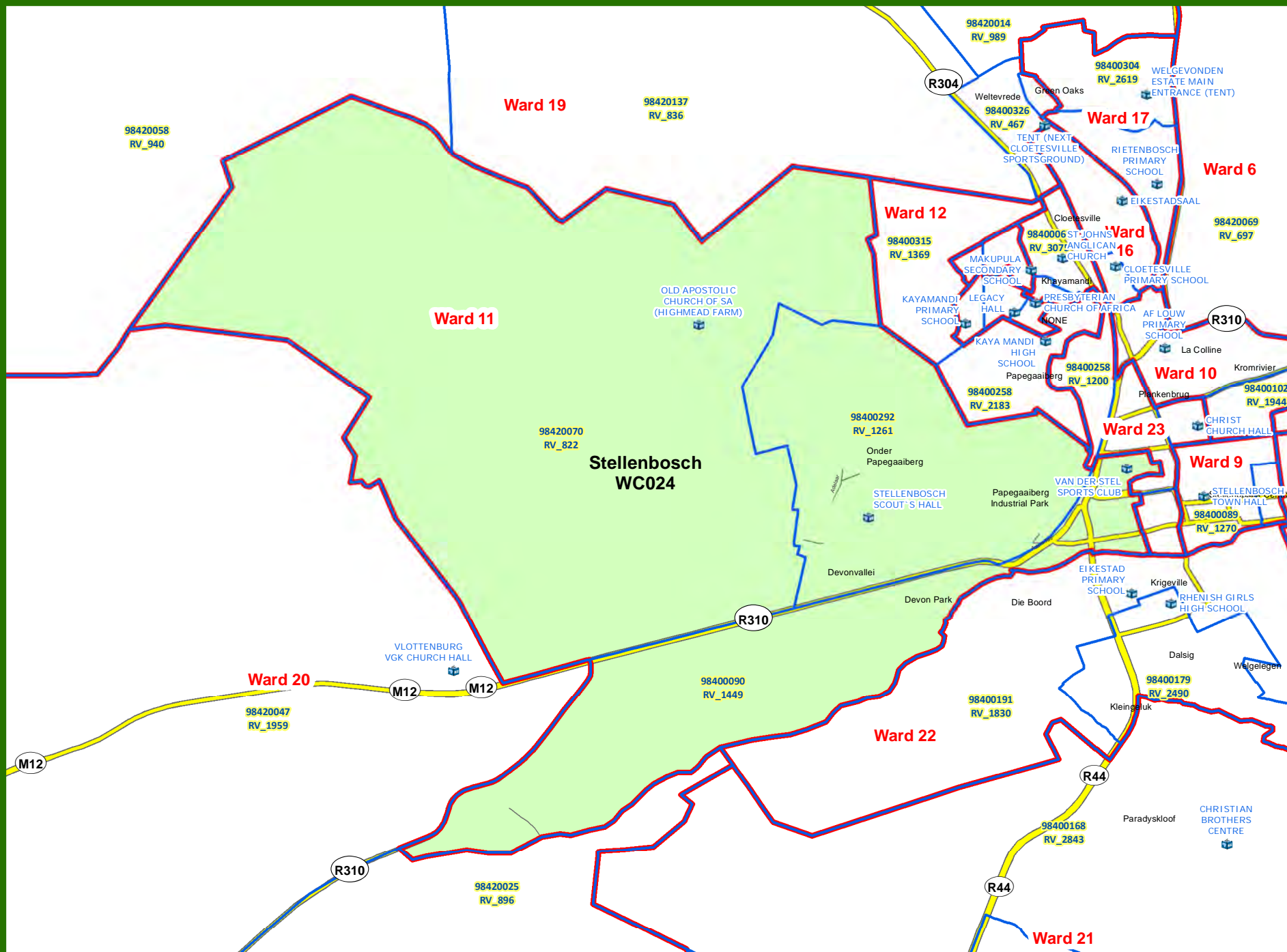
Legend

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- Voting Districts
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- Main Roads
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- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>3532</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

DRAFT WARDS  
FOR CONSULTATION

DECEMBER 2019



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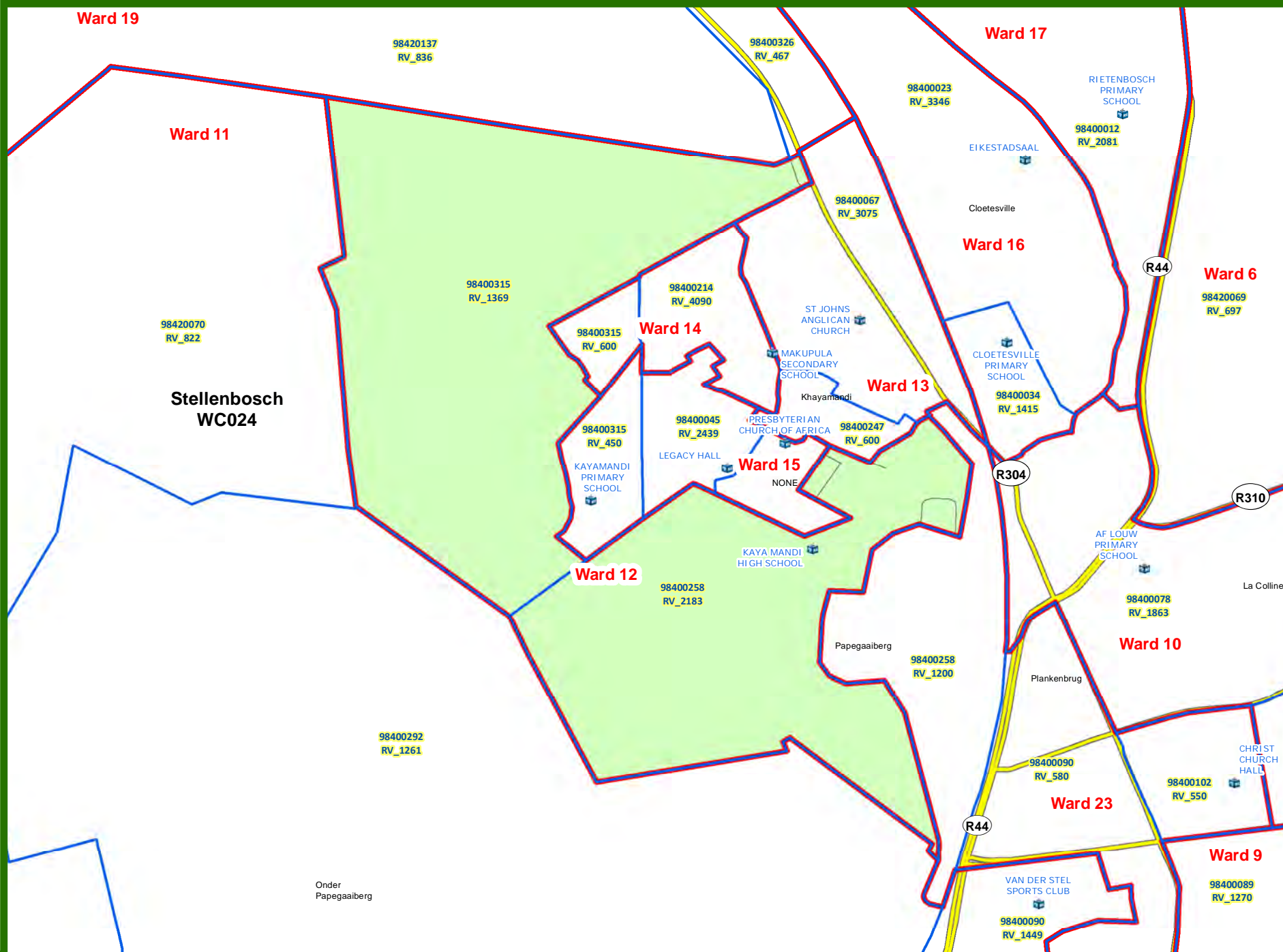
Legend

- Local Municipalities
- Wards
- Voting Districts
- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>3552</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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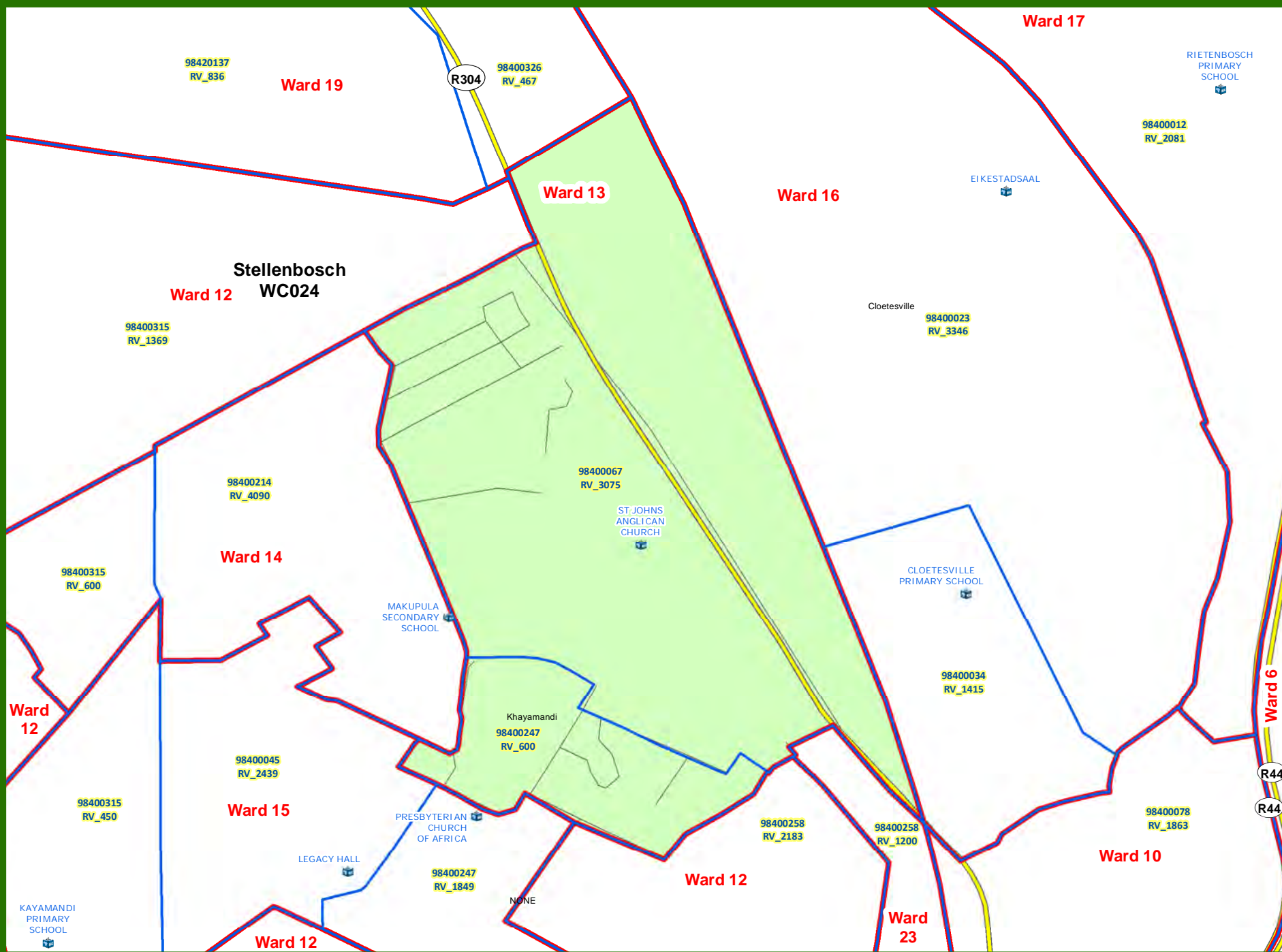
Legend

- Local Municipalities
- Wards
- Voting Districts
- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>3675</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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

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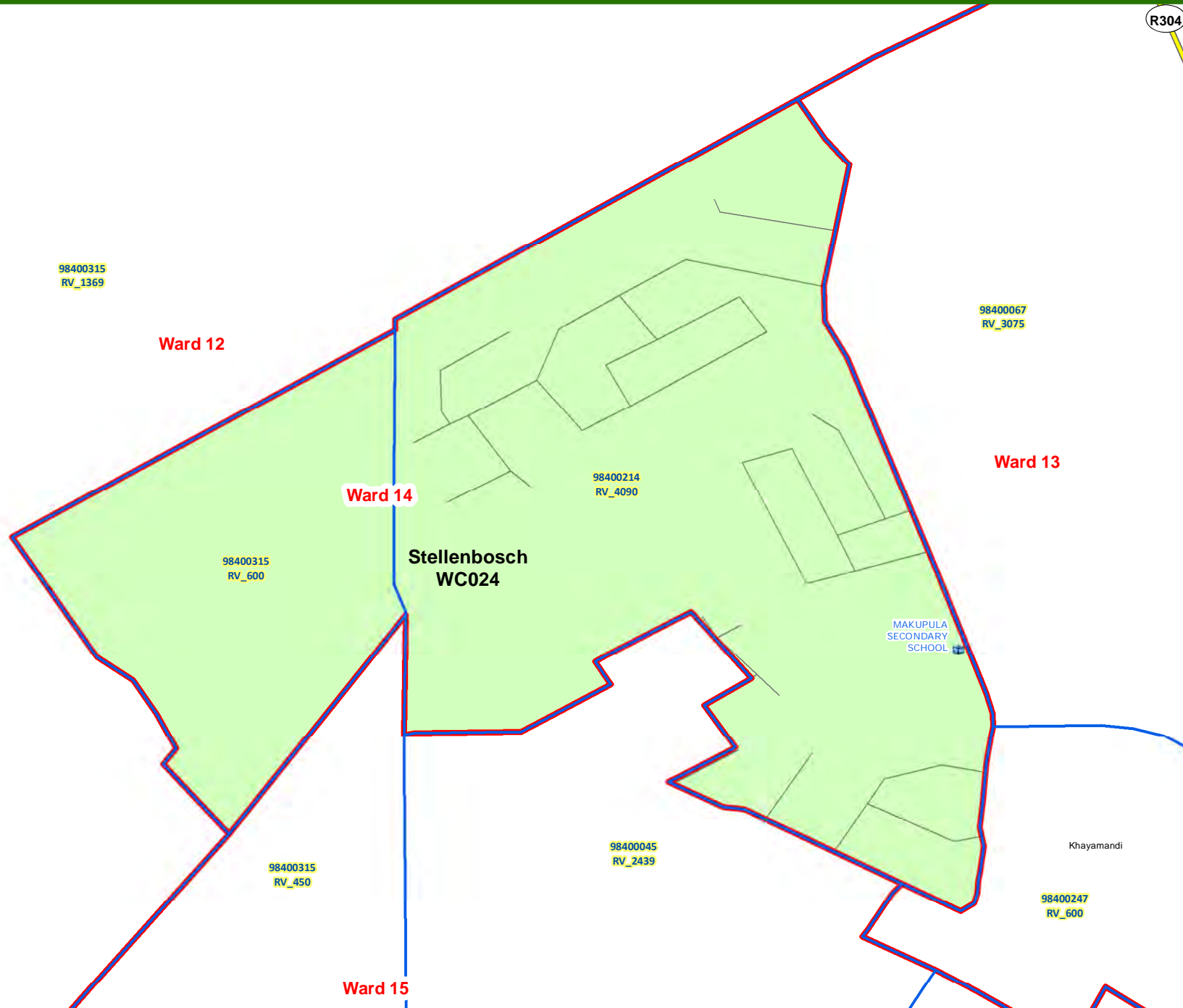
Legend

-  Local Municipalities
-  Wards
-  Voting Districts
-  National Roads
-  Main Roads
-  Streets
-  Secondary Roads
-  Voting Stations
-  "RV\_00" Registered Voters

<b>Total Voters</b>	<b>4690</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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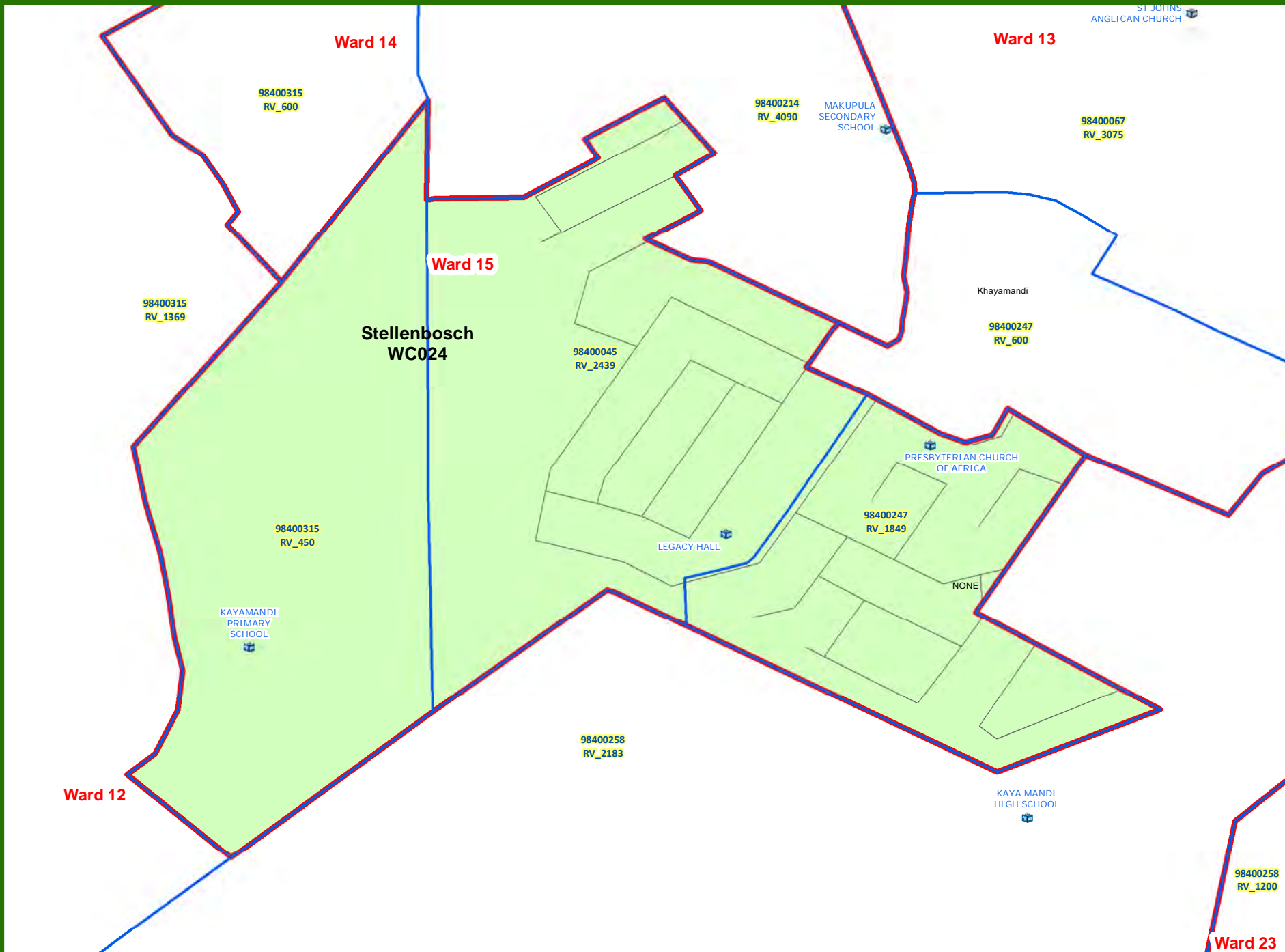
Legend

- Local Municipalities
- Wards
- Voting Districts
- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>4738</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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Legend

- Local Municipalities
- Wards
- Voting Districts
- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>4761</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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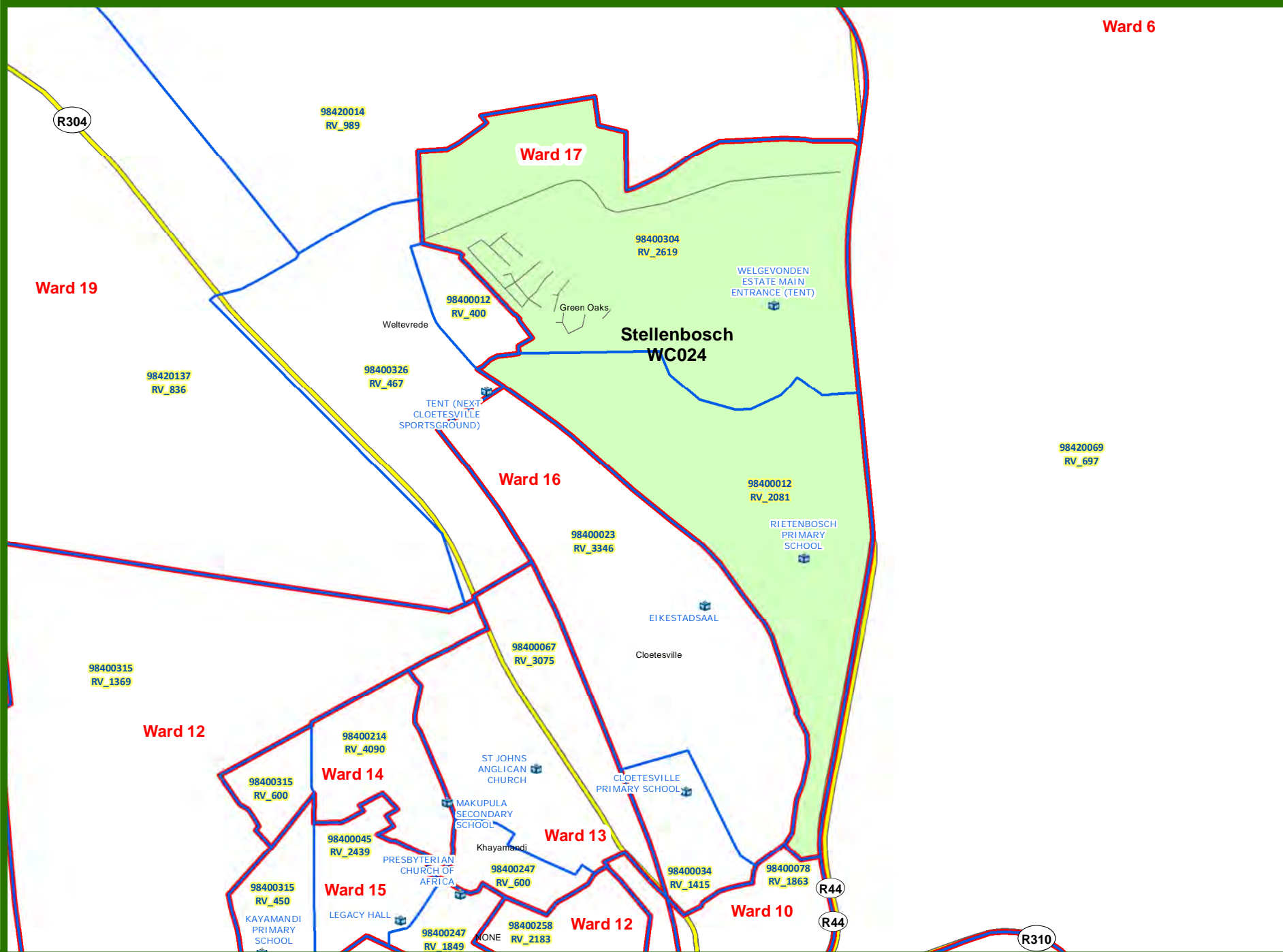
Legend

- Local Municipalities
- Wards
- Voting Districts
- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>4700</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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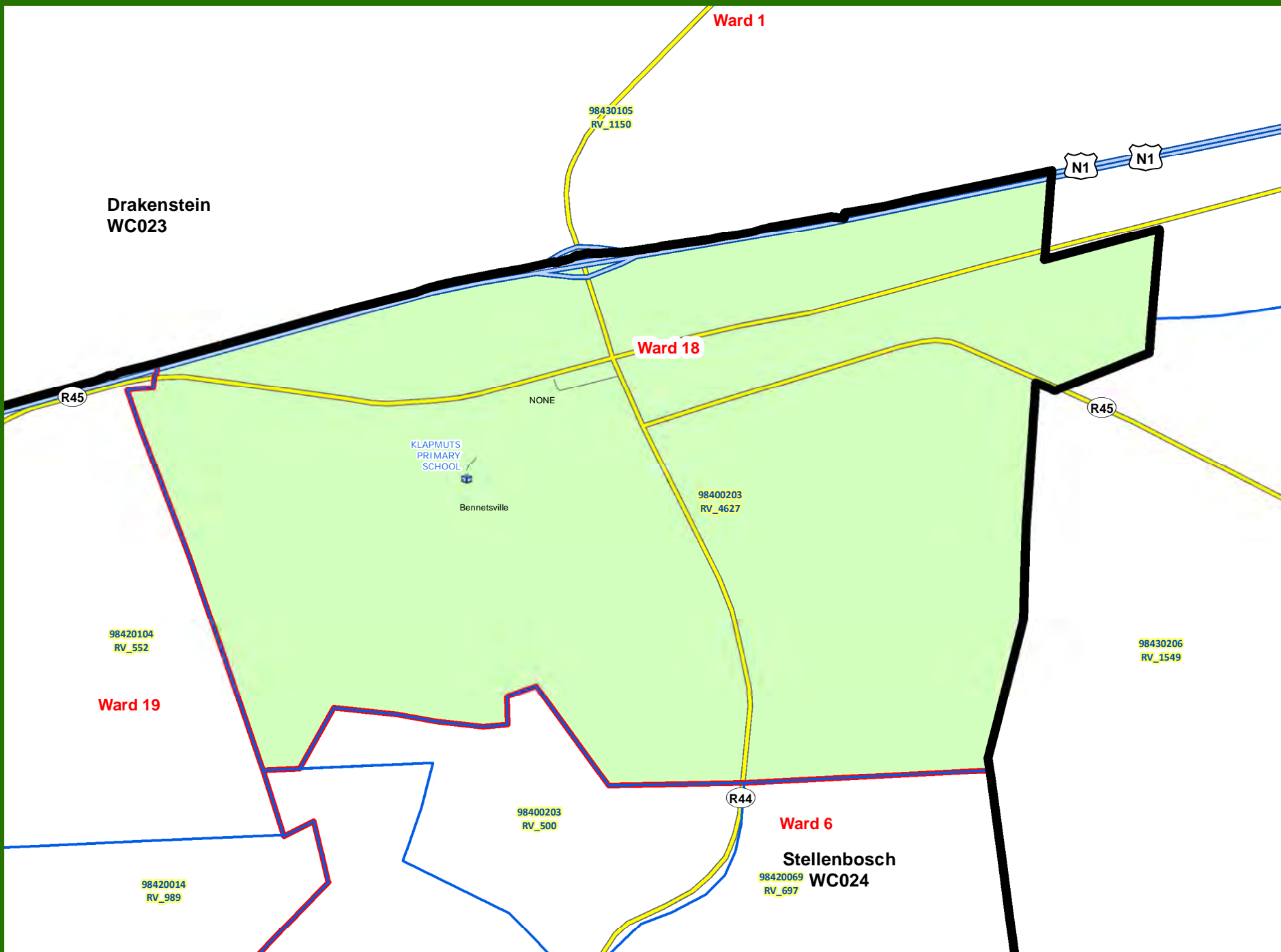
Legend

-  Local Municipalities
-  Wards
-  Voting Districts
-  National Roads
-  Main Roads
-  Streets
-  Secondary Roads
-  Voting Stations
-  "RV\_00" Registered Voters

<b>Total Voters</b>	<b>4627</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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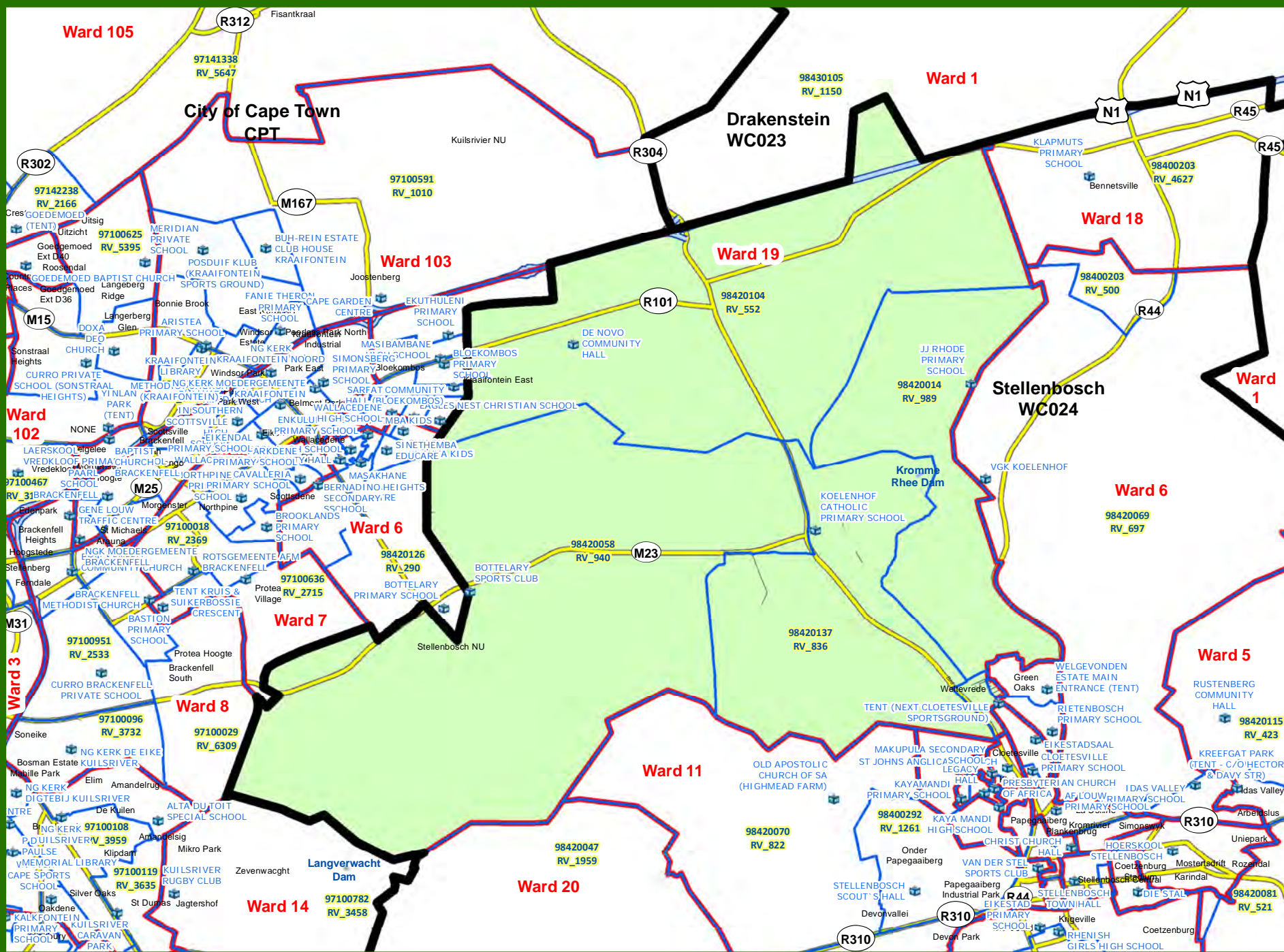
Legend

- Local Municipalities
- Wards
- Voting Districts
- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

Total Voters	4184
No of Wards	23
Norm	4150
Min Norm	3528
Max Norm	4772

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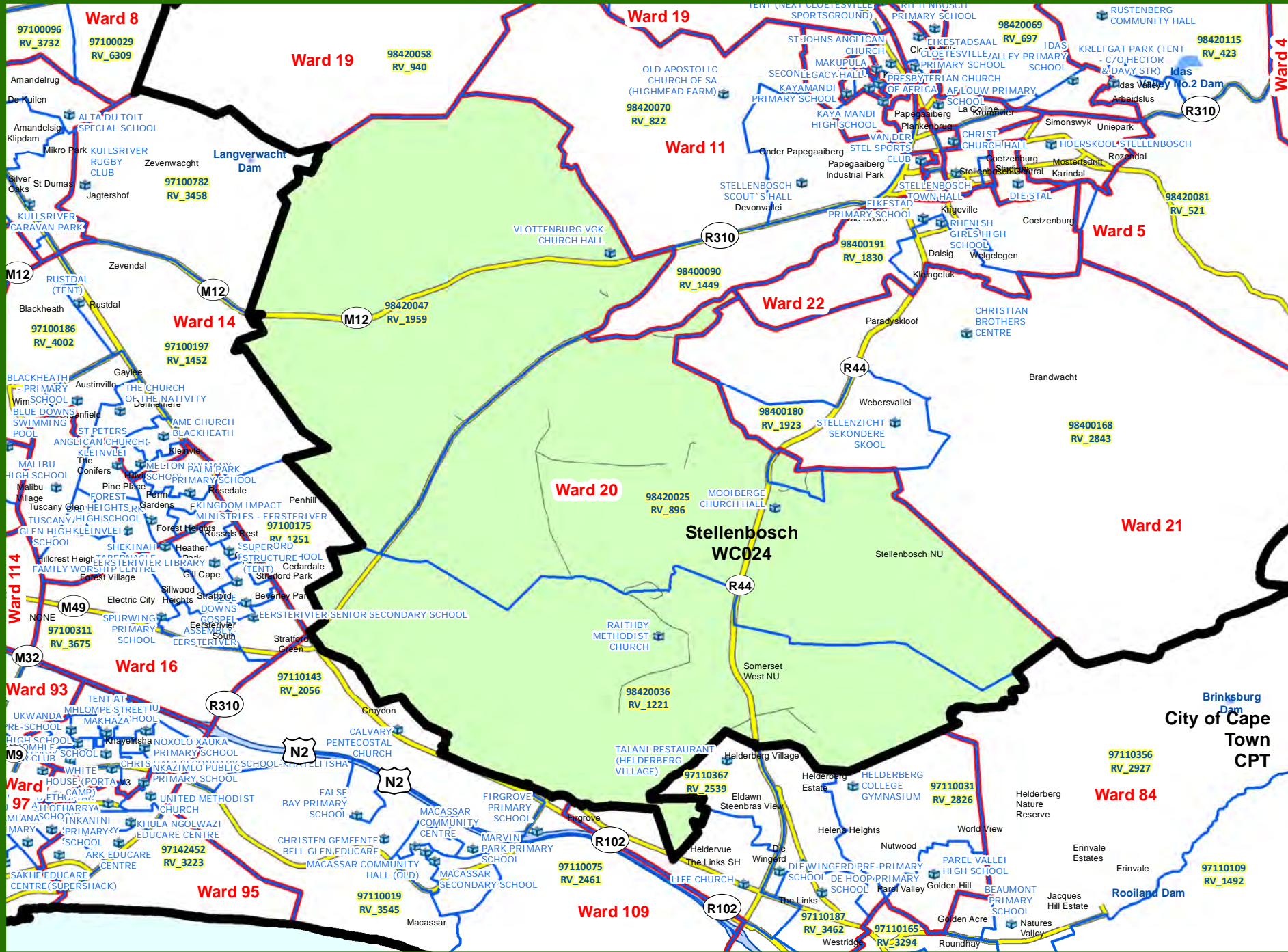
Legend

- Local Municipalities
- Wards
- Voting Districts
- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>4136</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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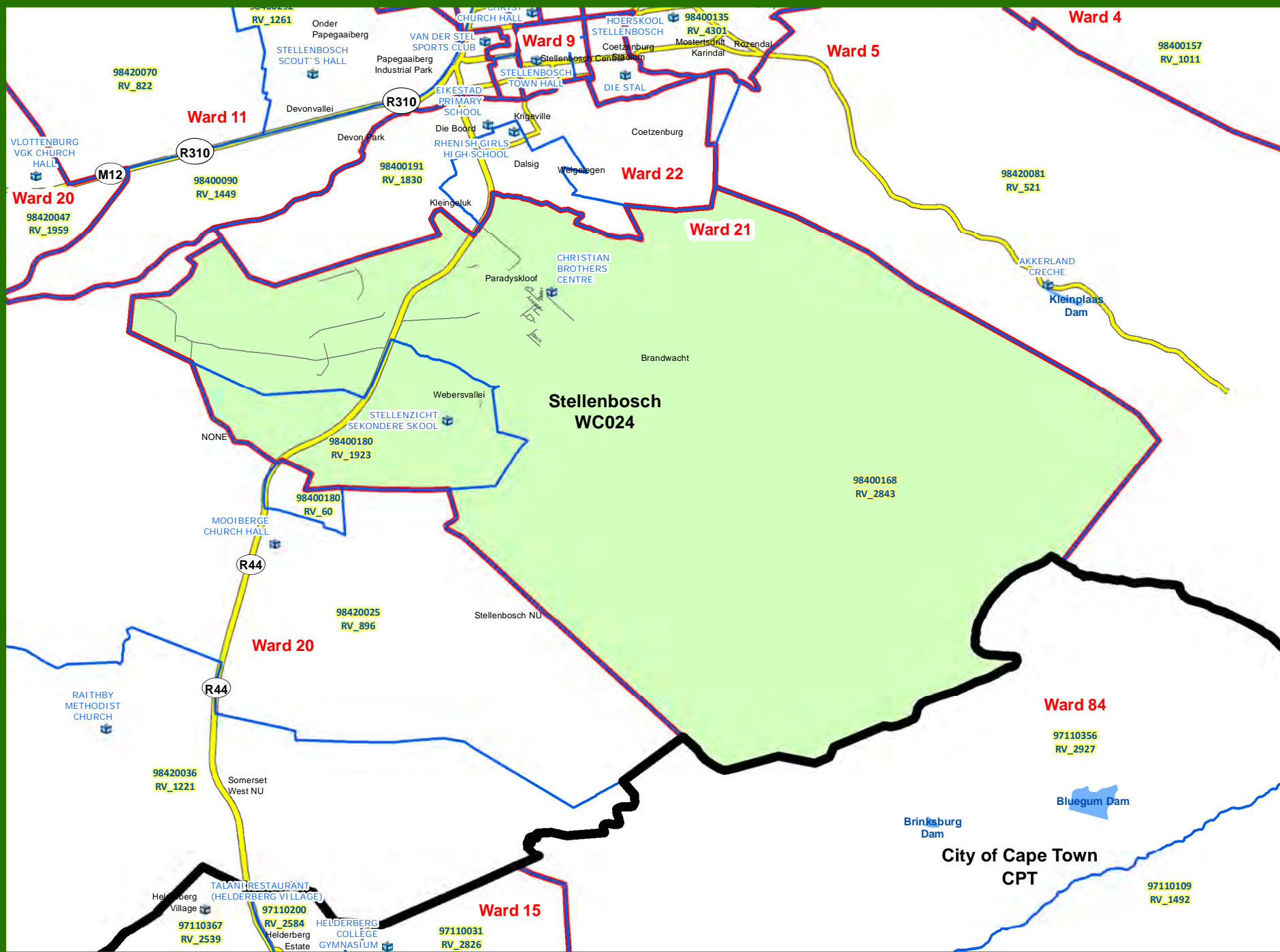
Legend

- Local Municipalities
- Wards
- Voting Districts
- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

<b>Total Voters</b>	<b>4766</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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**mdb**  
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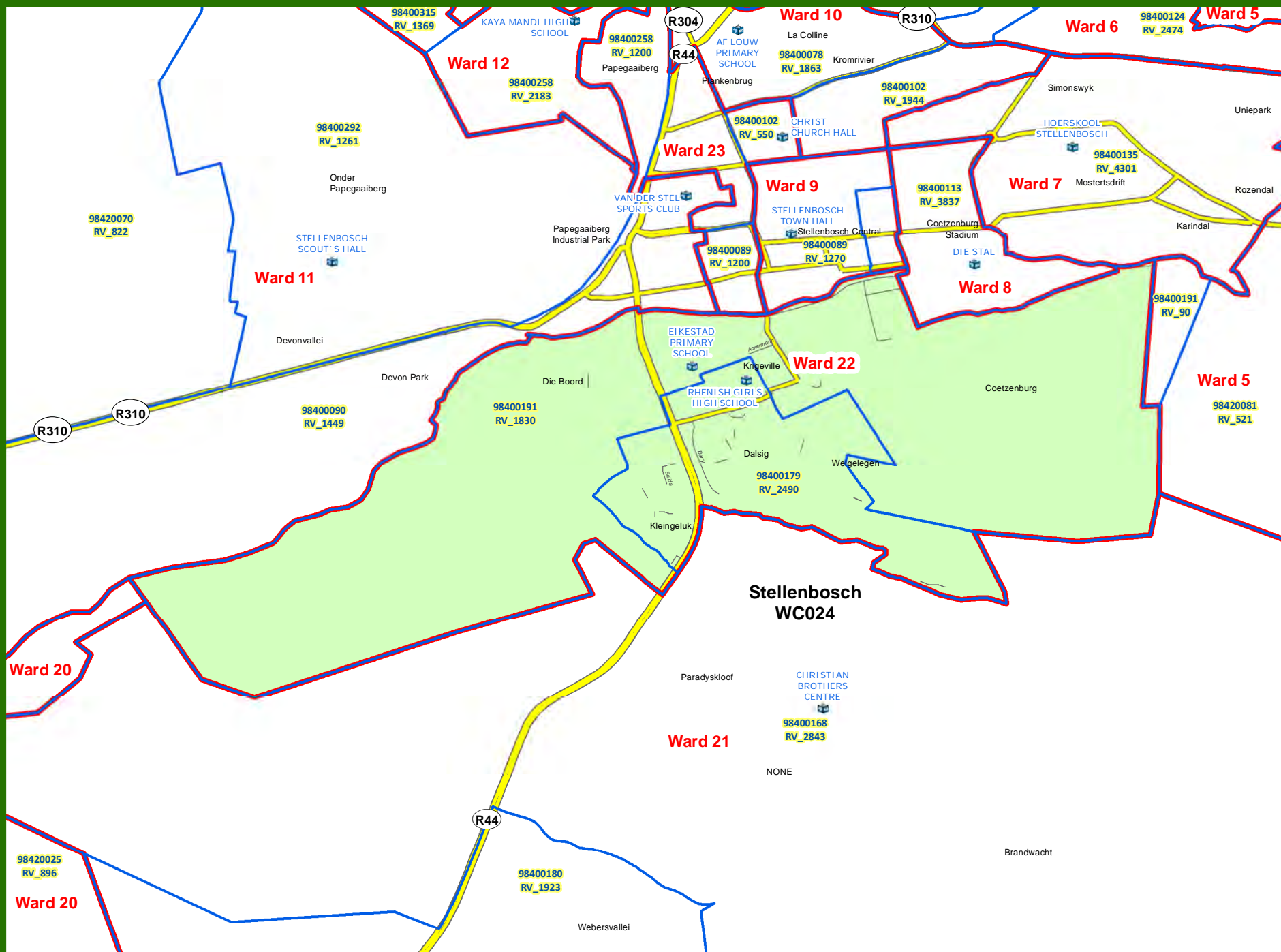
Legend

- Local Municipalities
- Wards
- Voting Districts
- National Roads
- Main Roads
- Streets
- Secondary Roads
- Voting Stations
- "RV\_00" Registered Voters

Total Voters	4320
No of Wards	23
Norm	4150
Min Norm	3528
Max Norm	4772

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



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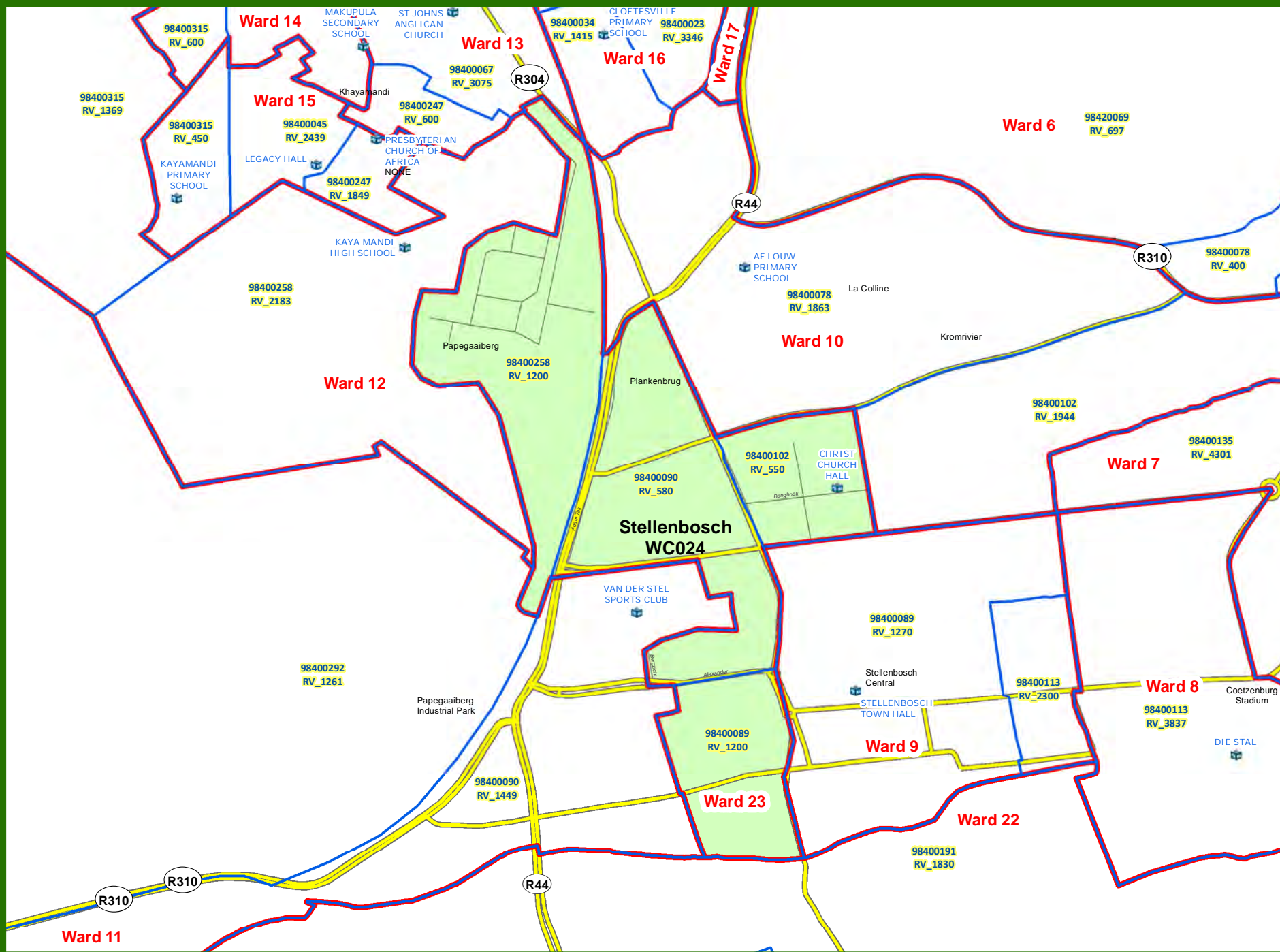
Legend

-  Local Municipalities
-  Wards
-  Voting Districts
-  National Roads
-  Main Roads
-  Streets
-  Secondary Roads
-  Voting Stations
-  "RV\_00" Registered Voters

<b>Total Voters</b>	<b>3530</b>
<b>No of Wards</b>	<b>23</b>
<b>Norm</b>	<b>4150</b>
<b>Min Norm</b>	<b>3528</b>
<b>Max Norm</b>	<b>4772</b>

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<b>14.</b>	<b>CONSIDERATION OF NOTICES OF QUESTIONS AND NOTICES OF MOTIONS RECEIVED BY THE SPEAKER</b>
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<b>14.1</b>	<b>QUESTION BY COUNCILLOR LK HORSBAND (MS): ARBITRATION AWARD: MATTER BETWEEN STELLENBOSCH MUNICIPALITY AND MS T RUBUSHA</b>
-------------	--

A Notice of a Question, dated 2020-01-14, was received from Councillor LK Horsband (Ms) regarding arbitration award: matter between Stellenbosch Municipality and Ms T Rubusha.

The said Question is attached as **APPENDIX 1** and the appropriate response as **APPENDIX 2**.

**FOR CONSIDERATION**

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler (Ms)
<b>POSITION</b>	<b><i>Municipal Manager</i></b>
<b>DIRECTORATE</b>	<b><i>Office of the Municipal Manager</i></b>
<b>CONTACT NUMBERS</b>	<b><i>021 808-8025</i></b>
<b>E-MAIL ADDRESS</b>	<b><i>Municipal.Manager@stellenbosch.gov.za</i></b>
<b>REPORT DATE</b>	<b><i>2020-01-29</i></b>

# **APPENDIX 1**





14 January 2020  
The Speaker  
Stellenbosch Municipal Council  
Plein Street  
STELLENBOSCH  
7600  
Attention : Clr N Jindela

Dear Speaker

**RE NOTICE OF QUESTIONS TO SERVE AT THE NEXT COUNCIL MEETING SCHEDULED FOR 29 JANUARY 2020**

**QUESTION NO 1**

What is the justification for the administration butting the municipality at a R200 000 financial risk in the matter between the Stellenbosch municipality an Ms T Rubusha , when a ward of only R22 000 was made to Ms T Rubusha?

**MOTIVATION**

On 7 November 2018 the SALGBC made an arbitration award of R22 000 regarding the Dispute : Case No WCP121702 ( See attached copy). In the Draft AFS posted on the National treasury website it's indicted that the municipality is exposed to a R200 000 financial risk is this matter. National treasury circular no 82 also caution the municipalities in contain cost in unnecessary labour matters. Here the officials decided to spend way in excess of R22 000 which is the award made.

**QUESTION NO 2**

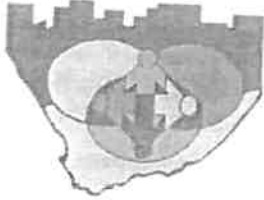
To how many members of the Idasvalley community did ASLA sell the 89 houses that marketed in 2019? total.

**MOTIVATION**

ASLA only act as the implementing agenda for the Stellenbosch municipality in the Idasvalley housing project. This is not a private development of ASLA . Council resolved that preference must be given to the community of Idasvalley why ASLA sell the houses. Council also resolve to give big subsidy in the costs associated to the erf prices and services of the erwen ( See attached cost of erfs and services ) . This subsidy Council resolved on so as to benefit the community of Idasvalley so as to make the houses affordable. Thus Council has the right to know how ASLA as the implementation agent has implemented the Council resolutions.

Clr L Horsband





**SOUTH AFRICAN LOCAL GOVERNMENT  
BARGAINING COUNCIL**

**WESTERN CAPE REGIONAL OFFICE**

PO Box 19  
SANLAMHOF  
BELLVILLE  
7532

7 De Villiers Street  
BELLVILLE  
7532

Tel: (021) 917 1141/2/3  
Fax: (021) 917 1145  
E-mail: [eloise@salgbc.org.za](mailto:eloise@salgbc.org.za)

07 November 2018

**URGENT**

**COPIES:**

<i>Applicant</i>	<i>IMATU obo T. Rubusha</i>	<i>021 872 9039</i>
<i>Respondent</i>	<i>Stellenbosch Municipality</i>	<i>021 591 0394</i>
<i>SALGA</i>	<i>Mr. J. van der Westhuizen</i>	<i>021 886 6749</i>
		<i>021 418 2709</i>

Sir / Madam

**DISPUTE: CASE NO: WCP121702: IMATU OBO T. RUBUSHA VS STELLENBOSCH MUNICIPALITY  
REGARDING UNFAIR LABOUR PRACTICE - BENEFITS**

Attached please find the **Arbitration Award** from Commissioner T. Ndzombane for your attention.

Yours faithfully

**MS W. BRINK  
REGIONAL SECRETARY**

*Address correspondence to the Regional Secretary*

# ARBITRATION AWARD

Panellist/s: Thuthuzela Ndzombane \_\_\_\_\_  
Case No.: **WCP121702** \_\_\_\_\_  
Date of Award: 07 November 2018 \_\_\_\_\_

In the ARBITRATION between:

**IMATU OBO THATO RUBUSHA** \_\_\_\_\_  
(Applicant)

And

**STELLENBOSCH LOCAL MUNICIPALITY** \_\_\_\_\_  
(Respondent)

**Applicant's representative:** Mr Packies [Union Official]

Applicant's address: \_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_

Telefax: \_\_\_\_\_

**Respondent's representative:** Mr A. Kannemeyer [SALGA Official] \_\_\_\_\_

Respondent's address: \_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_

Telefax: \_\_\_\_\_

**PARTICULARS OF PROCEEDINGS AND REPRESENTATION:**

1. The arbitration hearing was scheduled for and heard on 3 May 2018 and 1 August 2018, 3 October 2018, under the auspices of the Local Government Bargaining Council at Stellenbosch Local Municipality in Stellenbosch. The applicant, Ms Thato Rubusha, was represented by a Union Official, Mr Clinton Packies from IMATU.
2. The respondent, Stellenbosch Local Municipality, was represented by a Manager, Mr Alex Kannemeyer. I proceeded with arbitration in terms of section 138(5) (b) (i) of the Labour Relations Act 66 of 1995, as amended ("the Act"). The proceedings were digitally recorded and handwritten notes were taken. The applicant submitted a bundle of documents which was accepted and admitted as it purports to be.

**BACKGROUND:**

3. The applicant stated that the respondent has breached the main collective agreement that regulates the acting allowance. The applicant performed the duties and functions of the communication manager as from 1 August 2017 to 29 February 2018. There was a promise that she would be paid extra money for her services. The amount was not quantified that she ought to receive. She stated that the respondent reneged to their agreement by failing to pay her. If she succeeds with her dispute she requested to be paid the acting allowance for the period in question.
4. The respondent stated that the applicant should have brought an interpretation and application of the main collective agreement as a dispute. There is no policy that regulates additional work or an adhoc acting allowance. It admitted that there is a verbal agreement between the respondent and the applicant in that she would be paid for the additional work pending the approval of the policy in this regard. The draft policy has been submitted to labour forum for discussion however it has not been discussed or adopted. Once the policy is adopted and approved the respondent will be able to pay the applicant and the policy would be implemented retrospectively
5. Mr Kanemeyer raised two jurisdictional matters ie that the matter is late and condonation is needed and also that there is no policy regulating the

additional work and the council does not have jurisdiction to hear this dispute. Thereafter, I directed the parties to submit arguments on these two issues and including condonation application. Subsequent to that I have issued written ruling in respect of the application for condonation to the effect that I made a finding that there was no need and or requirement for the applicant to apply for condonation. In the ruling I also stated that the second jurisdictional issue appears to be intertwined to the merits of the case and it will best if the main case is ventilated so that I can determine the second jurisdictional challenge.

**ISSUE TO BE DECIDED:**

6. I am required to determine whether or not the respondent was involved in an act of unfair labour practice by failing to pay an acting allowance to the applicant for the period 1 August 2017 to 28 February 2018.

**SUMMARY OF EVIDENCE AND ARGUMENT:**

7. I have considered all the evidence and argument, but because the Labour Relations Act, 66 of 1995, as amended (LRA), requires brief reasons (section 138(7)), I have only referred to the evidence and argument that I regard as necessary to substantiate my findings and the determination of the dispute.

**SURVEY OF APPLICANT 'S EVIDENCE AND ARGUMENT:**

8. **Ms Thabo Rubusha** stated that she is the applicant in this matter and she presented the following evidence under oath. She works as a Communication's Officer and she earns a monthly salary of R22, 000.00 [twenty two thousand rand]. The duties of a communication manager are to source information internal and external, write a newsletter, to assist and attend events for the municipality, distribute communication to internal staff, sourcing information for articles, take photos, in charge of all municipality business cards and printing, creating pamphlets for internal departments, assist with all events, assist with department branding needs.

9. In July 2017 Mr Vernon Bowers who was the communication manager tendered his resignation letter. This caused the post to be vacant. There was no other employee who could perform his duties except her. The director of

corporate and strategic services, Ms Annalene de Beer, requested her to fulfill the functions of the communication manager. The director informed her that she would not act in the position but she should perform certain duties and she would be paid extra money for the additional duties. She agreed to perform those duties. At that stage the position of communication manager did not have a job description. However she was given the KP1's whereby certain duties were listed that she would perform. Part of her duties she had to do these functions and submit such on a monthly basis.

10. The KP1's included development of ten external and ten internal newsletters, to establish municipal Facebook account, to establish internet site, to develop and signed performance agreements and performance development plans with all identified personnel annually before 31 August, to update the actual results of SDBIB, to performance assistance with external service providers on monthly basis, to attend quarterly meetings for health and safety.
11. However she did not attend the health and safety meetings. She developed and review SOP's within the department, review the communication strategy and submitted it to the Council. This was done in conjunction with the new communication manager and it was submitted before June 2018. All these standards had to be met on a monthly basis. She received a pass- word in order to access the SDBIB. On 25 July 2017 she did not receive the payment for additional work. She then queried this. Thereafter, on 4 August 2017 she drafted a memorandum whereby she excluded the word 'acting allowance' and replaced it with the word 'stipend'. This was because the director refused to sign this pro-form letter. The director said she was uncomfortable to sign a document with the word acting allowance.
12. Again in September 2017 she did not receive the payment although she had tendered her services. She again approached Ms de Beer. The response was that Ms de Beer would discuss the payment issue with the municipal

manager who was on holiday at that stage. But, Ms de Beer was the acting municipal manager. On 5 October 2017 she sent an email to Ms de Beer reminding her that she promised to pay her for additional work however it was three months now but she has not received any payments. She knew that she was not acting on the post. She reminded her that she promised to discuss the matter with the municipal manager. She wanted to know when the payment would be made and how calculations would be done. There was no response received from the director.

13. On 24 October 2017 she requested to have a meeting with the municipal manager. Ms Lategan responded to her email by requesting Ms de Beer to meet her before she could meet the municipal manager. On 24 October 2017 Ms de Beer responded in that she was under the impression that she did discuss the matter with municipal manager. Before any payment for the applicant can be approved a document must consulted with the unions on how they can deal with additional allowance. As soon as this is done she will get a letter to provide for that.
14. On 27 October 2017 she submitted a grievance on this matter. The respondent failed to convene a meeting to discuss the grievance. She was told that she needed to do additional work and she would be paid for it. She performed the duties and functions until 28 February 2018 without receiving any payment. She denied that there was a condition that she would be paid after the policy has been approved.
15. **Ms Annalene de Beer** stated that she is employed by the respondent as a Director of Corporate Services and she presented the following evidence under oath. She has worked for various municipalities on different capacities. She admitted that she has vast knowledge of the policies and rules within local government. Some of her qualifications is the LLB degree. The applicant reports to the communication manager. The manager resigned in July 2017. The communication office was transferred to her office.
16. As from March or April 2018 all operational matters are reported to her office. Mr Bouwers was a manager at communication/ IDP Manager and

strategic manager. She was his supervisor. After his resignation she approached the applicant to perform some of the duties of the communication manager. However the management functions of the position were done by her. Because of the applicant's qualifications she could not appoint her in an acting capacity. There is no policy to pay for additional work. She told her that she would table a draft policy for additional work to the unions if, it is approved, the applicant would be paid for additional duties she had performed. The policy would operate retrospectively.

17. The policy will be binding if it is approved. She informed her that she would like her to be remunerated if there are tools that allow her to be paid. The applicant is not entitled to receive an acting allowance because she did not have qualifications required for the post. According to the collective agreement there is a requirement to issue a written letter to effect an appointment however she did not have qualification hence she could not appoint her. The applicant had a right to refuse to do the additional work. She understood the agreement as that the applicant would be paid when the policy is in place. She does not have an idea when the policy will be in place. Other employees took additional without expecting to be paid. The applicant only did the additional work by attending managerial meetings. The draft policy does have proposed calculation as to how the additional work would be paid. There was no use to assign work to her if she was not going to be paid.
18. **Ms Geraldine Mettler** stated that she is employed by the respondent as the Municipal Manager and she presented the following evidence under oath. She has B-Proc, LLB and Diploma in Law which is among other her qualifications. She has sixteen years of experience in local government at senior levels. On 1 January 2017 she was appointed as a municipal manager. Her responsibilities are to have an oversight in the implementation of the municipal policies and rules.
19. She stated that she was not part of the discussions that led to the existence of this agreement. The applicant lodged a grievance for non-payment and she referred the matter to Chief Financial Officer deal with the grievance. She cannot recall whether the CFO dealt with the matter. There is



an administrator who runs her office. She cannot deny that the CFO did not deal with the grievance. Currently, there is no policy which deals with the additional work. The respondent operates in an environment which is highly regulated. She did not ask for a feedback from the CFO. The draft policy has been submitted to the unions for discussions they await the outcome.

**ANALYSIS OF EVIDENCE AND ARGUMENT:**

20. One of the primary objects of the Labour Relations Act is to give effect to and regulate the fundamental rights conferred by section 23 of the Constitution including the right to fair labour practice. These profound objectives are well captured in **NEHAWU V University of Cape Town & Others (2003) ILJ 95 (CC)** the court held that *"the focus of s 23(1) is, broadly speaking, the relationship between the worker and the employer and the continuation of that relationship on terms that are fair to both. In giving content to that right it is important to bear in mind the tension between the interests of the workers and the interest of the employers which is inherent in labour relation. Care must therefore be taken to accommodate, where possible, these interests so as to arrive at the balance required by the concept of fair labour practices. It is in this context that the LRA must be construed"*.
- 21 In regulating the unfair labour practice envisaged in the Constitution, this led to the existence of Section 186 (2) (a) of the Labour Relations Act No. 66 of 1995 as amended ("LRA"), states that *"unfair labour practice means an unfair act or omission that arises between an employer and an employee involving unfair conduct by the employer relating to the promotion, demotion, probation (excluding disputes about unfair dismissals for a reason relating to probation) or training of an employee or relating to the provision of benefits to the employee"*.
22. In **Apollo Tyres South Africa (Pty) Ltd v CCMA & Others (2013) 34 ILJ 1120 (LAC)** the Court held *"that the definition of benefit, as contemplated in section 186 (2) (a) of the LRA was not confined to rights arising ex contractu or ex lege, but included rights judicially created as well as advantage or*

*privilege employees have been offered or granted in terms of a policy subject to the employer's discretion....." The court further stated that at paragraph 53 .... "Unfairness implies a failure to meet an objective standard and may be taken to include arbitrary, capricious or inconsistent conduct, whether negligent or intended."*

23. **In Thiso and Others v Moodley NO and Others [2015] 5 BLLR 543 (LC)** the court held *"that the CCMA has jurisdiction to arbitrate the dispute, referring to the decision of Apollo where the term "benefits" had been extended to include situations where employees do not have a legally enforceable right to the benefit claimed, but where the employer has a discretion to grant in terms of the policy or agreement".*
24. **In Aucamp v South African Revenue Service [2014] 2 BLLR 152 (LC)** the court held *"that remuneration as contemplated by law requires payment to the employee to be a quid pro quo for the employee actually working. Therefore, if the benefit is not a guaranteed contractual right per se, the employee could still claim the same on the basis of an unfair labour practice if the employee can show that the employee was unfairly deprived of the same".*
25. I must say that there a collective agreement that regulates the acting allowance and it stipulates as how to effect the process of appointing a person to a higher position. This agreement is signed by the unions and SALGA who represents all the municipalities. I find it very strange that Ms de

Beer elected to ignore or disregard the rules of engagement by not using the principles espoused in the collective agreement. This type of behaviour is not acceptable in an environment that is highly regulated.

26. It is difficult to comprehend that she decided to enter into an agreement with the applicant knowingly that there was no policy regulating such an arrangement. It is clear to me that she acted ultra-virus or she negotiated in bad faith that she knew that the applicant would not be paid. As the matter stands SAMWU is not willing to be a party to this policy as it believes that the main collective agreement is sufficient to deal with issues relating to the acting allowance. According to the respondent without a policy in place the applicant would not be paid irrespective that she had rendered services to the benefit of the municipality. I will revert back to this issue in the award.
27. It is common cause that there is a verbal agreement between the parties. It is trite law that an agreement is binding between the parties if it is done within the framework of legal parameters. The agreement should be lawful and enforceable. In this case it was not argued that Ms de Beer did not have authority to enter into such an agreement. Even if such argument was raised it would not stand the test of legality because the applicant would be protected by estoppel. It is trite law that a verbal agreement has the same legal standing with a written agreement.
28. The agreement created a right between the parties. And that right is a benefit. As per the *Thiso* case above an agreement can create a benefit. By virtue of having an agreement that itself confer jurisdiction to the council to hear this matter because the agreement regulates a benefit created by the parties. Throughout these proceedings the respondent indicated that it is willing to pay the applicant what is due to her however there is no policy that

regulates the additional work done by employees. If there is no policy it does not have any mechanism to pay the applicant. In this regard the respondent contends that the agreement reached by the parties has a condition that payment will only be made if there is a policy in place. The applicant disputes that there was a condition regarding the payment.

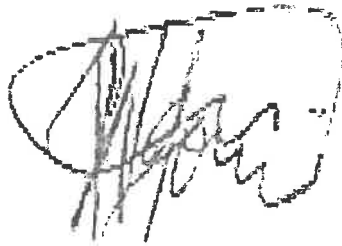
29. It stands to reason therefore that the respondent ought to prove that there was a condition to the agreement. Ms de Beer with her legal qualifications and vast experience in local government she should have known that it was best to reduce the agreement in writing in particular that the terms may be disputed in future. Surprisingly, when the applicant started demanding the payment she never raised this issue in writing with her that the agreement was subject to the approval of the policy. As from July 2017 the applicant made attempts to understand as to why she was not paid and part of that she approached Ms de Beer. There is no evidence that Ms de Beer ever raised this condition with her. This only transpired when the applicant was insisting to meet the municipal manager that this condition was raised.
30. If, such a condition ever existed, why the applicant would raise this issue sharply after first month of non-payment. For the above reasons the only logical conclusion is that the condition was not communicated to the applicant although she might have kept it in her mind that the payment was linked to the approval of the policy. The only reason she did not disclose this condition to her is because she knew that the applicant might have declined to perform those duties. This would have created an operational nightmare for the respondent.
31. The applicant's evidence that she was the only perform who could perform these function re-enforces the rationale behind not disclosing this important information. Having considered the evidence before me I find on balance of probabilities that the respondent never communicated to the applicant that the payment was subject to a condition to be met. The respondent does not deny that the applicant should pay because she had rendered the services she was contracted to perform. Having considered the

above evidence and my analysis I find on balance of probabilities that the applicant has indeed discharged the onus that the respondent was involved in an unfair conduct.

32. Although there was an agreement between parties regulating this matter but they never agreed to a formula to be used to calculate what would be due to the applicant or there was not quantification of an amount to be due to her. Throughout these proceedings the applicant admitted that she was not acting in the position instead she performed certain duties which were added into her workload. I do not believe it will be legally correct to use the formula from the main collective agreement because such would unfairly benefit the applicant.
33. It is trite law an employer cannot use the Public Finance Management Act to deprive the payment to an employee if an employee is entitled to receive such. In **Western Cape Gambling & Racing Board v CCMA and Others (2015) 31 (LC)** *It was also held that the ex lege rights of Public Sector to fair practices are not limited by the employer's obligations in terms of the PFMA, nor is it a defense to place reliance on the PFMA for violating constitutionally entrenched rights of employees*". I need to balance the interests of both parties by submitting a value judgment. Because it is not known or quantified as to what is due to her the only solution in this quagmire is to award a *solatium* to the applicant.
34. In terms of section 193 of the Labour Relations Act I am empowered to award compensation as a *solatium*. In deciding the amount I have taken into account the unfairness, the relationship between the parties and the fact that there is no policy that regulates the dispute. Under the circumstances I consider to be just and equitable to award the applicant an amount of R22,000.00[twenty two thousand rand] which is equivalent to one month salary

**AWARD**

1. I find that the respondent was involved in an act of unfair labour practice for failing to pay the applicant an acting allowance for the period 1 July 2017 to 29 February 2018.
2. The respondent, Stellenbosch Local Municipality, is ordered to pay the applicant, Ms Thato Rubusha, an amount of R22, 000.00 [twenty thousand rand] on 16 February 2018.

A handwritten signature in black ink, appearing to be 'Thuthuzela Ndzombane', enclosed within a hand-drawn oval border.

Panellist/s: Thuthuzela Ndzombane  
Sector: Local Government

# **APPENDIX 2**



**STELLENBOSCH**  
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**TO : SPEAKER**  
**FROM : MUNICIPAL MANAGER**  
**DATE : 21 JANUARY 2020**  
**RE : R 22 000 FINANCIAL RISK IN THE MATTER BETWEEN STELLENBOSCH MUNICIPALITY AND MS T RUBUSHA**

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Dear Speaker

With reference to the question received from the EFF Councillor Horsband, submitted in terms of Section 21 of the Rules of Order Regulating the Conduct of Council and Council Committee Meetings, received by my office on 14 January 2020.

**QUESTION 1:**

- i. "What is the jurisdiction for administration butting the Municipality at a R22 000 financial risk in the matter between the Stellenbosch Municipality an Ms T Rubusha, when a ward of only R 22 000 was made to Ms T Rubusha?"

**RESPONSE**

The matter was taken on review because the Municipality is of the view that the arbitrator who made the award, made fundamental mistakes when making the award. The amount attached to the award and the possible legal costs for setting it aside can never be the only reason why an arbitration is taken on review. If the award is allowed to stand as is, it may lead to other employees claiming payment on the basis of this incorrect award, leading to more disputes and court action with more legal cost. If the Municipality is aware of fundamental flaws in court cases it needs to address such matters through review processes and not just pay the award.

Kind regards

**Geraldine Mettler**  
**Municipal Manager**



14.2	<b>QUESTION BY COUNCILLOR LK HORSBAND (MS): IDAS VALLEY COMMUNITY: ASLA</b>
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A Notice of a Question, dated 2020-01-14, was received from Councillor LK Horsband (Ms) regarding Idas Valley Community: ASLA.

The said Question is attached as **APPENDIX 1** and the appropriate response as **APPENDIX 2**.

**FOR CONSIDERATION**

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler (Ms)
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Office of the Municipal Manager</i>
<b>CONTACT NUMBERS</b>	021 808-8025
<b>E-MAIL ADDRESS</b>	<i>Municipal.Manager@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	2020-01-29

# **APPENDIX 1**

# **APPENDIX 1**



14 January 2020  
The Speaker  
Stellenbosch Municipal Council  
Plein Street  
STELLENBOSCH  
7600  
Attention : Clr N Jindela

Dear Speaker

**RE NOTICE OF QUESTIONS TO SERVE AT THE NEXT COUNCIL MEETING SCHEDULED FOR 29 JANUARY 2020**

**QUESTION NO 1**

What is the justification for the administration butting the municipality at a R200 000 financial risk in the matter between the Stellenbosch municipality an Ms T Rubusha , when a ward of only R22 000 was made to Ms T Rubusha?

**MOTIVATION**

On 7 November 2018 the SALGBC made an arbitration award of R22 000 regarding the Dispute : Case No WCP121702 ( See attached copy). In the Draft AFS posted on the National treasury website it's indicted that the municipality is exposed to a R200 000 financial risk is this matter. National treasury circular no 82 also caution the municipalities in contain cost in unnecessary labour matters. Here the officials decided to spend way in excess of R22 000 which is the award made.

**QUESTION NO 2**

To how many members of the Idasvalley community did ASLA sell the 89 houses that marketed in 2019? total.

**MOTIVATION**

ASLA only act as the implementing agenda for the Stellenbosch municipality in the Idasvalley housing project. This is not a private development of ASLA . Council resolved that preference must be given to the community of Idasvalley why ASLA sell the houses. Council also resolve to give big subsidy in the costs associated to the erf prices and services of the erwen ( See attached cost of erfs and services ) . This subsidy Council resolved on so as to benefit the community of Idasvalley so as to make the houses affordable. Thus Council has the right to know how ASLA as the implementation agent has implemented the Council resolutions.

Clr L Horsband



# **APPENDIX 2**



**STELLENBOSCH**  
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**TO : SPEAKER**  
**FROM : MUNICIPAL MANAGER**  
**DATE : 20 JANUARY 2020**  
**RE : EFF RESPONSE: MARKETING OF 89 HOUSES**

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Dear Speaker

With reference to the question received from the EFF, submitted in terms of Section 21 of the Rules of Order Regulating the Conduct of Council and Council Committee Meetings, received by my office on 14 January 2020.

**QUESTION 2:**

- i. "To how many members of the Idasvalley community did ASLA sell the 89 houses that marketed in 2019? total."

**RESPONSE**

The 89 houses in the Idas Valley housing project was marketed during the last quarter of the 2019 financial year by the municipality. The houses were not sold to the community due to the fact that it is Breaking New Ground (BNG) houses and funding is provided by the Provincial Department of Human Settlements.

A beneficiary selection criteria item will be presented to Council for approval during the January 2020, Council meeting for consideration. Thereafter the administration will be able to finalise the allocation of the 89 potential beneficiaries.

It is imperative to note that no allocation of the 89 BNG houses were determined to date.

Kind regards

**Geraldine Mettler**  
**Municipal Manager**

14.3	<b>QUESTION BY COUNCILLOR F ADAMS: PROJECT TO UPGRADE THE MUNICIPAL FLATS IN LONG AND KLOOF STREETS</b>
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A Notice of a Question, dated 2020-01-14, was received from Councillor F Adams regarding project to upgrade the municipal flats in Long and Kloof Streets.

The said Question is attached as **APPENDIX 1** and the appropriate response as **APPENDIX 2**.

**FOR CONSIDERATION**

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler (Ms)
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Office of the Municipal Manager</i>
<b>CONTACT NUMBERS</b>	021 808-8025
<b>E-MAIL ADDRESS</b>	<i>Municipal.Manager@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	2020-01-29

# APPENDIX 1



# **APPENDIX 1**



CONTACT: [qackcity2010@yahoo.com](mailto:qackcity2010@yahoo.com)  
P.O BOX 12445  
DIE BOORD  
7613

Democratic New Civic Association

13 January 2020

For attention : The Speaker

Stellenbosch Municipality



**Re: Question.**

I hereby submit the following question to serve at the January 2020 Council meeting.

**Motivation/background**

1. I refer Council to the project to upgrade the municipal flats in long and kloof streets.
2. I visited the residents in December 2019 and came across very unhappy tenants who are not happy with the quality of workmanship and other matters
3. Apparently there is also a delay with the progress and it causes much inconvenience to the affected tenants.

**Question:**

What were the initial cost for the project and timeframe for completion and what is the current status w.r.t the finances and completion of the project?

I request the Ward Councillor to answer this in writing.

Clr. Franklin Adams

A handwritten signature in black ink, appearing to read 'Franklin Adams', written over a horizontal line.

**"Aluta Continua"**



# **APPENDIX 2**



**STELLENBOSCH**

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**INTERNAL MEMORANDUM**

**TO:           SPEAKER**

**FROM:       ACTING MUNICIPAL MANAGER**

**DATE:       24 JANUARY 2020**

**RE    :       UPGRADING OF MUNICIPAL FLATS AT LONG- AND KLOOF STREET**

---

Dear Speaker

With reference to the question received from the DNCA Councillor F Adams submitted in terms of Section 21 of the Rules of Order Regulating the Conduct of Council and Council Committee Meetings, received by my office on 15 January 2020.

**QUESTION:**

***“What were the initial cost for the project and timeframe or completion and what is the current status w.r.t. the finances and completion of the project?”***

**RESPONSE:**

The project is on the approved budget – multiyear – from 2018/19, 2019/20 and 2020/21. Processes has been put in place in September 2019 already to address the unhappiness of the residents, by requiring that residents now sign off on the work done before they move back into the flat. This is what is causing some delays as payment is only made on completion of work that a resident has signed off on, but we are confident that the project will be completed within the budget period.

Kind regards

**MS ANNALENE DE BEER**  
**ACTING MUNICIPAL MANAGER**

14.4	<b>QUESTION BY COUNCILLOR F ADAMS: REPLACEMENT OF CLLR F ADAMS TO COUNCIL IN JULY 2019</b>
------	--

A Notice of a Question, dated 2020-01-14, was received from Councillor F Adams regarding replacement of Cllr F Adams to Council in July 2019.

The said Question is attached as **APPENDIX 1** and the appropriate response as **APPENDIX 2**.

**FOR CONSIDERATION**

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler (Ms)
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Office of the Municipal Manager</i>
<b>CONTACT NUMBERS</b>	021 808-8025
<b>E-MAIL ADDRESS</b>	<i>Municipal.Manager@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	2020-01-29

# APPENDIX 1



CONTACT: [oackcity2010@yahoo.com](mailto:oackcity2010@yahoo.com)  
 P.O BOX 12445  
 DIE BOORD  
 7613

Democratic New Civic Association

“Without Prejudice”

27 December 2020

For attention : The Speaker

Stellenbosch Municipality



**Re: Question.**

I hereby submit the following question to serve at the January 2020 Council meeting.

**Motivation/background**

1. I refer Council to the Cape High Court matter in March 2020 brought by MEC Anton Bredell.
2. This is w.r.t the replacement of Clr. Franklin Adams to Council in July 2019 and the Municipality was added as the fourth respondent.

**Question:**

Can you advice if the Municipality is going to respond to this matter and if no, can you please provide reasons?

I request the Mayor to answer this in writing.

A handwritten signature in black ink, appearing to be 'Franklin Adams', written over a horizontal line.

Clr. Franklin Adams



*“Aluta Continua”*

# **APPENDIX 2**





**STELLENBOSCH**  
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MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

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**TO : SPEAKER**  
**FROM : EXECUTIVE MAYOR**  
**DATE : 21 JANUARY 2020**  
**RE : REPLACEMENT OF CLLR. F ADAMS**

---

Dear Speaker

With reference to the question received from the DNCA Councillor Adams, submitted in terms of Section 21 of the Rules of Order Regulating the Conduct of Council and Council Committee Meetings, received by my office on 14 January 2020.

**QUESTION 1:**

- i. "Can you advise if the Municipality is going to respond to this matter and if no, can you please provide reasons?"

**RESPONSE**

This matter is "sub-judice" and it is inappropriate to respond to questions through this process.

Kind regards.

**EXECUTIVE MAYOR**

14.5	<b>QUESTION BY COUNCILLOR DA HENDRICKSE: AWARD OF TENDER: SOEKMEKAAR HOUSING PROJECT</b>
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A Notice of a Question, dated 2020-01-14, was received from Councillor DA Hendrickse regarding the Award of Tender: Soekmekaar Housing Project.

The said Question is attached as **APPENDIX 1** and the appropriate response as **APPENDIX 2**.

**FOR CONSIDERATION**

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler (Ms)
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Office of the Municipal Manager</i>
<b>CONTACT NUMBERS</b>	021 808-8025
<b>E-MAIL ADDRESS</b>	<i>Municipal.Manager@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	2020-01-29

# APPENDIX 1



14 January 2020  
The Speaker  
Stellenbosch Municipal Council  
Plein Street  
STELLENBOSCH  
7600  
Attention : Clr N Jindela

Dear Speaker

**RE NOTICE OF QUESTIONS TO SERVE AT THE 29 JANUARY 2020 COUNCIL MEETING**

**QUESTION NO 1**

To which contractor ( By Name ) did the municipality award the Soekmekaar Housing project to?

**MOTIVATION**

In December 2019 the Democratic Alliance (DA) distributed their Stellenbosch constituency newsletter. This DA Newsletter got distributed with the Eikestad newspaper, and in this DA newsletter the DA stated that under the DA controlled municipality the tender was awarded for the big Soekmekaar housing project.( See attached copy of DA news letter). In This regard I could no record that any tender was awarded in 2019 by the municipality for the Soekmekaar Housing project.

**QUESTION NO 2**

Until what date has the national minister approved the Mr D Louw can be appointed beyond hi retirement age?

**MOTIVATION**

I could find no record of any item that served before Council on this matter as stated by the Municipal manager and my previous email on this matter was ignored. The Council resolved to apply for an extension on Mr D Louw employment contract and as such Council has the right to know what the minister approved.

Clr DA Hendrickse



# STELLENBOSCH

## Constituency

### Newsletter 2019



#### From the Mayor's Office



*Executive Mayor Adv. Gesie van Deventer*

Ek is ongelooflik trots op alles wat ons in 2019 vermag het. Ek noem vir u 'n paar van my gunsteling projekte.

Ten opsigte van behuising het ons groot vordering gemaak met die oordra van ons behuisingslys na die nuwe behuisingsaanvraagdatabasis. In samewerking met inwoners word al die data in die databasis opgedateer. Ons nuwe behuisingstoepassing maak dit makliker om op die behuisingsdatabasis te registreer.

Property ownership is very important because it provides security to residents. Since August 2016, we have handed out 530 historical title deeds (part of a backlog we're working to clear) and 890 title deeds for new projects.

Behuisingsprojekte vorder fluks. In Idavallei is vir die eerste keer in 3 dekades gebou. Die tender vir die groot Soekmekaar projek in Cloeteville is toegeken. Die O Zone in Kayamandi het 'n aanvang geneem. Die eens haglike Mandela City informele gebied is omskep in oulike tydelike eenhede. Die finale kontrakte vir die Longlandsprojek, wat sedert 2009 sloer, is ook geteken.

Klappmuts received a satellite fire station and a beautiful multi-purpose centre. Franschhoek's informal trading spaces have been completed and the market in Ida's Valley is already in use. The new hydraulic ladder platform fire truck has also arrived.

Our work since our election has seen the foundations for positive change put in place. With the support of our caucus and leadership, we will make an even greater impact in the run-up to the 2021 elections and show what a difference a DA government makes.

*Executive Mayor Gesie van Deventer*

#### Notes from Parliament



*Dr Leon Schreiber, MP*

The past year was a momentous one for the DA. We fought a hard election campaign and, with your valued support, obtained 63% of the vote in Stellenbosch during the May election. However, on a national level, our party faced significant headwinds. Inspired by the continued trust and support that the people of Stellenbosch placed in the DA, we confronted our challenges head on instead of hiding from them. This culminated in the adoption of a review report that contained recommendations on how we can take the party to the next level.

In teenstelling met wat U dalk in die media gelees of gehoor het, is ek verheug oor die pad wat die DA tans loop. Ek glo U kan trots wees om 'n party te ondersteun wat onwrikbaar verbind is tot ware aanspreeklikheid. Deur middel van die hersieningsproses, het die lede van die DA onself en ons leers waarlik aanspreeklik gehou. Alhoewel dit nie altyd maklik was nie, is die party vandag sterker as ooit omdat ons nie wegsgram van aanspreeklikheid nie.

As part of our unshakable commitment to growing ever greater prosperity for the people of Stellenbosch, the DA will hold a policy conference in April 2020, followed by a leadership election and congress in May. We ask that you join hands with us in this process of renewal as we reaffirm our commitment to our guiding values and principles. The end result will be a DA that is stronger and more focused than ever, which will translate into even better service delivery and greater prosperity for all the people of Stellenbosch.

I thank you for your valued support in 2019. Ek sien uit na die nuwe jaar, waar ons tesame verder sal bou aan 'n welvarende Stellenbosch.

*Leon Schreiber MP*

# Just Some of Our Successes



*Exercising is fun for all age groups at the new open-air gym in Jamestown's Festival Park.*



*Victoria Street was beautified with 12 large flower pots. Community members assisted with the planting.*



*The new community market in Ida's Valley is already being used by local entrepreneurs.*



*Municipal flats in Cloetesville are being upgraded into bright and airy homes.*



*Residents are much safer after a fire station was opened in Klipmuts, which also boasts a new community centre.*



*What was a derelict open space in Kayamandi is now a clean and safe minibus taxi interchange.*



*Streets were paved in Wemmershoek thus putting an end to dust clouds in summer and mud pools in winter.*



*Children in Ida's Valley can safely play in Gratitude Park.*

# ... and We're Working on More!



*New road markings and signage improves traffic flow at the Piet Retief and Paul Roos Street intersection.*



*Residents of La Motte Bosbou now have a greatly improved community hall in the heart of their community.*



*Beautiful flowers in the CBD lift the spirits of residents and visitors alike.*



*A new hydraulic platform fire truck means residents in high-rise buildings are safer than ever.*



*The Raithby Park has been upgraded with the addition of a play park for children.*



*Traffic calming measures have been implemented and sidewalks upgraded in residential areas.*



*Several neighbourhood watches were supplied with assistance to register, bins, radios and other equipment.*



*Neighbourhood parks are safer and more accessible after the installation of lighting.*





*The narrow and increasingly busy Devon Valley Road underwent some much-needed upgrades.*



*A Temporary Relocation Area (TRA) has been completed, allowing residents to be housed while their areas are upgraded.*

## DA-led Stellenbosch Leads the Way on Security

Creating a safe and secure Stellenbosch is one of the DA's most urgent priorities. While it remains true that the South African Police Service is controlled by the national government, the DA is determined to do all that we can to create safe streets for our residents. In fact, DA-led Stellenbosch is likely the most proactive municipality in the country when it comes to keeping you safe.

Dit is waarom elke toegangsroute in die munisipaliteit 24/7 gemoniteer word deur "License Plate Recognition" (LPR) kameras. Die R8,2 miljoen wat ons oor die afgelope twee boekjare aan die LPR kameras bestee het, beteken dat ons enige voertuig wat ons munisipale gebied betree kan identifiseer om uit te vind of die voertuig met enige misdaad verbind word. Deur middel van die innoverende Stellenbosch Safety Initiative (SSI) word hierdie inligting dadelik deurgegee aan die polisie, munisipale wetstoepassers en privaat sekuriteitsmaatskappye.

To improve the effectiveness of the SSI, we are currently constructing a state-of-the-art control room that will bring all of our safety partners, as well as CCTV feeds and LPR camera feeds, together in one building. Our plan is to open the ultramodern operational centre in May 2020.

Met beter koördinasie as ooit vantevore, gaan ons ook 'n splinternuwe "ghost squad" stig om verdagtes vinniger as ooit vas te trek. Ons werk tans ook aan innoverende nuwe beleid wat privaat besighede in staat sal stel om



*By May 2020 camera feeds from all our safety partners as well as CCTV and LPR camera feeds will be monitored from our state-of-the-art operational centre.*

wetstoepassers te help befonds terwyl ons ook beplan om honderde nuwe reserviste op te lei om ons gemeenskappe veilig te maak. Ons het ook aan ons wetstoepassers bykomende magte gegee om boetes uit te reik, en beplan om binnekort ons beleid aan te pas sodat wetstoepassers 24 per dag aan diens sal wees.

While the epidemic of crime is a national crisis, the DA in Stellenbosch is committed to play our part wherever we can to make you safe. With your continued support, we are determined to push back the wave of lawlessness and crime to create a safe, healthy and prosperous community.

## Donate to the DA

Download the Zapper App and sign up  
Link your South African credit card  
Scan the code & donate to DA Stellenbosch



**zapper**<sup>™</sup>

Thank you  
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# **APPENDIX 2**



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK  
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

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**TO : SPEAKER**  
**FROM : EXECUTIVE MAYOR**  
**DATE : 21 JANUARY 2020**  
**RE : AWARDING OF TENDER**

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Dear Speaker

With reference to the question received from the EFF Councillor Hendrickse, submitted in terms of Section 21 of the Rules of Order Regulating the Conduct of Council and Council Committee Meetings, received by my office on 14 January 2020.

**QUESTION 1:**

- i. "To which contractor (by name) did the municipality award the Soekmekaar Housing project to?"

**RESPONSE**

The contract has not been awarded yet. A correction was drafted and is published in the January 2020 municipal newsletter.

Kind regards.

**EXECUTIVE MAYOR**

14.6	<b>QUESTION BY COUNCILLOR DA HENDRICKSE: APPOINTMENT OF MR D LOUW</b>
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A Notice of a Question, dated 2020-01-14, was received from Councillor DA Hendrickse regarding the appointment of Mr D Louw.

The said Question is attached as **APPENDIX 1** and the appropriate response as **APPENDIX 2**.

**FOR CONSIDERATION**

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler (Ms)
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Office of the Municipal Manager</i>
<b>CONTACT NUMBERS</b>	<i>021 808-8025</i>
<b>E-MAIL ADDRESS</b>	<i><u>Municipal.Manager@stellenbosch.gov.za</u></i>
<b>REPORT DATE</b>	<i>2020-01-29</i>

# APPENDIX 1



14 January 2020  
The Speaker  
Stellenbosch Municipal Council  
Plein Street  
STELLENBOSCH  
7600  
Attention : Clr N Jindela

Dear Speaker

**RE NOTICE OF QUESTIONS TO SERVE AT THE 29 JANUARY 2020 COUNCIL MEETING**

**QUESTION NO 1**

To which contractor ( By Name ) did the municipality award the Soekmekaar Housing project to?

**MOTIVATION**

In December 2019 the Democratic Alliance (DA) distributed their Stellenbosch constituency newsletter. This DA Newsletter got distributed with the Eikestad newspaper, and in this DA newsletter the DA stated that under the DA controlled municipality the tender was awarded for the big Soekmekaar housing project.( See attached copy of DA news letter). In This regard I could no record that any tender was awarded in 2019 by the municipality for the Soekmekaar Housing project.

**QUESTION NO 2**

Until what date has the national minister approved the Mr D Louw can be appointed beyond hi retirement age?

**MOTIVATION**

I could find no record of any item that served before Council on this matter as stated by the Municipal manager and my previous email on this matter was ignored. The Council resolved to apply for an extension on Mr D Louw employment contract and as such Council has the right to know what the minister approved.

Clr DA Hendrickse



# **APPENDIX 2**



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**TO : SPEAKER**  
**FROM : MUNICIPAL MANAGER**  
**DATE : 20 JANUARY 2020**  
**RE : APPOINTMENT OF MR D LOUW**

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Dear Speaker

With reference to the question received from the EFF Councillor DA Hendrickse, submitted in terms of Section 21 of the Rules of Order Regulating the Conduct of Council and Council Committee Meetings, received by my office on 14 January 2020.

**QUESTION 2:**

- i. "Until what date has the national minister approved that Mr D Louw can be appointed beyond his retirement age?"

**RESPONSE**

Council was notified of the extension of contract for Mr D Louw at the 15<sup>th</sup> Council meeting on 24 January 2019. **Item number 14.4.**

Kind regards

  
\_\_\_\_\_  
**Geraldine Mettler**  
**Municipal Manager**

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15.	CONSIDERATION OF URGENT MOTIONS
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16.	URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER
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17.	REPORTS SUBMITTED BY THE SPEAKER
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NONE

18.	REPORTS SUBMITTED BY THE EXECUTIVE MAYOR
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NONE

19.	MATTERS TO BE CONSIDERED IN-COMMITTEE
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(Pink documentation will be distributed in due course).

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***THE AGENDA HAS BEEN DISCUSSED WITH THE SPEAKER, CLLR N JINDELA AND HE AGREES WITH THE CONTENT.***

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